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## NGAI HING HONG COMPANY LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 1047)

Website: <https://www.nhh.com.hk>

### INTERIM RESULTS FOR THE SIX MONTHS ENDED 31ST DECEMBER 2025

The Board of Directors (the “Board”) of Ngai Hing Hong Company Limited (the “Company”) announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (the “Group”) for the six months ended 31st December 2025 as follows:

#### CONDENSED CONSOLIDATED INCOME STATEMENT

		<b>Unaudited</b>	
		<b>Six months ended</b>	
		<b>31st December</b>	
		<b>2025</b>	<b>2024</b>
	Note	<b>HK\$'000</b>	<b>HK\$'000</b>
Revenue from contracts with customers	3	<b>687,915</b>	705,051
Cost of sales		<b>(573,910)</b>	(595,940)
Gross profit		<b>114,005</b>	109,111
Other income		<b>3,296</b>	3,817
Other gains, net	4	<b>817</b>	3,438
Distribution costs		<b>(42,848)</b>	(41,773)
Reversal of/(provision for) loss allowance on trade receivables		<b>40</b>	(253)
Administrative expenses		<b>(58,689)</b>	(61,738)
Operating profit	5	<b>16,621</b>	12,602
Finance income	6	<b>595</b>	886
Finance costs	6	<b>(8,552)</b>	(12,995)
Finance costs, net		<b>(7,957)</b>	(12,109)
Profit before income tax		<b>8,664</b>	493
Income tax expense	7	<b>(6,579)</b>	(6,335)
Profit/(loss) for the period		<b>2,085</b>	(5,842)

		<b>Unaudited</b>	
		<b>Six months ended</b>	
		<b>31st December</b>	
		<b>2025</b>	2024
Note		<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Attributable to:			
	Equity holders of the Company	<b>2,431</b>	(6,803)
	Non-controlling interests	<b>(346)</b>	961
		<u><b>2,085</b></u>	<u>(5,842)</u>
Earnings/(loss) per share for profit/(loss) attributable to the equity holders of the Company during the period (expressed in HK cent per share)			
	– Basic	<u><b>0.66</b></u>	<u>(1.84)</u>
	– Diluted	<u><b>0.66</b></u>	<u>(1.84)</u>

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	<b>Unaudited</b>	
	<b>Six months ended</b>	
	<b>31st December</b>	
	<b>2025</b>	2024
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Profit/(loss) for the period	<b>2,085</b>	(5,842)
Other comprehensive income/(loss):		
<u>Item that may be reclassified subsequently to</u>		
<u>income statement:</u>		
Currency translation differences	<u>13,240</u>	<u>(14,140)</u>
Other comprehensive income/(loss) for the period	<u>13,240</u>	<u>(14,140)</u>
Total comprehensive income/(loss) for the period	<u><b>15,325</b></u>	<u>(19,982)</u>
Total comprehensive profit/(loss) attributable to:		
Equity holders of the Company	<u>15,480</u>	(20,736)
Non-controlling interests	<u>(155)</u>	<u>754</u>
	<u><b>15,325</b></u>	<u>(19,982)</u>

## CONDENSED CONSOLIDATED BALANCE SHEET

		Unaudited 31st December 2025 <i>HK\$'000</i>	Audited 30th June 2025 <i>HK\$'000</i>
	Note		
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		102,292	94,944
Right-of-use assets		28,509	23,351
Investment properties		154,844	154,291
Intangible assets		1,983	2,100
Financial asset at fair value through other comprehensive income		2,684	2,684
Financial asset at fair value through profit and loss		6,320	6,176
Deferred income tax assets		8,453	8,442
Deposits and prepayment for property, plant and equipment and renovation costs		3,377	2,131
		308,462	294,119
<b>Current assets</b>			
Inventories		244,200	252,632
Trade and bills receivables	10	270,384	262,461
Other receivables, prepayments and deposits		31,489	28,421
Income tax recoverable		669	600
Restricted bank deposits		38,202	37,185
Cash and bank balances		190,095	193,161
		775,039	774,460
<b>Total assets</b>		<b>1,083,501</b>	<b>1,068,579</b>

