

Evergreen Products Group Limited

訓修實業集團有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1962

2026

INTERIM REPORT

CONTENTS

Corporate Information	2
Management Discussion and Analysis	4
Corporate Governance and Other Information	13
Report on Review of Interim Financial Information	22
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	23
Condensed Consolidated Statement of Financial Position	25
Condensed Consolidated Statement of Changes in Equity	27
Condensed Consolidated Statement of Cash Flows	28
Notes to the Condensed Consolidated Interim Financial Statements	29

Corporate Information

DIRECTORS

EXECUTIVE DIRECTORS

Mr. Chang Yoe Chong Felix
(Chairman and Chief Executive Officer)
Mr. Chan Kwok Keung
Ms. Jia Ziying
Mr. Li Yanbo
Ms. Wong So Ying
(appointed with effect from 1 August 2026)

NON-EXECUTIVE DIRECTOR

Mr. Chan Lau Yui Kevin

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Sin Hendrick *M.H.*
(retired with effect from 15 May 2026)
Mr. Szeto Yuk Ting
(retired with effect from 15 May 2026)
Ir. Cheung Siu Wa
Mr. Tseung Yuk Hei Kenneth
(appointed with effect from 15 May 2026)
Mr. Cheng Man Tak Richard
(appointed with effect from 15 May 2026)

COMPANY SECRETARY

Mr. Siu Ching Hung (ACG, HKACG)

AUTHORIZED REPRESENTATIVES

Mr. Chan Kwok Keung
Mr. Siu Ching Hung (ACG, HKACG)

AUDIT COMMITTEE

Mr. Sin Hendrick *M.H.* (Chairman)
(retired with effect from 15 May 2026)
Mr. Tseung Yuk Hei Kenneth (Chairman)
(appointed with effect from 15 May 2026)
Mr. Szeto Yuk Ting
(retired with effect from 15 May 2026)
Ir. Cheung Siu Wa
Mr. Cheng Man Tak Richard
(appointed with effect from 15 May 2026)

REMUNERATION COMMITTEE

Mr. Szeto Yuk Ting (Chairman)
(retired with effect from 15 May 2026)
Mr. Cheng Man Tak Richard (Chairman)
(appointed with effect from 15 May 2026)
Mr. Chang Yoe Chong Felix
Mr. Sin Hendrick *M.H.*
(retired with effect from 15 May 2026)
Ir. Cheung Siu Wa
Mr. Tseung Yuk Hei Kenneth
(appointed with effect from 15 May 2026)

NOMINATION COMMITTEE

Mr. Chang Yoe Chong Felix (Chairman)
Ms. Jia Ziying
Mr. Sin Hendrick *M.H.*
(retired with effect from 15 May 2026)
Mr. Szeto Yuk Ting
(retired with effect from 15 May 2026)
Ir. Cheung Siu Wa
Mr. Tseung Yuk Hei Kenneth
(appointed with effect from 15 May 2026)
Mr. Cheng Man Tak Richard
(appointed with effect from 15 May 2026)

Corporate Information

AUDITOR

Forvis Mazars CPA Limited
Registered Public Interest Entity Auditors

PRINCIPAL BANKS

Bank of China (Hong Kong) Limited
The Hongkong and Shanghai Banking
Corporation Limited
Fubon Bank (Hong Kong) Limited

HONG KONG LEGAL ADVISER

Woo Kwan Lee & Lo

REGISTERED OFFICE

P.O. Box 472, Harbour Place, 2nd Floor
North Wing, 103 South Church Street
George Town, Grand Cayman KY1-1106
Cayman Islands

PRINCIPAL PLACE OF BUSINESS AND HEAD OFFICE IN HONG KONG

11th Floor, Chiap Luen Industrial Building
30–32 Kung Yip Street
Kwai Chung, New Territories
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

International Corporation Services Ltd.
P.O. Box 472, Harbour Place, 2nd Floor
North Wing, 103 South Church Street
George Town, Grand Cayman KY1-1106
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

PLACE OF LISTING

The Stock Exchange of Hong Kong Limited
(stock code: 1962)

COMPANY WEBSITE

www.epfhk.com

Management Discussion and Analysis

The board (the “**Board**”) of directors (the “**Directors**”) of Evergreen Products Group Limited (the “**Company**”) is pleased to present the unaudited consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2026 (the “**Period**”), together with the comparative figures for the corresponding period in 2025.

BUSINESS REVIEW

While global trade growth decelerated due to tariff uncertainties and escalating geopolitical tensions, the global wig market maintained its upward momentum, underpinned by resilient consumer demand during the Period.

Capitalizing on this industry-wide structural expansion, the Group's customers sustained their business growth year-on-year, demonstrating the Group's strong agility in adapting to evolving consumer preferences.

The revenue of the Group amounted to HK\$578.2 million for the Period, representing an increase of approximately 24.2% as compared to the corresponding period in 2025. The sales of wigs and braid products with lower margin registered robust growth, while the sales of human hair extension products with higher margin delivered a steady rebound. The gross profit margin for the Period softened to 23.5% as compared with 24.2% for the corresponding period of 2025, primarily attributable to higher labour costs incurred to fulfill the surging sales orders. Net profit margin for the Period slightly increased to 4.3% from 4.0% in the corresponding period of 2025, largely reflecting the growth in revenue, alongside a decline in tax expenses.

OUTLOOK

To navigate ongoing uncertainties in global trade policies, the Group has remained committed to its growth strategies while closely monitoring market shifts and operating conditions to proactively mitigate potential risks to the Group.

The Group will intensify operational efficiency initiatives to enhance financial performance. Key growth drivers include expanding our digital footprint by establishing more online stores on major cross-border e-commerce platforms, and scaling up the core sales team to capture both existing and untapped markets. Amid a complex trade landscape, the Board maintains full confidence in the Group's resilience, expecting strong order demand for our core products toward the end of the year. Moving forward, we remain dedicated to our core business, adapting our mid-to-long-term strategies to maximize shareholder value.

FINANCIAL REVIEW

During the Period, the Group's financial results improved compared to the corresponding period in 2025. This growth was primarily driven by a rise in revenue, as the global wig market maintained its upward momentum underpinned by resilient consumer demand, successfully defying the broader deceleration in global trade caused by tariff uncertainties and escalating geopolitical tensions.

Management Discussion and Analysis

REVENUE

Revenue of the Group is mainly generated from the manufacturing and sales of its products. Revenue represents the amount received by the Group and the receivables from the sales of its products, net of any discounts and returns. The Group derives revenue from three principal product segments: (i) wigs, hair accessories and others; (ii) high-end human hair extensions (that is, human hair goods used for adding hair length and/or hair volume with an average retail price of over US\$5 per gram); and (iii) Halloween products.

During the Period, the Group's revenue amounted to HK\$578.2 million, representing an increase of HK\$112.5 million, or 24.2%, as compared to HK\$465.7 million for the corresponding period in 2025. The increase was primarily due to the fact that the market demand of the wigs and braid products with lower margin registered robust growth while the sales of human hair extension products with higher margin delivered a steady rebound. During the Period, the revenue generated from hair goods made at the Bangladesh factory accounted for 98.3% of the Group's total revenue as compared to 99.2% for the corresponding period in 2025.

The United States (the “**US**”) remained as the Group's principal market during the Period with revenue contribution accounting for 85.6% of the Group's total revenue during the Period as compared to 90.5% for the corresponding period in 2025. In terms of product segment, wigs, hair accessories and others remained as the Group's key product segment accounting for 89.7% of its total revenue during the Period as compared to 90.9% for the corresponding period in 2025.

Wigs, hair accessories and others. Revenue from wigs, hair accessories and others increased by HK\$95.6 million, or 22.6%, from HK\$423.3 million for the six months ended 30 June 2025 to HK\$518.9 million for the Period. The increase was mainly attributable to the growth in sales of wig and braid items.

High-end human hair extensions. Revenue from high-end human hair extensions increased by HK\$14.7 million, or 67.7%, from HK\$21.8 million for the six months ended 30 June 2025 to HK\$36.5 million for the Period. The improvement was driven primarily by the progressive recovery in customer sales demand.

Halloween products. Revenue from Halloween products increased by HK\$2.2 million, or 10.5%, from HK\$20.6 million for the six months ended 30 June 2025 to HK\$22.8 million for the Period, primarily attributable to steady sales volume from customers.

Management Discussion and Analysis

COST OF GOODS SOLD

The Group's cost of goods sold increased by HK\$89.5 million, or 25.4%, from HK\$353.0 million for the six months ended 30 June 2025 to HK\$442.5 million for the Period. The increase was in line with the increase in revenue during the Period.

Wigs, hair accessories and others. Cost of goods sold for wigs, hair accessories and others increased by HK\$76.4 million, or 23.5%, from HK\$325.8 million for the six months ended 30 June 2025 to HK\$402.2 million for the Period. The increase was in line with the increase in revenue from wigs, hair accessories and others during the Period.

High-end human hair extensions. Cost of goods sold for high-end human hair extensions increased by HK\$10.6 million, or 75.0%, from HK\$14.1 million for the six months ended 30 June 2025 to HK\$24.7 million for the Period. The increase was in line with the increase in revenue from high-end human hair extensions products during the Period.

Halloween products. Cost of goods sold for Halloween products increased by HK\$2.5 million, or 19.3%, from HK\$13.1 million for the six months ended 30 June 2025 to HK\$15.6 million for the Period. The increase was in line with the increase in revenue from Halloween products during the Period.