		Unaudited 31st December 2025 <i>HK\$'000</i>	Audited 30th June 2025 <i>HK\$'000</i>
<b>EQUITY</b>			
<b>Capital and reserves attributable to the Company's equity holders</b>			
Share capital		36,920	36,920
Share premium		62,466	62,466
Other reserves		17,841	4,792
Retained earnings		393,504	391,073
		<u>510,731</u>	495,251
<b>Non-controlling interests</b>		<u>34,094</u>	32,779
<b>Total equity</b>		<u><u>544,825</u></u>	<u><u>528,030</u></u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Deferred income tax liabilities		4,004	3,833
Lease liabilities		8,468	4,363
		<u>12,472</u>	8,196
<b>Current liabilities</b>			
Trade payables	11	71,778	82,640
Other payables, deposits received and accruals		35,893	36,252
Lease liabilities		5,714	4,396
Bank borrowings		406,551	400,045
Derivative financial instruments		336	850
Income tax payable		5,932	8,170
		<u>526,204</u>	532,353
<b>Total liabilities</b>		<u><u>538,676</u></u>	<u><u>540,549</u></u>
<b>Total equity and liabilities</b>		<u><u>1,083,501</u></u>	<u><u>1,068,579</u></u>
<b>Net current assets</b>		<u><u>248,835</u></u>	<u><u>242,107</u></u>
<b>Total assets less current liabilities</b>		<u><u>557,297</u></u>	<u><u>536,226</u></u>

## **1 Basis of preparation**

The condensed consolidated interim financial information for the six months ended 31st December 2025 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting”. The condensed consolidated interim financial information does not include all the notes of the type normally included in an annual financial report. Accordingly, the report is to be read in conjunction with the annual financial statements for the year ended 30th June 2025, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”).

## **2 Accounting policies**

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 30th June 2025, as described in those annual financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

### *2.1 Amended standard adopted by the Group*

The Group has applied the following amendment to standard for the first time for the annual period beginning on 1st July 2025:

HKAS 21 and HKFRS 1 (Amendment)      Lack of Exchangeability

The adoption of the above amendment to standard did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

## 2.2 Impact of standards issued but not yet applied by the Group

The following new and amended HKFRSs have been issued, but are not effective for the Group's accounting period beginning on 1st July 2025 and have not been early adopted:

HKFRS 9 and HKFRS 7 (Amendment)	Classification and Measurement of Financial Instruments <sup>(1)</sup>
HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards – Volume 11 <sup>(1)</sup>
HKFRS 9 and HKFRS 7 (Amendment)	Contracts Referencing Nature dependent Electricity <sup>(1)</sup>
HKFRS 18	Presentation and Disclosure in Financial Statements <sup>(3)</sup>
HKFRS 19	Subsidiaries without Public Accountability: Disclosures <sup>(3)</sup>
Hong Kong - Interpretation 5 (Amendment)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause <sup>(2)</sup>
HKAS 28 and HKFRS 10 (Amendment)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>(3)</sup>

<sup>(1)</sup> Effective for annual periods beginning on or after 1st January 2026

<sup>(2)</sup> Effective for annual periods beginning on or after 1st January 2027

<sup>(3)</sup> To be determined

Further information about those HKFRS Accounting Standards that are expected to be applicable to the Group is described below.

### ***HKFRS 18 – Presentation and Disclosure in Financial Statements***

HKFRS 18 replaces HKAS 1 Presentation of Financial Statements. While a number of sections have been brought forward from HKAS 1 with limited changes, HKFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations, and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in HKAS 1 are moved to HKAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, which is renamed as HKAS 8 *Basis of Preparation of Financial Statements*. As a consequence of the issuance of HKFRS 18, limited, but widely applicable, amendments are made to HKAS 7 *Statement of Cash Flows*, HKAS 33 *Earnings Per Share* and HKAS 34 *Interim Financial Reporting*. In addition, there are minor consequential amendments to other HKFRS Accounting Standards. HKFRS 18 and the consequential amendments to other HKFRS Accounting Standards are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of HKFRS 18 on the presentation and disclosure of the Group's financial statements.

### 3 Revenue from contracts with customers and segment information

	<b>Unaudited</b>	
	<b>Six months ended 31st December</b>	
	<b>2025</b>	2024
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Revenue from contracts with customers		
Sales of goods	<b><u>687,915</u></b>	<u>705,051</u>

The Group is principally engaged in the manufacturing and trading of plastic materials, pigments, colorants, compounded plastic resins and engineering plastic products.

The Group derived revenue from the sales of goods at a point in time.

The chief operating decision-maker (“CODM”) has been identified as the Executive Directors of the Company. Management has determined the operating segments based on the reports reviewed by the CODM that are used to assess performance and allocate resources. The CODM considers the business from the operations nature and the type of products perspective, including the trading of plastic materials (“Trading”), manufacturing and sale of colorants, pigments and compounded plastic resins (“Colorants”), manufacturing and sale of engineering plastic products (“Engineering plastic”) and other corporate and business activities (“Others”).

Each of the Group’s operating segments represents a strategic business unit that is managed by different business unit leaders. Inter-segment transactions are entered into under the normal commercial terms and conditions that would also be available to unrelated third parties. Information provided to the CODM is measured in a manner consistent with that in the condensed consolidated interim financial information.

The CODM assesses the performance of the operating segments based on a measure of revenue from contracts with customers and operating profit including corporate expenses, which is in a manner consistent with that of the condensed consolidated interim financial information.