GROSS PROFIT

During the Period, the Group's gross profit amounted to HK\$135.7 million, representing an increase of HK\$23.0 million, or 20.4%, as compared to HK\$112.7 million for the corresponding period in 2025. The gross profit increased primarily due to a rise in revenue for the Period, while the global wig market maintained its upward momentum underpinned by resilient consumer demand, successfully defying the broader deceleration in global trade caused by tariff uncertainties and escalating geopolitical tensions. During the Period, the Group's gross profit margin was 23.5%, representing a decrease of 0.7% from 24.2% for the corresponding period in 2025.

Wigs, hair accessories and others. Gross profit for wigs, hair accessories and others increased by HK\$19.2 million, or 19.7%, from HK\$97.5 million for the six months ended 30 June 2025 to HK\$116.7 million for the Period. Gross profit margin for wigs, hair accessories and others decreased from 23.0% for the six months ended 30 June 2025 to 22.5% for the Period, primarily due to an increase in total production overheads for the Period.

High-end human hair extensions. Gross profit for high-end human hair extensions increased by HK\$4.1 million, or 54.3%, from HK\$7.6 million for the six months ended 30 June 2025 to HK\$11.8 million for the Period. Gross profit margin for high-end human hair extensions decreased from 35.1% for the six months ended 30 June 2025 to 32.3% for the Period, primarily due to an increase in total production costs of human hair extension products during the Period.

Halloween products. Gross profit for Halloween products decreased by HK\$0.4 million, or 4.6%, from HK\$7.6 million for the six months ended 30 June 2025 to HK\$7.2 million for the Period. Gross profit margin for Halloween products decreased from 36.6% for the six months ended 30 June 2025 to 31.6% for the Period, primarily due to higher product costs of Halloween products during the Period.

Management Discussion and Analysis

OTHER INCOME

Other income decreased by HK\$0.8 million, or 22.8%, from HK\$3.7 million for the six months ended 30 June 2025 to HK\$2.9 million for the Period, primarily due to a decrease in the bank interest income during the Period.

OTHER (LOSSES) GAINS, NET

Other (losses) gains, net decreased by HK\$7.2 million, or 158.5%, from gains of HK\$4.5 million for the six months ended 30 June 2025 to losses of HK\$2.7 million for the Period. The other gains and losses primarily comprised HK\$0.2 million from the fair value gain on financial assets at fair value through profit or loss and HK\$4.2 million from distribution income arising from the fair value change of an investment fund, offset by a loss of HK\$6.7 million from foreign currency conversion during the Period.

IMPAIRMENT LOSSES RECOGNISED ON TRADE RECEIVABLES UNDER EXPECTED CREDIT LOSS MODEL, NET OF REVERSAL

During the Period, the Group provided an impairment allowance of HK\$0.1 million in respect of trade receivables (30 June 2025: Nil).

DISTRIBUTION AND SELLING EXPENSES

Distribution and selling expenses decreased by HK\$0.6 million, or 4.7%, from HK\$13.9 million for the six months ended 30 June 2025 to HK\$13.3 million for the Period, primarily due to a decrease in advertisement and commission expenses during the Period.

ADMINISTRATIVE EXPENSES

Administrative expenses increased by HK\$12.2 million, or 19.0%, from HK\$64.2 million for the six months ended 30 June 2025 to HK\$76.3 million for the Period, primarily due to an increase in salaries and staff benefit, business traveling and professional fees during the Period.

OTHER EXPENSES

Other expenses increased by HK\$0.5 million, or 140.3%, from HK\$0.4 million for the six months ended 30 June 2025 to HK\$0.9 million for the Period, primarily due to an increase in donations made during the Period.

FINANCE COSTS

Finance costs decreased by HK\$0.9 million, or 4.9%, from HK\$17.6 million for the six months ended 30 June 2025 to HK\$16.7 million during the Period, which was mainly due to a slowdown in interest rate.

Management Discussion and Analysis

TAXATION

Income tax expenses of the Group decreased by approximately HK\$2.1 million, or 34.0%, from taxation of HK\$6.2 million for the six months ended 30 June 2025 (including deferred taxation in the amount of HK\$1.5 million) to taxation of approximately HK\$4.1 million (deferred taxation in the amount of HK\$Nil) for the Period.

NET PROFIT

The Group's net profit for the Period was HK\$24.6 million, representing an increase of HK\$5.7 million, or 30.4%, as compared to HK\$18.8 million for the corresponding period in 2025, which was primarily attributable to the increase in revenue, as the global wig market maintained its upward momentum underpinned by resilient consumer demand, successfully defying the broader deceleration in global trade caused by tariff uncertainties and escalating geopolitical tensions and the decrease in tax expenses during the Period.

LIQUIDITY AND FINANCIAL RESOURCES

The Group's cash and bank balances increased by HK\$30.9 million or 31.4% from HK\$98.4 million as at 31 December 2025 to HK\$129.3 million as at 30 June 2026. The increase in cash and bank balances as at 30 June 2026 was primarily due to an increase in the bank borrowings during the Period. The Group's pledged bank deposits decreased by HK\$7.4 million or 12.4% from HK\$59.3 million as at 31 December 2025 to HK\$51.9 million as at 30 June 2026. The decrease in pledged bank deposits was mainly due to the repayment of bank borrowings during the Period.

The Group's trade and other receivables increased by HK\$10.9 million or 3.3% from HK\$335.2 million as at 31 December 2025 to HK\$346.1 million as at 30 June 2026. The increase was primarily due to the increase in the trade receivables resulting from the growth in sales shipments during the Period.

BORROWINGS AND GEARING RATIO

As at 30 June 2026, the total amount of the Group's borrowings amounted to HK\$672.9 million (31 December 2025: HK\$620.8 million), which comprised secured bank and other borrowings, lease liabilities, amount due to a related company, and amount due to a non-controlling shareholder of a subsidiary.

As at 30 June 2026, the Group's banking facilities amounted to HK\$1,023.6 million, of which HK\$256.3 million remained unutilised. The Group's bank and other borrowings are mainly denominated in Hong Kong dollars or United States dollars, of which HK\$574.3 million are repayable within one year, HK\$47.7 million are repayable within a period of more than one year but not exceeding two years, HK\$14.4 million are repayable within a period of more than two years but not exceeding five years, and HK\$6.1 million with maturity exceeding five years.

Management Discussion and Analysis

The Group's bank borrowings arranged at floating rates are with average effective interest rates ranging from 2.75% to 7.68% (31 December 2025: 3.25% to 8.20%) per annum. The bank borrowings arranged at a fixed rate bear interest rates ranging from 0.90% to 4.25% (31 December 2025: 0.90% to 4.25%) per annum.

The other borrowings carry interest at Hong Kong Interbank Offered Rate ("**HIBOR**") plus 1.5% (31 December 2025: HIBOR plus 1.5%) per annum.

The amount due to a related company is unsecured, interest bearing at HIBOR plus 3.5% and repayable on demand. The amount due to a non-controlling shareholder of a subsidiary is unsecured, interest-free and repayable on demand. As at 30 June 2026, the gearing ratio of the Group, which is equivalent to total interest-bearing debt (including secured bank borrowings and lease liabilities) divided by total equity, was 84.2% as compared to 77.2% as at 31 December 2025. The Group considered that it has sufficient financial resources to meet its commitments and working capital requirements.

CAPITAL EXPENDITURE AND CAPITAL COMMITMENTS

During the Period, the Group spent approximately HK\$34.1 million on additions to fixed assets as compared to HK\$16.6 million for the corresponding period in 2025, mainly for the purpose of maintaining its manufacturing capabilities in Bangladesh. As at 30 June 2026, the Group did not have any capital commitments in respect of property, plant and equipment (31 December 2025: HK\$2.6 million).

FOREIGN EXCHANGE RISK

The Group has sales and purchases denominated in foreign currencies, such as the United States dollars and Renminbi, which expose the Group to foreign currency risk. The Group mainly operates in the People's Republic of China ("**PRC**") and Bangladesh where its operating expenses are denominated in Renminbi and Bangladeshi Taka, respectively, while the majority of the Group's sales are settled in United States dollars. With United States dollars being the main foreign currency used in the operations in Bangladesh and Hong Kong, the use of United States dollars by the Group has remained substantial during the Period. However, the Board considers that the Group is exposed to minimal currency risk as Hong Kong dollars are pegged to United States dollars. The Group estimated that any 1% appreciation of Bangladeshi Taka or Renminbi is not expected to have a material impact on the Group's gross profit margin.

As at 30 June 2026, the Group did not have any outstanding foreign currency forward contracts to buy United States dollars to hedge against any fluctuation in the exchange rate of United States dollars (31 December 2025: nil).

Management Discussion and Analysis

CONTINGENT LIABILITIES

As at 30 June 2026, the Group did not have any material contingent liabilities (31 December 2025: nil).