The segment information provided to the CODM for the reportable segments for the six months ended 31st December 2025 is as follows:

	Unaudited				Group <i>HK\$'000</i>
	Trading <i>HK\$'000</i>	Colorants <i>HK\$'000</i>	Engineering plastic <i>HK\$'000</i>	Others <i>HK\$'000</i>	
Revenue from contracts with customers					
– Gross revenue	458,056	200,925	58,963	—	717,944
– Inter-segment revenue	(28,438)	(1,360)	(231)	—	(30,029)
Revenue from external customers	<u>429,618</u>	<u>199,565</u>	<u>58,732</u>	<u>—</u>	<u>687,915</u>
Operating profit/(loss)	<u>97</u>	<u>17,220</u>	<u>2,011</u>	<u>(2,707)</u>	<u>16,621</u>
Finance income	95	298	202	—	595
Finance costs	(7,378)	(600)	(502)	(72)	(8,552)
(Loss)/profit before income tax	<u>(7,186)</u>	<u>16,918</u>	<u>1,711</u>	<u>(2,779)</u>	<u>8,664</u>
Other information:					
Capital expenditures	292	9,676	8,914	3,929	22,811
Depreciation of property, plant and equipment	227	4,752	2,544	464	7,987
Depreciation of rights-of-use assets	157	2,337	264	103	2,861
(Reversal of)/provision for impairment of inventories, net	(259)	(19)	137	—	(141)
Provision for/(reversal of) loss allowance on trade receivables	36	(112)	36	—	(40)
Fair value gains on financial asset at fair value through profit and loss	—	—	—	(144)	(144)
Fair value gains on derivative financial instruments	<u>(765)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(765)</u>

The segment information provided to the CODM for the reportable segments as at 31st December 2025 is as follows:

	Unaudited				Group <i>HK\$'000</i>
	Trading <i>HK\$'000</i>	Colorants <i>HK\$'000</i>	Engineering plastic <i>HK\$'000</i>	Others <i>HK\$'000</i>	
Segment assets	<u>383,452</u>	<u>420,519</u>	<u>129,254</u>	<u>150,276</u>	<u>1,083,501</u>
Segment liabilities	<u>(404,993)</u>	<u>(76,045)</u>	<u>(29,382)</u>	<u>(28,256)</u>	<u>(538,676)</u>

The segment information provided to the CODM for the reportable segments for the six months ended 31st December 2024 is as follows:

	Unaudited				Group HK\$'000
	Trading HK\$'000	Colorants HK\$'000	Engineering plastic HK\$'000	Others HK\$'000	
Revenue from contracts with customers					
– Gross revenue	477,121	185,903	72,214	—	735,238
– Inter-segment revenue	(27,949)	(1,606)	(632)	—	(30,187)
Revenue from external customers	<u>449,172</u>	<u>184,297</u>	<u>71,582</u>	<u>—</u>	<u>705,051</u>
Operating (loss)/profit	<u>(3,083)</u>	<u>11,059</u>	<u>7,437</u>	<u>(2,811)</u>	<u>12,602</u>
Finance income	530	31	325	—	886
Finance costs	(12,053)	(585)	(241)	(116)	(12,995)
(Loss)/profit before income tax	<u>(14,606)</u>	<u>10,505</u>	<u>7,521</u>	<u>(2,927)</u>	<u>493</u>
Other information:					
Capital expenditures	62	7,606	2,535	28	10,231
Depreciation of property, plant and equipment	226	4,420	2,567	212	7,425
Depreciation of rights-of-use assets	157	2,197	491	103	2,948
(Reversal of)/provision for impairment of inventories, net	(1,192)	480	(162)	—	(874)
(Reversal of)/provision for loss allowance on trade receivables	(571)	775	49	—	253
Fair value gains on financial asset at fair value through profit and loss	—	—	—	(144)	(144)
Fair value gains on derivative financial instruments	(266)	—	—	—	(266)

The segment information provided to the CODM for the reportable segments as at 30th June 2025 is as follows:

	Audited				Group HK\$'000
	Trading HK\$'000	Colorants HK\$'000	Engineering plastic HK\$'000	Others HK\$'000	
Segment assets	<u>408,873</u>	<u>385,602</u>	<u>132,338</u>	<u>141,766</u>	<u>1,068,579</u>
Segment liabilities	<u>(394,327)</u>	<u>(78,294)</u>	<u>(25,059)</u>	<u>(42,869)</u>	<u>(540,549)</u>

The entity is domiciled in Hong Kong. The revenue from external customers from Hong Kong for the six months ended 31st December 2025 is approximately HK\$125,783,000 (six months ended 31st December 2024: HK\$158,519,000) and the total of its revenue from external customers from other locations (mainly in Mainland China) is approximately HK\$562,132,000 (six months ended 31st December 2024: HK\$546,532,000).