PLEDGE OF ASSETS

As at 30 June 2026, the Group's banking facilities were secured by:

- (a) pledge of the Group's bank deposits of approximately HK\$42.2 million (31 December 2025: HK\$52.6 million);
- (b) the Group's land and buildings included in property, plant and equipment and the Group's car park located in Hong Kong included in investment properties of approximately HK\$48.3 million and HK\$1.0 million (31 December 2025: HK\$49.3 million and HK\$1.0 million), respectively;
- (c) the Group's land and buildings located in the USA and the PRC of approximately HK\$27.6 million (31 December 2025: HK\$27.2 million);
- (d) investment properties located in the PRC of approximately HK\$4.7 million (31 December 2025: HK\$4.9 million);
- (e) negative pledge on the assets of certain subsidiaries in the PRC and Bangladesh; and
- (f) certain life insurance contracts classified as financial assets at fair value through profit or loss of the Group of approximately HK\$32.8 million (2025: HK\$38.0 million).

As at 30 June 2026, the other borrowing was secured by the Group's bank deposits of approximately HK\$9.7 million (31 December 2025: HK\$6.7 million).

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2026, the Group employed a total of 38,668 employees, as compared to 23,692 employees as at 30 June 2025.

Total employee expenditures during the Period amounted to HK\$229.5 million as compared to HK\$184.2 million for the corresponding period in 2025. The Group's remuneration policy has remained unchanged since the date of the Company's annual report for the year ended 31 December 2025. The Group operates a defined contribution retirement scheme under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) for all qualified employees. Employees of the Group's factories in the PRC are members of a state-managed retirement benefit plan operated by the government of the PRC. For employees in Bangladesh, the Group is currently not subject to any compulsory social insurance contribution, but they are covered by a self-managed provident fund operated by respective subsidiaries of the Group in Bangladesh.

Management Discussion and Analysis

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in this interim report, (i) there were no significant investments held as at 30 June 2026, nor were there any material acquisitions or disposals of subsidiaries, associates and joint ventures during the Period; and (ii) no plans have been authorised by the Board for any material investments or additions of capital assets as at 30 June 2026.

IMPORTANT EVENTS AFFECTING THE GROUP SINCE 30 JUNE 2026

Save as disclosed in this interim report, there were no important events affecting the Group which occurred after 30 June 2026 and up to 31 August 2026, being the latest practicable date prior to the bulk printing and publication of this interim report (the “**Latest Practicable Date**”).

INTERIM DIVIDEND

The Board has declared the payment of an interim dividend of HK\$3.4 cents per ordinary share of the Company (the “**Share**”) for the Period (30 June 2025: declared an interim dividend of HK\$2.0 cents per Share), totalling approximately HK\$20.9 million based on the number of issued Shares (excluding repurchased Shares pending cancellation), being 616,136,000 Shares as at the Latest Practicable Date.

The interim dividend payout ratio is 85.3% for the Period (2025: interim dividend payout ratio: 67.6%).

The interim dividend will be payable on Wednesday, 23 September 2026 to the shareholders of the Company whose names appear on the register of members of the Company on Friday, 11 September 2026.

As at the Latest Practicable Date, the total number of issued Shares was 622,892,000, among which 6,756,000 Shares were repurchased Shares pending cancellation. Such repurchased Shares pending cancellation would not receive the Interim Dividend.

Management Discussion and Analysis

CLOSURE OF REGISTER OF MEMBERS

For determining shareholders' entitlement to the interim dividend, the register of members of the Company will be closed from Wednesday, 9 September 2026 to Friday, 11 September 2026, both days inclusive, during which period no transfer of Shares will be registered. In order to qualify for the interim dividend, all transfers of Shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Tuesday, 8 September 2026.

Corporate Governance and Other Information

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company is committed to maintaining a high standard of corporate governance practices. The Board believes that good corporate governance standards are essential in providing a framework for the Group to safeguard the interests of shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company has adopted the principles as set out in the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The Board is of the view that, the Company has complied with all code provisions as set out in the CG Code throughout the Period, save and except for code provision C.2.1, which states that the roles of chairman and chief executive should be separate and should not be performed by the same individual, details of which are set out below:

Pursuant to code provision C.2.1 of the CG Code, the responsibilities of the chairman and the chief executive officer should be separate and should not be performed by the same individual. However, Mr. Chang Yoe Chong Felix, an executive Director, currently performs these two roles in the Company. Given the current scale of the Company’s operations and management structure, the Company considers that entrusting Mr. Chang, who has been the Company’s key leadership figure chiefly responsible for the business strategy, decisions and operations, to perform both the functions of the chairman and the chief executive officer of the Company is appropriate. The Board believes that vesting the roles of both chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired considering the background and experience of the Directors and the number of independent non-executive Directors on the Board and this structure will enable the Company to make and implement decisions promptly and effectively.

COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its code of conduct regarding securities transactions by the Directors. All Directors have confirmed, following a specific enquiry by the Company, that they had complied with the required standards as set out in the Model Code throughout the Period.

Corporate Governance and Other Information

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES AND UNDERLYING SHARES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 June 2026, the interests or short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”)), which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she was taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein; or (c) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

(I) LONG POSITION IN THE SHARES OF THE COMPANY

Name of Director/chief executive	Capacity/nature of interest	Number of Shares	Approximate percentage of issued share capital of the Company ⁽⁷⁾
Mr. Chang Yoe Chong Felix	(i) Beneficiary of a trust/ Founder of a discretionary trust	343,369,803 ⁽¹⁾	54.67%
	(ii) Beneficial owner	15,790,000 ⁽²⁾	2.52%
Mr. Chan Kwok Keung	Beneficial owner	1,000,000 ⁽³⁾	0.16%
Ms. Jia Ziyang	(i) Beneficial owner	394,000 ⁽⁴⁾	0.06%
	(ii) Interest of spouse	100,000 ⁽⁶⁾	0.02%
Mr. Li Yanbo	(i) Beneficial owner	100,000 ⁽⁵⁾	0.02%
	(ii) Interest of spouse	394,000 ⁽⁶⁾	0.06%

Corporate Governance and Other Information

Notes:

- (1) These Shares are held directly by Evergreen Enterprise Holdings Limited ("**Evergreen Holdings**"), a direct wholly-owned subsidiary of Golden Evergreen Limited ("**Golden Evergreen**"). 49% and 51% of the issued share capital of Golden Evergreen are owned by FC Investment Worldwide Limited ("**FC Investment**") (a direct wholly-owned subsidiary of FC Management Limited ("**FC Management**") and CLC Investment Worldwide Limited ("**CLC Investment**") (a direct wholly-owned subsidiary of CLC Management Limited ("**CLC Management**")), respectively. FC Management is directly and wholly-owned by HSBC International Trustee Limited as the trustee of a discretionary trust established on 17 February 2010 by Mr. Chang Yoe Chong Felix as the settlor for the benefit of the late Mr. Chang Chih Lung (who passed away in March 2022), Mr. Chang Ka Wai Aidan and Mr. Chang Yoe Chong Felix's issue (the "**Felix Family Trust**"). CLC Management is directly and wholly-owned by HSBC International Trustee Limited as the trustee of a discretionary trust established on 9 July 2013 by the late Mr. Chang Chih Lung as the settlor for the benefit of Mr. Chang Yoe Chong Felix and his issue (the "**CLC Family Trust**"). Accordingly, the late Mr. Chang Chih Lung ceased to be interested in the Shares and Mr. Chang Yoe Chong Felix is deemed to be interested in the Shares which are indirectly held by HSBC International Trustee Limited under the SFO.
- (2) These Shares are beneficially owned by Mr. Chang Yoe Chong Felix.
- (3) These Shares were granted by the Company to Mr. Chan Kwok Keung on 16 January 2018 pursuant to a share award scheme of the Company which was adopted on 11 December 2017 and terminated on 30 November 2021 (the "**Share Award Scheme**").
- (4) These Shares were granted by the Company to Ms. Jia Ziying on 16 January 2018 pursuant to the Share Award Scheme.
- (5) These Shares were granted by the Company to Mr. Li Yanbo on 16 January 2018 pursuant to the Share Award Scheme.
- (6) Ms. Jia Ziying is the spouse of Mr. Li Yanbo. As such, Ms. Jia Ziying and Mr. Li Yanbo are deemed to be interested in the Shares held by each other.
- (7) Based on a total of 628,046,000 issued Shares as at 30 June 2026.

Corporate Governance and Other Information

(II) LONG POSITION IN THE SHARES OF THE ASSOCIATED CORPORATIONS OF THE COMPANY

Name of Director/ chief executive	Name of our associated corporations	Capacity/nature of interest	Number of shares interested	Approximate percentage of shareholding
Mr. Chang Yoe Chong Felix ⁽³⁾	Evergreen Holdings ⁽¹⁾	Beneficiary of a trust/ Founder of a discretionary trust	20,000	100%
Mr. Chang Yoe Chong Felix ⁽³⁾	Golden Evergreen ⁽¹⁾	Beneficiary of a trust/ Founder of a discretionary trust	100	100%
Mr. Chang Yoe Chong Felix ⁽³⁾	CLC Investment ⁽¹⁾	Beneficiary of a trust	2	100%
Mr. Chang Yoe Chong Felix ⁽³⁾	CLC Management ⁽¹⁾	Beneficiary of a trust	2	100%
Mr. Chang Yoe Chong Felix ⁽³⁾	Evergreen Group Limited ⁽²⁾	Beneficiary of a trust/ Founder of a discretionary trust	100,000,000	73.04%
Mr. Chang Yoe Chong Felix ⁽³⁾	Ventures Day Investments Limited ⁽²⁾	Beneficiary of a trust/ Founder of a discretionary trust	100	100%
Mr. Chang Yoe Chong Felix ⁽³⁾	Acemaster Ventures Limited ⁽²⁾	Beneficiary of a trust/ Founder of a discretionary trust	1	100%
Mr. Chang Yoe Chong Felix ⁽³⁾	Cowden Ventures Limited ⁽²⁾	Beneficiary of a trust/ Founder of a discretionary trust	1	100%