At 31st December 2025, the total of non-current assets other than financial instruments and deferred income tax assets located in Hong Kong is approximately HK\$171,688,000 (as at 30th June 2025: HK\$162,586,000) and the total of these non-current assets located in other locations (mainly in Mainland China) is approximately HK\$119,317,000 (as at 30th June 2025: HK\$114,231,000).

#### 4 Other gains, net

	<b>Unaudited</b>	
	<b>Six months ended 31st December</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Net exchange (loss)/gain	(1,249)	1,033
Fair value gains from derivative financial instruments	765	266
Fair value gains from financial asset at fair value through profit and loss	144	144
Others	1,157	1,995
	<u>817</u>	<u>3,438</u>

#### 5 Operating profit

Operating profit is stated after charging/(crediting) the following:

	<b>Unaudited</b>	
	<b>Six months ended 31st December</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Cost of inventories recognised as expenses included in cost of sales	526,646	549,590
Depreciation of property, plant and equipment	7,987	7,425
Depreciation of rights-of-use assets	2,861	2,948
Short-term lease rentals in respect of land and buildings	3,434	3,179
Employee benefit expenses, including Directors' emoluments	67,157	68,862
(Reversal of)/provision for loss allowance on trade receivables	(40)	253
Reversal of impairment of inventories, net	(141)	(874)
	<u>526,646</u>	<u>549,590</u>

## 6 Finance income and costs

	Unaudited	
	Six months ended 31st December	
	2025	2024
	HK\$'000	HK\$'000
Finance income:		
– Interest income from bank deposits	511	574
– Net exchange gains on financing activities	84	312
	<u>595</u>	<u>886</u>
	-----	-----
Finance costs:		
– Interests on bank borrowings	(8,352)	(12,854)
– Interests on lease liabilities	(200)	(141)
	<u>(8,552)</u>	<u>(12,995)</u>
	-----	-----
Finance costs, net	<u>(7,957)</u>	<u>(12,109)</u>

## 7 Income tax expense

Hong Kong profit tax has been provided for at the rate of 16.5% (2024: 16.5%) for the period. Income tax on the Group's subsidiaries established and operate in Mainland China has been calculated on the estimated assessable profit for the period at the rates of taxation as applicable to the relevant subsidiaries.

The amount of income tax charged to the interim consolidated income statement represents:

	Unaudited	
	Six months ended 31st December	
	2025	2024
	HK\$'000	HK\$'000
Current income tax		
– Hong Kong profits tax	34	532
– Mainland China corporate income tax	6,372	6,840
	<u>6,406</u>	<u>7,372</u>
Deferred income tax charge/(credit)	<u>173</u>	<u>(1,037)</u>
	<u>6,579</u>	<u>6,335</u>

Deferred income tax assets are recognised for tax losses carry-forward to the extent that the realisation of the related tax benefit through future taxable profits is probable. At 31st December 2025, the Group had unrecognised tax losses to be carried forward against future taxable income amounted to HK\$435,568,000 (as at 30th June 2025: HK\$485,330,000). Aside from tax losses generated from certain subsidiaries incorporated in Mainland China amounted to HK\$42,460,000 (as at 30th June 2025: HK\$46,317,000) with expiry dates from 2026 to 2030, the remaining tax losses have no expiry date. The potential deferred income tax assets in respect of these tax losses which have not been recognised amounted to approximately HK\$82,484,000 (as at 30th June 2025: HK\$84,016,000).

## **8 Dividends**

On 27th February 2025, the Directors resolved not to declare any interim dividend for the six months ended 31st December 2024.

On 29th September 2025, the Directors resolved not to declare any final dividend for the year ended 30th June 2025.

On 26th February 2026, the Directors resolved not to declare any interim dividend for the six months ended 31st December 2025.

## **9 Earnings/(loss) per share**

The calculation of basic earnings per share is based on the profit attributable to equity holders of the Company for the period of HK\$2,431,000 (loss attributable to equity holders of the Company for six months ended 31st December 2024: HK\$6,803,000) and 369,200,000 ordinary shares in issue during the period (six months ended 31st December 2024: 369,200,000).

Dilutive earnings/(loss) per share for the period ended 31st December 2025 and 2024 equal basic earnings/(loss) per share as there was no dilutive potential ordinary share as at and for the period ended 31st December 2025 and 2024.

## 10 Trade and bills receivables

	<b>Unaudited 31st December 2025 HK\$'000</b>	Audited 30th June 2025 HK\$'000
Trade receivables	207,150	200,941
Less: loss allowance	(700)	(726)
	<u>206,450</u>	<u>200,215</u>
Bills receivables	63,934	62,246
	<u>270,384</u>	<u>262,461</u>

At 31st December 2025, the aging analysis of trade receivables, based on invoice date, is as follows:

	<b>Unaudited 31st December 2025 HK\$'000</b>	Audited 30th June 2025 HK\$'000
Below 90 days	190,201	187,981
91-180 days	16,127	11,353
Over 180 days	822	1,607
	<u>207,150</u>	<u>200,941</u>

The majority of the Group's sales are with credit terms of 30 to 90 days. The remaining amounts are on letter of credit or documents against payment.

Bill receivables are mainly with maturity period within 180 days.

At 31st December 2025, there are bills of exchange of HK\$41,494,000 (as at 30th June 2025: HK\$44,426,000) factored to banks with recourse in exchange for cash.

## 11 Trade payables

At 31st December 2025, the aging analysis of trade payables, based on invoice date, is as follows:

	<b>Unaudited 31st December 2025 HK\$'000</b>	Audited 30th June 2025 HK\$'000
Below 90 days	70,479	81,405
91-180 days	339	287
Over 180 days	960	948
	<u>71,778</u>	<u>82,640</u>

## **INTERIM DIVIDEND**

The Board has resolved not to declare any interim dividend for the six months ended 31st December 2025.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### ***BUSINESS REVIEW***

In the second half of 2025, the global political and economic environment remained in an adjustment cycle. The impact of U.S. tariff policies continued to emerge, the restructuring of global supply chains accelerated, and external end-market demand remained cautious, exerting sustained pressure on the overall operation of the industry. In the face of multiple challenges, the Group adhered to the strategic principle of “seeking progress while ensuring stability”, focusing on strengthening its core businesses to adapt to market changes and reinforcing its business fundamentals. The Group recorded a total turnover of HK\$687,915,000 for the six months ended 31st December 2025 (2024: HK\$705,051,000), a modest decline of 2.4% against the same period last year.

During the period under review, the Group’s overall gross profit increased by 4.5% to HK\$114,005,000 (2024: HK\$109,111,000), with gross profit margin up slightly by 1.1 percentage point year-on-year to 16.6%. Profit attributable to equity holders of the Company turned from a loss to a profit of HK\$2,431,000 (2024: loss attributable to equity holders of the Company: HK\$6,803,000). Basic earnings per share were HK0.66 cents (2024 basic loss per share: HK1.84 cents). In addition, underpinned by its prudent and pragmatic business strategies and reduced interest expenses during the period, the Group’s operating results steadily improved, recording an operating profit of HK\$16,621,000 (2024: operating profit of HK\$12,602,000).

To reserve funds for business development, the Board of Directors does not recommend the payment of an interim dividend.

During the period, the colorants, pigments and compounded plastic resins business performed outstandingly. In addition to consolidating its traditional business in industries such as automotive applications, food packaging, and construction materials, the Group has, in recent years, also continued to deepen its engagement with diverse domestic industry customers, continuously strengthening relations with existing customers. This strategic deployment has now yielded significant results. Leveraging its stable supply capability, the Group has accurately captured market demand while certain peers underwent business adjustments, resulting in a sustained rise in customer loyalty and a steady expansion in order volume of mobile phone accessories. Turnover of this business increased by 8.3% year-on-year to HK\$199,565,000 (2024: HK\$184,297,000), with an improvement in gross profit margin of 1.9 percentage points. Profit before taxation increased significantly by 61.0% to HK\$16,918,000 (2024: HK\$10,505,000).

The price of plastic materials continued to fluctuate within a narrow range at low levels, and tariff policies remained uncertain, leading to a decline in turnover from the plastic raw material trading business, which totalled HK\$429,618,000 (2024: HK\$449,172,000). In response to market changes, the Group proactively pursued transformation and actively advanced its export business layout in Southeast Asia. By optimising its procurement and clientele structure, its gross profit margin recorded a modest increase of 0.6 percentage point. In addition, benefiting from the downward trend in market interest rates, the Group's interest expense pressure has been significantly lessened, hence loss before taxation has narrowed considerably to HK\$7,186,000 (2024: HK\$14,606,000).

Regarding the engineering plastic products business, affected by tariff policy uncertainties, export-oriented end customers adopted a more cautious ordering strategy, prioritising inventory clearance. Coupled with the customised nature of engineering plastic products, which requires time for business transformation and new customer development, order volumes faced short-term pressure. During the period, this business recorded turnover of HK\$58,732,000 (2024: HK\$71,582,000), with gross profit margin down slightly by 1.9 percentage points. Profit before taxation amounted to HK\$1,711,000 (2024: HK\$7,521,000). Given customers' current wait-and-see approach to ordering, the relevant market demand is expected to be gradually released as tariff policies become clearer.