Corporate Governance and Other Information

Name of Director/ chief executive	Name of our associated corporations	Capacity/nature of interest	Number of shares interested	Approximate percentage of shareholding
Mr. Chang Yoe Chong Felix ⁽³⁾	Fast Track Ventures Limited ⁽²⁾	Beneficiary of a trust/ Founder of a discretionary trust	1	100%
Mr. Chang Yoe Chong Felix ⁽³⁾	Golden Image Ventures Limited ⁽²⁾	Beneficiary of a trust/ Founder of a discretionary trust	1	100%
Mr. Chang Yoe Chong Felix ⁽³⁾	Market Focus Ventures Limited ⁽²⁾	Beneficiary of a trust/ Founder of a discretionary trust	1	100%
Mr. Chang Yoe Chong Felix ⁽³⁾	Punchline Ventures Limited ⁽²⁾	Beneficiary of a trust/ Founder of a discretionary trust	1	100%
Mr. Chang Yoe Chong Felix ⁽³⁾	Smart Plus Ventures Limited ⁽²⁾	Beneficiary of a trust/ Founder of a discretionary trust	1	100%
Mr. Chang Yoe Chong Felix ⁽³⁾	Eastern Earnings (China) Company Limited ⁽⁴⁾	Beneficiary of a trust/ Founder of a discretionary trust	1,000,000	100%
Mr. Chang Yoe Chong Felix ⁽³⁾	Sunleaf Holdings Limited ⁽⁴⁾	Beneficiary of a trust/ Founder of a discretionary trust	7,000	70%
		Interest of controlled corporation ⁽⁵⁾	3,000	30%
Mr. Chang Yoe Chong Felix ⁽³⁾	Evergreen Housekeepers Training Center Limited ⁽⁴⁾	Founder of a discretionary trust	999	99%

Corporate Governance and Other Information

Notes:

- (1) Evergreen Holdings, a direct wholly-owned subsidiary of Golden Evergreen, holds approximately 54.67% of the issued share capital of the Company. 49% and 51% of the issued share capital of Golden Evergreen are owned by FC Investment (a direct wholly-owned subsidiary of FC Management) and CLC Investment (a direct wholly-owned subsidiary of CLC Management), respectively. Accordingly, each of Evergreen Holdings, Golden Evergreen, CLC Investment and CLC Management is a holding company and an associated corporation of the Company.
- (2) Approximately 73.04% of the issued share capital of Evergreen Group Limited is owned by Evergreen Holdings. Evergreen Group Limited holds the entire issued share capital of Ventures Day Investments Limited. Ventures Day Investments Limited holds the entire issued share capital of each of Acemaster Ventures Limited, Cowden Ventures Limited, Fast Track Ventures Limited, Golden Image Ventures Limited, Market Focus Ventures Limited, Punchline Ventures Limited and Smart Plus Ventures Limited. Accordingly, each of Evergreen Group Limited, Ventures Day Investments Limited, Acemaster Ventures Limited, Cowden Ventures Limited, Fast Track Ventures Limited, Golden Image Ventures Limited, Market Focus Ventures Limited, Punchline Ventures Limited and Smart Plus Ventures Limited is a subsidiary of Evergreen Holdings and an associated corporation of the Company.
- (3) Each of FC Management and CLC Management is directly and wholly owned by HSBC International Trustee Limited, the trustee of the Felix Family Trust and the CLC Family Trust. The CLC Family Trust is a discretionary trust established by the late Mr. Chang Chih Lung (who passed away in March 2022) (the father of Mr. Chang Yoe Chong Felix) as the settlor, with Mr. Chang Yoe Chong Felix and his issue being the beneficiaries. The Felix Family Trust is a discretionary trust established by Mr. Chang Yoe Chong Felix as the settlor, with the late Mr. Chang Chih Lung, Mr. Chang Ka Wai Aidan (the son of Mr. Chang Yoe Chong Felix and a minor) and Mr. Chang Yoe Chong Felix's issue being the beneficiaries. Accordingly, Mr. Chang Yoe Chong Felix is deemed to be interested in the above associated corporations of the Company under the SFO.
- (4) Evergreen Housekeepers Training Center Limited is 100% owned by Sunleaf Holdings Limited, which is 70% owned by Eastern Earnings (China) Company Limited. Eastern Earnings (China) Company Limited is 51% owned by FC Investment, which is 100% held by FC Management. Accordingly, Mr. Chang Yoe Chong Felix is deemed to be interested in the above associated corporations of the Company under the SFO.
- (5) Such shares are held by Prince Orchid Limited, which is 100% owned by Mr. Chang Yoe Chong Felix.

Save as disclosed above and to the best knowledge of the Directors, as at 30 June 2026, none of the Directors or the chief executives of the Company had any interests and/or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

So far as the Directors are aware, as at 30 June 2026, the following corporations/persons had interests of 5% or more in the issued Shares which shall be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or recorded in the register required to be kept by the Company under section 336 of the SFO:

Corporate Governance and Other Information

INTEREST IN THE SHARES OF THE COMPANY

Name of shareholder	Capacity/nature of interest	Number of Shares	Approximate percentage of issued share capital of the Company ⁽³⁾
Evergreen Holdings ⁽¹⁾	Beneficial owner	343,369,803 (Long position)	54.67%
Golden Evergreen ⁽¹⁾	Interest of controlled corporation	343,369,803 (Long position)	54.67%
FC Investment ⁽¹⁾	Interest of controlled corporation	343,369,803 (Long position)	54.67%
FC Management ⁽¹⁾	Interest of controlled corporation	343,369,803 (Long position)	54.67%
CLC Investment ⁽¹⁾	Interest of controlled corporation	343,369,803 (Long position)	54.67%
CLC Management ⁽¹⁾	Interest of controlled corporation	343,369,803 (Long position)	54.67%
HSBC International Trustee Limited ⁽¹⁾	Trustee of a trust	343,369,803 (Long position)	54.67%
Ms. Wong Hor Yan ⁽²⁾	Interest of spouse	359,159,803 (Long position)	57.19%
Precision Global Capital Management LLC	Investment manager	58,236,000 (Long position)	9.27%
Beauty Star Global Limited	Beneficial owner	36,224,000 (Long position)	5.77%

Notes:

- (1) Evergreen Holdings is a direct wholly-owned subsidiary of Golden Evergreen. 49% and 51% of the issued share capital of Golden Evergreen are owned by FC Investment (a direct wholly owned subsidiary of FC Management) and CLC Investment (a direct wholly-owned subsidiary of CLC Management), respectively. Each of FC Management and CLC Management is directly and wholly-owned by HSBC International Trustee Limited, the trustee of the Felix Family Trust and the CLC Family Trust. The late Mr. Chang Chih Lung ceased to be interested in the CLC Family Trust and the Felix Family Trust on 20 November 2023. Accordingly, each of Golden Evergreen, FC Investment, FC Management, CLC Investment, CLC Management and HSBC International Trustee Limited is deemed to be interested in the Shares held by Evergreen Holdings under the SFO.
- (2) Ms. Wong Hor Yan is the spouse of Mr. Chang Yoe Chong Felix, and is deemed to be interested in the Shares which Mr. Chang Yoe Chong Felix is deemed to be interested in under the SFO.
- (3) Based on a total of 628,046,000 issued Shares as at 30 June 2026.

Corporate Governance and Other Information

Save as disclosed above and to the best knowledge of the Directors, as at 30 June 2026, the Directors have not been notified by any person who had interests or short position in Shares or underlying Shares of the Company as recorded in the register required to be kept under section 336 of the SFO.

SHARE OPTION SCHEME

On 19 June 2017, a share option scheme was adopted by the Company, whereby the Board may, at its absolute discretion and on such terms as it may think fit, grant any employee (full-time or part-time), director, consultant or adviser of the Group, or any substantial shareholder of the Group, or any distributor, contractor, supplier, agent, customer, business partner or service provider of the Group, options to subscribe for the Shares.

As at 30 June 2026, no option has been granted or agreed to be granted under the share option scheme.

As at 1 January 2026 and 30 June 2026, the total number of options available for grant under the share option scheme was 61,500,000.

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

During the Period, the Company repurchased an aggregate of 13,290,000 Shares for an aggregate consideration of approximately HK\$6.5 million (before expenses) on the Stock Exchange. Of these, 8,136,000 Shares were subsequently cancelled. As at 30 June 2026, 5,154,000 Shares were repurchased Shares pending cancellation and subsequently cancelled in July 2026 and the total number of Shares in issue was 628,046,000. Details of the Shares repurchased are as follows:

Month of repurchase	Number of Shares repurchased	Highest price paid per share HK\$	Lowest price paid per share HK\$	Aggregate consideration paid HK\$ in million
January 2026	6,078,000	0.52	0.52	3.1
May 2026	2,058,000	0.47	0.46	1.0
June 2026	5,154,000	0.46	0.455	2.4
	13,290,000			6.5

The Directors were of the view that the above Shares repurchase would lead to an enhancement of the net assets and/or earnings per Share and benefit the Company and the shareholders. Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Period.

The Company did not hold or sell any treasury shares during the Period.