### ***PROSPECTS***

Looking ahead to 2026, challenges and opportunities are expected to exist both at home and abroad. The Group will therefore continue to adhere to its layout strategy of “balancing domestic and overseas operations with diversified synergy”, anchoring its core domestic businesses, continuously optimising operational strategies, and prudently advancing overseas expansion to increase resilience to risk and enhance sustainable development capabilities amid market volatility.

Currently, with raw material prices stabilising and the risk of significant fluctuations easing, the Group will precisely implement cost control and sales pricing strategies to enhance synergy with its upstream and downstream partners. As for the colorants, pigments and compounded plastic resins business, the Group will further strengthen its competitive edge in the domestic market, deepen customer penetration across multiple sectors, seize market opportunities arising from industry restructuring, and strive to sustain positive development momentum. With regard to the plastic raw material trading business, the Group will steadily promote advancement of its clientele structure and market transformation, and intensify efforts in developing emerging markets such as Southeast Asia, accumulating momentum for future growth. In terms of the engineering plastic products business, as the tariff policy environment gradually stabilises, end customers have progressively initiated cost reassessments and resumed enquiries since the fourth quarter of last year, although order placements remained relatively subdued. Given that the first quarter is traditionally a low season for the industry, with market demand expected to take some time to recover, the Group will actively position itself to capitalise on opportunities that arise as the market recovers.

The Group's sales point in Vietnam operated smoothly in 2025, and stable relations were formed with existing customers who have relocated there. The Group will continue to implement an asset-light strategy, prioritising the consolidation of cooperative ties with customers, conducting in-depth research into the local production environment, and steadily advancing its penetration into the local market. Furthermore, to closely align with global supply chain restructuring and customers' globalisation trends, the Group has decided to invest in setting up its first overseas production base in Thailand, primarily to undertake colorants, pigments, compounded plastic resins, and related OEM businesses. The project is currently at a preparatory stage and is expected to commence production in 2026. The Group will continue to uphold a prudent and sound investment strategy, focusing on high-potential markets while expanding its global footprint in an orderly and steady manner.

Presently, the Group remains in a healthy financial position. During the period, domestic and overseas borrowing rates declined from their peaks, effectively alleviating the Group's funding pressure, reducing financing costs, and further optimising its financial structure. Since most of the Group's procurements are settled in US dollars, the current exchange rate environment is relatively favourable, bringing considerable cost advantages to the Group while offering greater operational flexibility for its business development.

Against a complex and unpredictable macroeconomic landscape, the Group will uphold its professional and prudent management strategy and pragmatic approach. Under the leadership of a seasoned management team and dedicated contributions from all employees, the Group will act decisively and precisely capture emerging market opportunities, driving balanced growth in business scale and profitability, and striving to maximise returns for shareholders.

## LIQUIDITY AND FINANCIAL RESOURCES

The Group generally finances its operations with internally generated cashflow and banking facilities provided by its principal bankers. As at 31st December 2025, the Group has available aggregate bank loan facilities of approximately HK\$663,752,000 of which HK\$365,057,000 have been utilised and were secured by corporate guarantee issued by the Group and legal charges on certain leasehold land and buildings, investment properties and machinery and equipment in Mainland China and Hong Kong owned by the Group. The Group's cash and bank balances as at 31st December 2025 amounted to approximately HK\$190,095,000. The Group's gearing ratio as at 31st December 2025 was approximately 28.4%, which is calculated as net debt divided by total capital. Net debt is calculated as total bank borrowings less cash and cash equivalents. Total capital is calculated as equity plus net debt.

## FOREIGN EXCHANGE RISK

The Group's bank borrowings and cash and cash equivalents are primarily denominated in Hong Kong dollars, Renminbi and US dollars. The Group's purchases were principally denominated in US dollars. The Group closely monitors currency fluctuations and manages its exchange risk by entering into forward exchange contracts from time to time.

The maximum notional amount for the outstanding settlement committed by the Group in respect of forward contracts in order to manage the Group's exposure in foreign currencies from its operations is as follows:

	<b>31st December 2025 HK\$'000</b>	<b>30th June 2025 HK\$'000</b>
Sell HK dollars for US dollars	<b><u>109,200</u></b>	<b><u>257,400</u></b>

## EMPLOYEE INFORMATION

As at 31st December 2025, the Group employed a total of approximately 623 full-time employees. The Group's emolument policies are formulated on the performance of individual employees and are reviewed annually. The Group has an incentive scheme which is geared to the profit of the Group and the performance of its employees, as an incentive to motivate its employees to increase their contribution to the Group. The Group also provides social and medical insurance coverage, and provident fund scheme (as the case may be) to its employees depending on the location of such employees.

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

The Company has not redeemed any of its shares during the period. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's listed securities during the period.

## **COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding directors' securities transaction. The Company has made specific enquiry to all Directors and all Directors confirmed that they had complied with the required standard of dealings set out therein during the period.