Corporate Governance and Other Information

CHANGES IN INFORMATION OF DIRECTORS

There has been no change in information of the Directors since the publication of the annual report of the Company for the year ended 31 December 2025, which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

REVIEW OF INTERIM RESULTS BY THE AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”) has reviewed together with the Board and Forvis Mazars CPA Limited, the Company’s external auditor, the unaudited condensed consolidated financial statements of the Group for the Period. The Audit Committee is satisfied that the unaudited condensed consolidated financial statements of the Group for the Period were prepared in accordance with the applicable accounting standards and fairly present the Group’s financial position and results for the Period.

By Order of the Board
Evergreen Products Group Limited
Chang Yoe Chong Felix

Chairman, Chief Executive Officer and Executive Director

Hong Kong, 24 August 2026

Report on Review of Interim Financial Information

**FORVIS MAZARS CPA LIMITED**
富睿瑪澤會計師事務所有限公司

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**Review Report to the Board of Directors of
Evergreen Products Group Limited**

訓修實業集團有限公司

(incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 23 to 48, which comprises the condensed consolidated statement of financial position of Evergreen Products Group Limited (the “**Company**”) and its subsidiaries (together the “**Group**”) at 30 June 2026 and the related condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six-month period then ended, and other explanatory information. 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 (the “**HKICPA**”). The directors of the Company are responsible for the preparation and presentation of the interim financial information in accordance with HKAS 34.

Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion 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 the 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.

Forvis Mazars CPA Limited
Certified Public Accountants
Hong Kong, 24 August 2026

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2026

		Six months ended 30 June	
		2026	2025
		HK\$'000	HK\$'000
	Notes	(unaudited)	(unaudited)
Revenue	3	578,206	465,699
Cost of sales		(442,483)	(352,955)
Gross profit		135,723	112,744
Other income		2,864	3,709
Other (losses) gains, net	4	(2,659)	4,546
Impairment losses recognised on trade receivables under expected credit loss model, net of reversal	5	(108)	–
Distribution and selling expenses		(13,250)	(13,897)
Administrative expenses		(76,339)	(64,153)
Other expenses	6	(906)	(377)
Finance costs	7	(16,705)	(17,574)
Profit before tax	8	28,620	24,998
Income tax expenses	9	(4,070)	(6,167)
Profit for the period		24,550	18,831
Other comprehensive income (loss):			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising from translation of foreign operations		1,408	(3,895)
Other comprehensive income (loss) for the period		1,408	(3,895)
Total comprehensive income for the period		25,958	14,936

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2026

	<i>Notes</i>	Six months ended 30 June	
		2026 <i>HK\$'000</i> (unaudited)	2025 <i>HK\$'000</i> (unaudited)
Profit (Loss) for the period attributable to:			
Owners of the Company		27,214	15,505
Non-controlling interests		(2,664)	3,326
		24,550	18,831
Total comprehensive income (loss) attributable to:			
Owners of the Company		28,470	11,775
Non-controlling interests		(2,512)	3,161
		25,958	14,936
Earnings per share attributable to owners of the Company			
– Basic and diluted (HK\$)	11	0.04	0.02

Condensed Consolidated Statement of Financial Position

At 30 June 2026

		30 June 2026 HK\$'000 (unaudited)	31 December 2025 HK\$'000 (audited)
	Notes		
Non-current assets			
Property, plant and equipment	12	520,752	504,926
Investment properties		15,437	15,211
Financial assets at fair value through profit or loss ("FVTPL")	19	45,408	46,162
Non-current deposits	14	2,727	13,983
		584,324	580,282
Current assets			
Inventories	13	487,180	510,805
Trade and other receivables	14	343,397	321,254
Tax recoverable		11,085	9,471
Pledged bank deposits	15	51,938	59,298
Cash and cash equivalents		129,254	98,385
		1,022,854	999,213
Current liabilities			
Trade and other payables	16	121,813	155,514
Contract liabilities		14,268	6,122
Amount due to a related company		9,722	16,043
Amount due to a non-controlling shareholder of a subsidiary		2,473	2,473
Tax payables		13,096	14,460
Secured bank and other borrowings	17	603,911	551,036
Lease liabilities		6,196	2,356
		771,479	748,004
Net current assets		251,375	251,209
Total assets less current liabilities		835,699	831,491

Condensed Consolidated Statement of Financial Position

At 30 June 2026

		30 June 2026	31 December 2025
		HK\$'000	HK\$'000
	Notes	(unaudited)	(audited)
Capital and reserves			
Share capital	18	48,862	49,495
Reserves		735,456	729,821
Equity attributable to owners of the Company		784,318	779,316
Non-controlling interests		(7,914)	(5,402)
Total equity		776,404	773,914
Non-current liabilities			
Deferred tax liabilities		8,747	8,686
Secured bank and other borrowings	17	38,542	38,961
Lease liabilities		12,006	9,930
		59,295	57,577
		835,699	831,491

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2026

	Attributable to owners of the Company										Non-controlling interests HK\$'000	Total HK\$'000
	Share capital	Share premium	Capital redemption reserve	Capital reserve	Property revaluation reserve	Other reserve	Translation reserve	Retained profits	Sub-total			
	HK\$'000 (Note 18)	HK\$'000	HK\$'000 (Note (a))	HK\$'000 (Note (b))	HK\$'000	HK\$'000 (Note (c))	HK\$'000	HK\$'000	HK\$'000			
At 1 January 2026 (audited)	49,495	438,621	-	(53,992)	97,377	(5,364)	(162,410)	415,589	779,316	(5,402)	773,914	
Profit (Loss) for the period	-	-	-	-	-	-	-	27,214	27,214	(2,664)	24,550	
Exchange differences arising from translation of foreign operations	-	-	-	-	-	-	1,256	-	1,256	152	1,408	
Total comprehensive income (loss) for the period	-	-	-	-	-	-	1,256	27,214	28,470	(2,512)	25,958	
Dividends recognised as distribution (Note 10)	-	-	-	-	-	-	-	(16,957)	(16,957)	-	(16,957)	
Share repurchases (Note 18)	-	(5,477)	(1,034)	-	-	-	-	-	(6,511)	-	(6,511)	
Share cancellation (Note 18)	(633)	-	633	-	-	-	-	-	-	-	-	
At 30 June 2026 (unaudited)	48,862	433,144	(401)	(53,992)	97,377	(5,364)	(161,154)	425,846	784,318	(7,914)	776,404	

	Attributable to owners of the Company										Non-controlling interests HK\$'000	Total HK\$'000
	Share capital	Share premium	Capital reserve	Property revaluation reserve	Other reserve	Translation reserve	Retained profits	Sub-total				
	HK\$'000 (Note 18)	HK\$'000	HK\$'000 (Note (b))	HK\$'000	HK\$'000 (Note (c))	HK\$'000	HK\$'000	HK\$'000				
At 1 January 2025 (audited)	50,311	444,342	(53,992)	111,406	(5,364)	(162,302)	415,738	800,139	(4,909)	795,230		
Profit for the period	-	-	-	-	-	-	15,505	15,505	3,326	18,831		
Exchange differences arising from translation of foreign operations	-	-	-	-	-	(3,730)	-	(3,730)	(165)	(3,895)		
Total comprehensive income (loss) for the period	-	-	-	-	-	(3,730)	15,505	11,775	3,161	14,936		
Dividends recognised as distribution (Note 10)	-	-	-	-	-	-	(18,107)	(18,107)	-	(18,107)		
Share repurchases and cancellation (Note 18)	(816)	(5,721)	-	-	-	-	-	(6,537)	-	(6,537)		
At 30 June 2025 (unaudited)	49,495	438,621	(53,992)	111,406	(5,364)	(166,032)	413,136	787,270	(1,748)	785,522		

Notes:

- (a) Capital redemption reserve represents the nominal amount of the shares repurchased.
- (b) Capital reserve represents (i) the contribution from an intermediate holding company to Evergreen Products Factory Limited ("**Evergreen Factory**"), a wholly owned subsidiary of the Company; and (ii) the difference between the nominal value of the share capital of Evergreen Factory at the date on which it was acquired by the Group and the deemed consideration pursuant to the group reorganisation in prior years.
- (c) Other reserve represents the effect of change in ownership in a subsidiary when there was no change in control.