## **CORPORATE GOVERNANCE PRACTICE**

The Company is committed to the establishment of good corporate governance practices and procedures which serve as an important element of risk management throughout the growth and expansion of the Company. The Company emphasises on maintaining and carrying out sound, solid and effective corporate governance principles and structures.

The Company has complied with all the applicable code provisions as set out in Corporate Governance Code and Corporate Governance Report to the Appendix C1 of the Listing Rules (the "CG Code") throughout the six months ended 31st December 2025, except for the deviation as mentioned below.

According to the code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Up to the date of this interim results announcement, the Board has not appointed any individual to be the chief executive. The roles of the chief executive have been performed collectively by all the executive directors, including the chairman, of the Company. The Board considers that this arrangement allows contributions from all executive directors with different expertise and is beneficial to the continuity of the Company's policies and strategies. Going forward, the Board will periodically review the effectiveness of this arrangement and considers appointing an individual to chief executive when it thinks appropriate.

For the purpose of enhancing the risk management and internal control systems, the Company has engaged an external consultant to assist the Board and the audit committee of the Company (the "Audit Committee") in ongoing monitoring and in performing the internal audit functions for the Group. Deficiencies in the design and implementation of internal controls are identified and recommendations are proposed for improvement. Significant internal control deficiencies are reported to the Audit Committee and the Board on a timely basis to ensure prompt remediation actions are taken.

The Board has reviewed and considered the Group's risk management and internal control systems were effective and adequate during the period. The risk management and internal control systems of the Group are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

## **NOMINATION COMMITTEE**

The Company has formulated written terms of reference for the nomination committee of the Company (the "Nomination Committee") in accordance with the requirements of the Stock Exchange. The Nomination Committee consists of all Independent Non-executive Directors, namely Mr. CHING Yu Lung, Mr. YU Chi Kwong and Ms. LIU Sau Lai and an Executive Director, Mr. HUI Sai Chung.

The Nomination Committee is responsible for reviewing the structure, size and composition of the Board (including the skills, knowledge and experience) on a regular basis and make recommendations to the Board regarding any proposed changes; identifying individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of, individuals nominated for directorships; assessing the independence of Independent Non-executive Directors; and making recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors and succession planning for Directors. The Nomination Committee would review the Board's composition from time to time where Board diversity would be considered from a number of aspects, including but not limited to gender, age, cultural and education background, ethnicity, professional experience, skills, knowledge and length of services. The Nomination Committee meets at least once a year to assess the structure, size and composition of the Board.

## **Board Diversity Policy**

The Board has updated a board diversity policy in July 2022 which sets out the approach to achieve diversity on the Board.

With a view to achieving a sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

In designing the Board's composition, the Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service.

The Board has reviewed the current composition and is committed to achieve gender diversity on the Board by maintaining an appropriate level of female members on the Board and to provide the Company with a good balance and diversity of skills and experience appropriate to the requirements of its business. The Board has appointed a female Director on 20th December 2024. The Board will continue to review its composition from time to time taking into consideration specific needs for the Group's business.

### **Independence**

The Board includes a balanced composition of Executive, Non-executive and Independent Non-executive Directors so that there is a strong element of independence in the Board. The Independent Non-executive Directors shall be of sufficient caliber and stature for their views to carry weight.

### **Gender and age**

The Company is committed to maintaining an environment of respect for people regardless of their gender in all business dealings and achieving a workplace environment free of harassment and discrimination on the basis of gender, physical or mental state, race, nationality, religion, age or family status. The same principle is applied to the selection of potential candidates for appointment to the Board.

### **Skills and experience**

The Board members should possess a balance of skills appropriate for the requirements of the business of the Group, including the Independent Non-executive Directors possessing professional accounting and other qualifications. The Directors have a mix of finance, academic and management backgrounds that taken together provide the Group with considerable experience in a range of activities including varied industries, education, government, investment and the professions.

### **AUDIT COMMITTEE**

The Company has formulated written terms of reference for the Audit Committee in accordance with the requirements of the Stock Exchange. The Audit Committee consists of all Independent Non-executive Directors, namely Mr. CHING Yu Lung, Mr. YU Chi Kwong and Ms. LIU Sau Lai.

The principal duties of the Audit Committee are to ensure the objectivity and credibility of financial reporting and internal control procedures as well as to maintain an appropriate relationship with the external auditor of the Company. The terms of reference of the Audit Committee are aligned with the recommendations set out in "A Guide for Effective Audit Committees" issued by the Hong Kong Institute of Certified Public Accountants and Listing Rules.

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including a review of the unaudited condensed consolidated interim financial information for the six months ended 31st December 2025 with the Directors.