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026 HK\$'000 (unaudited)	2025 HK\$'000 (unaudited)
OPERATING ACTIVITIES		
Cash generated from operations	174,504	160,499
Income tax paid	(7,048)	(2,881)
Net cash from operating activities	167,456	157,618
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(14,469)	(15,229)
Placement of pledged bank deposits	(3,936)	(1,271)
Withdrawal of pledged bank deposits	11,053	4,709
Payment for life insurance contracts	(4,824)	(567)
Proceeds from the disposal of a life insurance contract	15,777	–
Receipt of consideration receivables from prior years disposal of subsidiaries	–	4,000
Interest received	571	1,205
Payment for investment fund	(817)	–
Proceeds from the distribution of investment fund	4,175	–
Payment of rental deposits	(325)	(341)
Net cash from (used in) investing activities	7,205	(7,494)
FINANCING ACTIVITIES		
Dividend paid	(16,957)	(18,107)
New secured bank and other borrowings raised	561,353	459,282
Repayment of secured bank and other borrowings	(535,800)	(436,912)
Repayment of bank borrowings under supplier financing arrangement	(147,911)	(106,605)
Drawdown of bank overdrafts	27,766	199
Repayment of bank overdrafts	(2,199)	–
Advance from a related company	–	10,400
Repayment to a related company	(6,321)	(14,600)
Repurchase of shares	(6,511)	(6,537)
Repayments of lease liabilities	(2,227)	(1,932)
Interest paid	(15,697)	(16,427)
Net cash used in financing activities	(144,504)	(131,239)
Net increase in cash and cash equivalents	30,157	18,885
Cash and cash equivalents at beginning of the period	98,385	115,712
Effect of foreign exchange rate changes	712	7,672
Cash and cash equivalents at end of the period, represented by bank balances and cash	129,254	142,269

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2026

1. GENERAL INFORMATION AND BASIS OF PREPARATION

Evergreen Products Group Limited (the “**Company**”) is a public limited company incorporated in the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). In the opinion of the directors of the Company, its immediate holding company is Evergreen Enterprise Holdings Limited, a company which was incorporated in the British Virgin Islands (the “**BVI**”) with limited liability, and its ultimate holding company is Golden Evergreen Limited (“**GEL**”), a company incorporated in the BVI with limited liability. GEL is wholly owned by HSBC International Trustee Limited, the trustees of the Felix Family Trust and CLC Family Trust (collectively, the “**Trust**”). The beneficiaries and settlor of the Trust, among others, Mr. Chang Yoe Chong Felix and his family members, are considered as the controlling shareholders of the Company.

The registered office of the Company is PO Box 472, Harbour Place, 2nd Floor, North Wing, 103 South Church Street, George Town, Grand Cayman KY1-1106, Cayman Islands and the principal place of business of the Company is 11th Floor, Chiap Luen Industrial Building, 30–32 Kung Yip Street, Kwai Chung, New Territories, Hong Kong.

The Company is an investment holding company. The Company and its subsidiaries (hereinafter collectively referred to as the “**Group**”) are principally engaged in the manufacturing and trading of hair products.

The condensed consolidated interim financial information is presented in Hong Kong dollars (“**HK\$**”), rounded to the nearest thousand except when otherwise indicated. For the convenience of the financial statements users, the consolidated financial statements are presented in HK\$ as the Company’s shares are listed on the Stock Exchange. The functional currency of the Company is the United States dollar (“**US\$**”).

The condensed consolidated interim financial information has been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting” as issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange.

Preparation of the condensed consolidated interim financial information requires the directors of the Company to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2026

1. GENERAL INFORMATION AND BASIS OF PREPARATION

(continued)

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

In preparing the condensed consolidated interim financial information, significant judgements made by the directors of the Company in applying the Group's accounting policies and the key sources of estimation uncertainty are the same as those that applied in the 2025 Audited Financial Statements.

The condensed consolidated interim financial information is unaudited but has been reviewed by the Company's audit committee and the Company's external auditor 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.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated interim financial information has been prepared on the historical cost basis except for certain financial instruments and properties, which are measured at fair value or revalued amounts, as appropriate.

The accounting policies and methods of computation used in the condensed consolidated interim financial information for the six months ended 30 June 2026 are consistent with those followed in the preparation of the 2025 Audited Financial Statements.

The adoption of the new/revised HKFRS Accounting Standards which are relevant to the Group and effective for the current period does not have any significant impact on the Group's results and financial position for the current or prior periods and does not result in any significant change in accounting policies of the Group.

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2026

2. PRINCIPAL ACCOUNTING POLICIES (continued)

At the date of authorisation of the condensed consolidated interim financial information, the Group has not early adopted new/revised HKFRS Accounting Standards that have been issued but are not yet effective. Except for HKFRS 18, the management of the Group does not anticipate that the adoption of the new/revised HKFRS Accounting Standards in future reporting periods will have any material impact on the financial performance and financial position of the Group.

HKFRS 18 replaces HKAS 1 Presentation of Financial Statements. HKFRS 18 retains numbers of requirements of HKAS 1 and introduces the following new key requirements:

- a. presentation of new defined subtotals in the statement of profit or loss and statement of comprehensive income, i.e. operating profit and profit before financing and income taxes, and classifications of income and expenses into operating, investing, financing, income taxes and discontinued operations in the statement of profit or loss and statement of comprehensive income, with some modifications for companies with specific business activities, e.g. banks, insurers and investment property companies;
- b. identification of management-defined performance measures (MPMs) which are defined as subtotals of income and expenses used in public communications outside financial statements to communicate management's view of an aspect of the financial performance for the company as a whole and are not listed or required by HKFRS Accounting Standards and disclosures about MPMs in a single note to the financial statements; and
- c. enhanced requirements for grouping (aggregation and disaggregation) of information in the primary financial statements and information disclosed in the notes to the financial statements.

3. REVENUE AND SEGMENT INFORMATION

Information reported to the chief executive officer of the Company, being the chief operating decision maker ("**CODM**"), for the purposes of resource allocation and performance assessment focuses on revenue analysis by products including wigs, hair accessories and others, high-end human hair extensions and Halloween products. No other discrete financial information is provided other than the profit for the period of the Group as a whole. Accordingly, no further segment information is disclosed.

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2026

3. REVENUE AND SEGMENT INFORMATION (continued)

DISAGGREGATION OF REVENUE FROM CONTRACTS WITH CUSTOMERS WITHIN HKFRS 15

Disaggregation by major lines

	Six months ended 30 June	
	2026	2025
	HK\$'000 (unaudited)	HK\$'000 (unaudited)
Wigs, hair accessories and others	518,917	423,305
High-end human hair extensions	36,477	21,750
Halloween products	22,812	20,644
	578,206	465,699

Group revenue by location of delivery to customers

	Six months ended 30 June	
	2026	2025
	HK\$'000 (unaudited)	HK\$'000 (unaudited)
The United States of America (the "USA")	494,722	421,506
Germany	17,371	10,309
The United Kingdom	31,506	14,746
Japan	1,639	2,065
The People's Republic of China (the "PRC")	23,378	8,439
Others	9,590	8,634
	578,206	465,699

All revenue is recognised at a point in time.

Revenue is recognised when control of the goods has transferred, being when the goods have been shipped to the designated location (delivery). The normal credit period is 30 to 90 days upon delivery. A contract liability is recognised for receipt in advance for sales in which revenue has yet been recognised.

All the Group's sales contracts are for a period of one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

In the view of the Group's CODM, there is no seasonality of operations.

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2026

4. OTHER (LOSSES) GAINS, NET

	Six months ended 30 June	
	2026	2025
	HK\$'000 (unaudited)	HK\$'000 (unaudited)
Fair value gain on financial assets at FVTPL, net	216	411
Exchange (loss) gain, net	(6,618)	4,092
Distribution income from investment fund	4,175	–
Loss on disposal of property, plant and equipment	(432)	–
Gain on early termination of a lease	–	43
	(2,659)	4,546

5. IMPAIRMENT ASSESSMENT ON TRADE RECEIVABLES UNDER EXPECTED CREDIT LOSS MODEL, NET OF REVERSAL

	Six months ended 30 June	
	2026	2025
	HK\$'000 (unaudited)	HK\$'000 (unaudited)
Impairment losses recognised on trade receivables under expected credit loss model, net of reversal	108	–

The basis of determining the inputs and assumptions and the estimation techniques used in the condensed consolidated interim financial information for the six months ended 30 June 2026 are the same as those followed in the preparation of the 2025 Audited Financial Statements.

6. OTHER EXPENSES

	Six months ended 30 June	
	2026	2025
	HK\$'000 (unaudited)	HK\$'000 (unaudited)
Donation expense	906	377

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2026

7. FINANCE COSTS

	Six months ended 30 June	
	2026	2025
	HK\$'000 (unaudited)	HK\$'000 (unaudited)
Interest on bank borrowings	14,985	15,968
Interest on lease liabilities	560	421
Interest on other borrowings	339	325
Interest on amount due to a related company	373	134
Others	448	726
	16,705	17,574

8. PROFIT BEFORE TAX

Profit before tax has been arrived at after charging (crediting) the following items:

	Six months ended 30 June	
	2026	2025
	HK\$'000 (unaudited)	HK\$'000 (unaudited)
Staff cost, including directors' remuneration, salaries, wages, allowance and other employee benefits	227,231	181,885
Retirement benefits scheme contributions	2,265	2,285
Total staff costs (charged to "Cost of sales", "Administrative expenses", "Distribution and selling expenses" and "Inventories", as appropriate)	229,496	184,170
Other items:		
Cost of inventories sold	442,483	352,955
Auditors' remuneration	1,320	1,250
Depreciation (Charged to "Cost of sales", "Administrative expenses", "Distribution and selling expenses" and "Inventories", as appropriate)	17,334	17,288
Interest income	(571)	(1,205)

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2026

9. INCOME TAX EXPENSES

	Six months ended 30 June	
	2026 HK\$'000 (unaudited)	2025 HK\$'000 (unaudited)
The income tax expenses comprise:		
Current tax:		
Bangladesh	4,103	5,339
Other jurisdictions	27	8
	4,130	5,347
Over-provision in prior years:		
Other jurisdictions	(60)	(715)
	4,070	4,632
Deferred tax:		
Origination and reversal of temporary differences	–	1,535
	4,070	6,167

10. DIVIDENDS

During the six months ended 30 June 2026, a final dividend of HK\$2.7 cents per share (2025: HK\$2.8 cents per share in respect of the year ended 31 December 2024) in respect of the year ended 31 December 2025 was declared and paid to the owners of the Company. The aggregate amount of the final dividend declared and paid amounted to approximately HK\$16,957,000 (2025: HK\$18,107,000).

Subsequent to the end of the current interim period, the directors of the Group have determined that an interim dividend of HK\$3.4 cents per share amounting to approximately HK\$20,949,000 in aggregate will be paid to owners of the Company whose names appear on the register of members of the Company on 11 September 2026.

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2026

11. EARNINGS PER SHARE

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

	Six months ended 30 June	
	2026	2025
	HK\$'000 (unaudited)	HK\$'000 (unaudited)
Profit attributable to owners of the Company:		
Profit for the purpose of calculating basic and diluted earnings per share	27,214	15,505
	Six months ended 30 June	
	2026	2025
	'000 (unaudited)	'000 (unaudited)
Number of shares:		
Weighted average number of ordinary shares for the purpose of calculating basic and diluted earnings per share	630,087	644,645

The weighted average number of ordinary shares for the purpose of calculating basic and diluted earnings per share has been determined based on the effect of shares repurchased as set out in Note 18 to the condensed consolidated financial statements.

There were no dilutive potential ordinary shares in issue during the six months ended 30 June 2026 and 2025, and therefore, diluted earnings per share is the same as the basic earnings per share.

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2026

12. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group acquired certain property, plant and equipment of approximately HK\$34,078,000 (30 June 2025: HK\$16,614,000) and disposed of certain property, plant and equipment with a carrying amount of approximately HK\$432,000 (30 June 2025: HK\$Nil).

During the six months ended 30 June 2026 and 2025, in the opinion of the directors of the Company, no revaluation surplus or deficit has been recognised as the revalued amounts in relation to the Group's industrial buildings, offices and car parks that are carried at revalued amount because the revalued amounts do not differ significantly from their respective estimated fair values.

During the six months ended 30 June 2026, the Group entered into new lease agreements with lease term of 2 to 10 years (30 June 2025: entered into a new lease agreement with lease term of 2 to 5 years). The Group is required to make fixed monthly payments during the contract period. At the lease commencement date, or the effective date of lease modification, the Group recognised right-of-use assets and lease liabilities of approximately HK\$8,028,000 (30 June 2025: HK\$6,200,000).

13. INVENTORIES

	30 June 2026 HK\$'000 (unaudited)	31 December 2025 HK\$'000 (audited)
Raw materials	316,791	279,389
Work in progress	86,847	117,457
Finished goods	83,542	113,959
	487,180	510,805

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2026

14. TRADE AND OTHER RECEIVABLES

	30 June 2026 HK\$'000 (unaudited)	31 December 2025 HK\$'000 (audited)
Trade receivables from third parties	269,937	249,240
Less: Loss allowance	(2,141)	(2,033)
	267,796	247,207
Other receivables	17,229	15,737
Other tax receivables	1,921	1,359
Prepayments	23,869	24,730
Deposits paid to suppliers	32,582	32,221
Deposits for acquisition of property, plant and equipment	1,434	13,015
Property rental deposits	1,293	968
	346,124	335,237
Analysis for reporting purpose as:		
Non-current assets	2,727	13,983
Current assets	343,397	321,254
	346,124	335,237

The Group normally allows a credit period of 30 to 90 days (31 December 2025: 30 to 90 days) to its customers. A longer credit period may be granted to large or long-established customers with good payment history.

The following is the ageing analysis of trade receivables, net of loss allowance, presented based on the invoice date, which approximates the respective revenue recognition dates.

	30 June 2026 HK\$'000 (unaudited)	31 December 2025 HK\$'000 (audited)
0–60 days	193,112	172,372
61–90 days	45,735	38,865
91–120 days	4,781	11,757
Over 120 days	24,168	24,213
	267,796	247,207

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2026

15. PLEDGED BANK DEPOSITS

The amounts represent deposits pledged for banking facilities granted to the Group and are therefore classified as current assets. The pledged bank deposits will be released upon the settlement of relevant bank and other borrowings.

16. TRADE AND OTHER PAYABLES

	30 June 2026 HK\$'000 (unaudited)	31 December 2025 HK\$'000 (audited)
Trade payables	59,337	73,552
Accrued staff costs	23,071	41,781
Other employee liabilities	10,911	13,622
Accruals and other payables	28,494	26,559
	121,813	155,514

The following is the ageing analysis of trade payables presented based on invoice date.

	30 June 2026 HK\$'000 (unaudited)	31 December 2025 HK\$'000 (audited)
0–60 days	36,916	30,291
61–120 days	142	830
Over 120 days (Note)	22,279	42,431
	59,337	73,552

Note: During the year ended 31 December 2023, certain suppliers had initiated lawsuits against Evergreen Products Factory (YZ) Co. Ltd (“**Evergreen (YZ)**”), a wholly-owned subsidiary of the Company in the PRC to demand immediate settlement of trade payables with a carrying amount of approximately RMB30,826,000 (equivalent to approximately HK\$33,495,000) plus interest for late payment. The People’s Court in the PRC, at second-trial instance, ruled that Evergreen (YZ) was required to pay all outstanding trade payables and related interest for late payment, and certain right-of-use assets and property, plant and equipment were frozen (the “**2023 Judgement**”).

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2026

16. TRADE AND OTHER PAYABLES (continued)

Note: (continued)

At 31 December 2025, the carrying amount of trade payables and related interest for late payment amounted to approximately RMB26,395,000 (equivalent to approximately HK\$28,681,000) and RMB3,611,000 (equivalent to approximately HK\$3,923,000), respectively.

At 31 December 2025, the carrying amounts of the right-of-use assets and other property, plant and equipment being frozen amounted to approximately RMB4,132,000 (equivalent to approximately HK\$4,381,000) and approximately RMB1,952,000 (equivalent to approximately HK\$2,070,000), respectively.

During the six months ended 30 June 2026, the People's Court in the PRC accepted newly discovered evidence in relation to claims brought by three suppliers (the **"Three Suppliers"**) and determined that the 2023 Judgement in respect of the Three Suppliers should be subject to retrial. Accordingly, the People's Court in the PRC issued a retrial ruling and suspended the enforcement of the original judgement pending the outcome of the retrial proceedings. As a result, the enforcement actions previously commenced against certain assets of Evergreen (YZ) were suspended during the retrial process.

The management of the Group, after consideration of the grounds set out in the retrial ruling, the newly discovered evidence and the legal opinion obtained from the Group's PRC legal advisor, is of the view that the Group has valid and reasonable grounds to defend the claims brought by the Three Suppliers and that the likelihood of an outflow of economic benefits to settle the related obligations is remote.

Accordingly, the Group reversed the trade payables and accrued interest relating to the Three Suppliers, and recognised other receivables for seeking the recovery of assets realised through enforcement proceedings under 2023 Judgement in prior years, amounting to approximately RMB11,059,000 (equivalent to approximately HK\$11,926,000), RMB1,992,000 (equivalent to approximately HK\$2,220,000), and RMB2,697,000 (equivalent to approximately HK\$2,908,000), respectively, at 30 June 2026 and credited the corresponding amounts to "Cost of sales", during the six months ended 30 June 2026.

At 30 June 2026, the carrying amount of trade payables and related interest for late payment were approximately RMB15,336,000 (equivalent to approximately HK\$16,755,000) and approximately RMB2,021,000 (equivalent to approximately HK\$2,151,000), respectively. The carrying amounts of the right-of-use assets and other property, plant and equipment being frozen were approximately RMB4,127,000 (equivalent to approximately HK\$4,762,000) and approximately RMB1,855,000 (equivalent to approximately HK\$2,141,000), respectively.

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2026

17. SECURED BANK AND OTHER BORROWINGS

	30 June 2026 HK\$'000 (unaudited)	31 December 2025 HK\$'000 (audited)
Secured:		
Bank borrowings	522,166	488,277
Bank borrowings under supplier financing arrangement	83,556	82,196
Other borrowing	9,200	17,560
Bank overdrafts	27,531	1,964
	642,453	589,997

	30 June 2026 HK\$'000 (unaudited)	31 December 2025 HK\$'000 (audited)
Analysis for reporting purposes as:		
Non-current	38,542	38,961
Current	603,911	551,036
	642,453	589,997

The Group's bank borrowings arranged at floating rates are with average effective interest rates ranging from 2.75% to 7.68% (31 December 2025: 3.25% to 8.20%) per annum. The bank borrowings arranged at a fixed rate bear interest rates ranging from 0.90% to 4.25% (31 December 2025: 0.90% to 4.25%) per annum.

The other borrowing carries interest at Hong Kong Interbank Offered Rate ("HIBOR") plus 1.5% (31 December 2025: HIBOR plus 1.5%) per annum and was secured by the Group's bank deposits of approximately HK\$9,700,000 (31 December 2025: HK\$6,700,000).

At 30 June 2026 and 31 December 2025, the Group's banking facilities were secured by:

- pledge of the Group's bank deposits of approximately HK\$42,238,000 (31 December 2025: HK\$52,598,000);
- the Group's land and buildings included in property, plant and equipment and the Group's car park located in Hong Kong included in investment properties of approximately HK\$48,342,000 and HK\$1,000,000 (31 December 2025: HK\$49,300,000 and HK\$1,000,000), respectively;
- the Group's land and buildings located in the USA and the PRC of approximately HK\$27,550,000 (31 December 2025: HK\$27,201,000);
- investment properties located in the PRC of approximately HK\$4,714,000 (31 December 2025: HK\$4,881,000);
- negative pledge on the assets of certain subsidiaries in the PRC and Bangladesh; and
- certain life insurance contracts classified as financial assets at FVTPL of the Group of approximately HK\$32,762,000 (31 December 2025: HK\$37,988,000).

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2026

17. SECURED BANK AND OTHER BORROWINGS (continued)

LOAN COVENANTS

In respect of the bank and other borrowings with a carrying amount of approximately HK\$176,441,000 at 30 June 2026 (31 December 2025: HK\$160,101,000), in addition to certain financial and non-financial covenants commonly found in bank lending arrangements the Group is required to comply with the following key financial covenants throughout the continuance of the relevant loan and/or as long as the bank and other borrowings are outstanding:

- (i) the consolidated tangible net worth at any time shall not be less than HK\$700,000,000;
- (ii) the consolidated bank borrowings less pledged bank deposits and bank balances and cash shall not be more than HK\$650,000,000; and
- (iii) the ratio of the consolidated net profits before interest, taxation, depreciation and amortisation and bank balances and cash in respect of any relevant period to the interest and principal repayment of bank borrowings of that relevant period shall not be less than 1:1.

The management of the Group regularly monitors its compliance with these covenants. As long as the Group remains in compliance with the covenants, the related bank borrowings are not considered as repayable on demand.

At 31 December 2025, the management of the Group identified that certain financial ratios under certain bank facilities were unable to be met and such potential breaches of financial covenants may cause the relevant bank borrowings of approximately HK\$65,000,000, which have already been classified as current liabilities pursuant to the demand clause, to become immediately due and payable. Following the identification of the potential breach of covenants, the management of the Group entered into communication with the related banks and has applied for waivers in respect of the potential breaches of certain financial ratios.

During the six months ended 30 June 2026, the relevant banks granted waivers in respect of the potential covenant breaches. At 30 June 2026, the Group is in the process of negotiating with the relevant banks in relation to bank borrowings of approximately HK\$52,500,000 to revise the applicable financial covenant requirements. Subsequent to the reporting date and up to the date of authorisation of the condensed consolidated interim financial statements, such negotiations remain ongoing and the relevant banks have not made any demand for immediate repayment.

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2026

18. SHARE CAPITAL

	Number of ordinary shares of US\$0.01 each	Share Capital US\$'000	HK\$'000
Authorised:			
At 1 January 2025 (audited), 31 December 2025 (audited), 30 June 2025, 1 January 2026 and 30 June 2026 (unaudited)	1,000,000,000	10,000	77,800
Issued and fully paid:			
At 1 January 2025 (audited)	646,674,000	6,467	50,311
Shares repurchased and cancelled (Note (i))	(10,492,000)	(105)	(816)
At 30 June 2025 (unaudited), 31 December 2025 and 1 January 2026 (audited)	636,182,000	6,362	49,495
Shares repurchased and cancelled (Note (ii))	(8,136,000)	(81)	(633)
At 30 June 2026 (unaudited)	628,046,000	6,281	48,862

Note:

- (i) During the year ended 31 December 2025, the Company repurchased and cancelled 10,492,000 of its own ordinary shares through the Stock Exchange, and the total amount of approximately HK\$6,537,000 was paid to acquire the cancelled shares, of which approximately HK\$816,000 was deducted from share capital and approximately HK\$5,721,000 was deducted from share premium.

Month of repurchase	Number of ordinary shares repurchased '000	Price per share		Aggregate consideration paid HK\$'000
		Highest HK\$	Lowest HK\$	
May 2025	10,492	0.62	0.60	6,537

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2026

18. SHARE CAPITAL (continued)*Note: (continued)*

- (ii) During the six months ended 30 June 2026, the Company repurchased and cancelled 8,136,000 of its own ordinary shares through the Stock Exchange, and the total amount of approximately HK\$4,136,000 was paid to acquire the cancelled shares, of which approximately HK\$633,000 was deducted from share capital and approximately HK\$3,503,000 was deducted from share premium.

Month of repurchase	Number of ordinary shares repurchased '000	Price per share		Aggregate consideration paid HK\$'000
		Highest HK\$	Lowest HK\$	
January 2026	6,078	0.52	0.52	3,167
May 2026	2,058	0.47	0.46	969

- (iii) During the six months ended 30 June 2026, the Company repurchased 5,154,000 of its own ordinary shares through the Stock Exchange which were not cancelled at 30 June 2026, and the total amount of approximately HK\$2,375,000 was paid to acquire the shares, of which approximately HK\$401,000 was recorded in capital redemption reserve and approximately HK\$1,974,000 was deducted from share premium. These repurchased shares are subsequently cancelled in July 2026.

Month of repurchase	Number of ordinary shares repurchased '000	Price per share		Aggregate consideration paid HK\$'000
		Highest HK\$	Lowest HK\$	
June 2026	5,154	0.46	0.455	2,375

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2026

19. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS**FAIR VALUE MEASUREMENTS AND VALUATION PROCESSES**

In estimating the fair value, the Group uses market-observable data to the extent it is available. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 fair value measurements are based on quoted prices (unadjusted) in active market for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial assets that are increased at recurring basis	Fair value		Fair value hierarchy	Valuation technique and key inputs
	30 June 2026	31 December 2025		
	HK\$'000	HK\$'000		
	(unaudited)	(audited)		
Investment funds classified as financial assets at FVTPL	1,383	561	Level 3	Based on the net asset values at the investment fund
Life insurance contracts classified as financial assets at FVTPL (Note)	44,025	45,601	Level 3	Account values quoted by insurance companies
	45,408	46,162		

Note: The returns of these financial assets represent the guaranteed interest plus a premium determined by the insurance companies minus the related surrender charge for termination of the life insurance contracts including the investment component. The directors of the Company consider the account values, which represents the surrender rate, quoted by the insurance companies at 30 June 2026 and 31 December 2025 approximate the fair value.

During the six months ended 30 June 2026 and the year ended 31 December 2025, there were no transfers between Level 1, Level 2 and Level 3 fair value measurement.

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2026

19. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (continued)

FAIR VALUE MEASUREMENTS AND VALUATION PROCESSES

(continued)

Reconciliation of Level 3 fair value measurements

	Investment funds <i>HK\$'000</i>	Life insurance contracts <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 1 January 2026 (audited)	561	45,601	46,162
Purchased	817	13,990	14,807
Change in fair value credited to profit or loss	5	211	216
Disposal	–	(15,777)	(15,777)
At 30 June 2026 (unaudited)	1,383	44,025	45,408

FAIR VALUE OF THE GROUP'S FINANCIAL ASSETS AND FINANCIAL LIABILITIES THAT ARE NOT MEASURED AT FAIR VALUE ON A RECURRING BASIS

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated interim financial information approximate their fair values.

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2026

20. MAJOR NON-CASH TRANSACTIONS

The following set out the major non-cash transactions during the six months ended 30 June 2026:

- (i) During the six months ended 30 June 2026, the Group entered into new lease agreements for the use of leasehold lands, leased properties and factory buildings for 2 to 10 years (six months ended 30 June 2025: leasehold lands, leased properties and factory buildings for 2 to 5 years). At the lease commencement date, the Group recognised approximately HK\$8,028,000 of right-of-use assets under property, plant and equipment and of approximately HK\$8,028,000 lease liabilities (30 June 2025: HK\$6,200,000 of right-of-use assets under property, plant and equipment and of HK\$6,200,000 lease liabilities).
- (ii) During the six months ended 30 June 2026, the deposits for the acquisition of property, plant and equipment of approximately HK\$11,581,000 (30 June 2025: HK\$Nil) were transferred to property, plant and equipment upon the completion of acquisition.
- (iii) During the six months ended 30 June 2026, bank borrowings under supply chain financing arrangements of approximately HK\$148,823,000 (30 June 2025: HK\$145,029,000) represent the payments to the suppliers by the relevant banks directly.
- (iv) During the six months ended 30 June 2026, prepayment for a life insurance contract of approximately HK\$9,166,000 (30 June 2025: HK\$Nil) was transferred to financial assets at FVTPL.

21. RELATED PARTY TRANSACTIONS

In addition to the transactions/information disclosed elsewhere in the condensed consolidated interim financial information, the Group had the following transactions with related parties.

(a)	Six months ended 30 June	
	2026	2025
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Computer product and service expenses (note)	540	540

Note: During the six months ended 30 June 2026 and 2025, the Group entered into transactions with Hopcom Software Company Limited which is controlled by Mr. Chang Yoe Chong, Felix, who is also the director and controlling shareholder of the Company.

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 30 June 2026

21. RELATED PARTY TRANSACTIONS (continued)

(b) Compensation of key management personnel

The remuneration of the directors of the Company and other members of key management for the six months ended 30 June 2026 and 2025 were as follows:

	Six months ended 30 June	
	2026 HK\$'000 (unaudited)	2025 HK\$'000 (unaudited)
Short-term benefits	3,276	3,188
Post-employment benefits	50	41
	3,326	3,229

The remuneration of key management personnel is determined with regard to the performance of individuals and market trends.

22. CAPITAL COMMITMENTS

	30 June 2026 HK\$'000 (unaudited)	31 December 2025 HK\$'000 (audited)
Contracted but not provided in the condensed consolidated financial information in respect of the acquisition of land for construction	–	2,567