## **REMUNERATION COMMITTEE**

The Company has updated the written terms of reference for the remuneration committee of the Company (the “Remuneration Committee”) in September 2023 in accordance with the requirements of the Stock Exchange. The Remuneration Committee consists of three Independent Non-executive Directors, namely Mr. CHING Yu Lung, Mr. YU Chi Kwong and Ms. LIU Sau Lai and an Executive Director, Mr. HUI Sai Chung.

The Remuneration Committee is responsible for ensuring formal and transparent procedures for developing remuneration policies and making recommendations to the Board on the remuneration packages of the individual executive Director and senior management. This includes benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment. It takes into consideration on factors such as salaries paid by comparable companies, time commitment and responsibilities of Directors and senior management. The Remuneration Committee meets at least once a year to assess the performance and review the annual salaries and bonus of the senior executives.

### **Remuneration Policy**

The remuneration of employees (including the Directors and Senior Management) of the Group are generally structured by reference to market terms and individual merits, which is reviewed on a regular basis. The Group also provides various other benefits to designated staff, including discretionary bonus, social insurance or medical insurance, share option scheme, continuing education and training programmes. The Group also launched key performance indicators assessment scheme and annual bonus scheme to boost individual performance and operational efficiency.

## **CORPORATE GOVERNANCE COMMITTEE**

The Company has formulated written terms of reference for the corporate governance committee of the Company (the “Corporate Governance Committee”) in accordance with the CG Code. The Corporate Governance Committee consists of all Independent Non-executive Directors, namely Mr. CHING Yu Lung, Mr. YU Chi Kwong and Ms. LIU Sau Lai.

The Corporate Governance Committee is responsible for developing and reviewing the policies and practices on corporate governance of the Group and making recommendations to the Board; reviewing and monitoring the training and continuous professional development of Directors and senior management; reviewing and monitoring the Group’s policies and practices on compliance with legal and regulatory requirements; developing, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to employees and Directors; and reviewing the Group’s compliance with the CG Code and disclosure in the Corporate Governance Report of the Company. The Corporate Governance Committee meets at least once a year to review the corporate governance functions.

## **INTERNAL CONTROL AND RISK MANAGEMENT**

The Board is responsible for overseeing the risk management and internal control systems of the Group and reviewing their effectiveness. The Group has formulated and adopted a risk management process which includes risk identification, risk evaluation, risk mitigation, risk monitoring and reporting. At least on an annual basis, the management of the Company identifies risks that would adversely affect the achievement of the Group’s objectives, and assesses and prioritises the identified risks according to a set of standard criteria. Risk mitigation plans are then established for those risks considered to be significant, which include regular reporting to the Audit Committee and the Board.

The management of the Company has established a set of comprehensive policies, standards and procedures in areas of operational, financial and risk controls for safeguarding assets against unauthorised use or disposition; for maintaining proper accounting records; and for ensuring the reliability of financial information to achieve a satisfactory level of assurance against the likelihood of the occurrence of fraud and errors. In addition, the Group has established internal control protocols and control self-assessment process on major operations. Assessment results are submitted to the Board for ongoing monitoring purpose.

For the purpose of enhancing the risk management and internal control systems, the Company has engaged an external consultant to assist the Board and the Audit Committee in ongoing monitoring and in performing the internal audit functions for the Group. Deficiencies in the design and implementation of internal controls are identified and recommendations are proposed for improvement. Significant internal control deficiencies are reported to the Audit Committee and the Board on a timely basis to ensure prompt remediation actions are taken.

The Board has reviewed and considered the Group's risk management and internal control systems were effective and adequate during the period. The risk management and internal control systems of the Group are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

### **WHISTLE BLOWING POLICY**

The Group is committed to achieving and maintaining the highest standards of openness, probity and accountability. The Company has formulated the Whistle Blowing Policy in accordance with the requirements of the Stock Exchange. It was approved and adopted by the Board of Directors of the Company, with the authority and responsibility being delegated to the Audit Committee. Details of the Whistle Blowing Policy of the Company are disclosed on the Company's corporate website <https://www.nhh.com.hk>.

External parties may raise concerns about the relevant matter against the Company by using below channel:

**Email:** [auditcommittee@nhh.com.hk](mailto:auditcommittee@nhh.com.hk)

### **ANTI-CORRUPTION POLICY**

The Group is committed to achieving the highest standards of business conduct and has zero tolerance for corruption and related malpractice. The Company has formulated the Anti-Corruption Policy and it was approved and adopted by the Board of Directors of the Company in accordance with the requirements of the Stock Exchange. Details of the Anti-Corruption Policy of the Company are disclosed on the Company's corporate website <https://www.nhh.com.hk>.

On behalf of the Board  
**Ngai Hing Hong Company Limited**  
**HUI Sai Chung**  
*Chairman*

Hong Kong, 26th February 2026

*As at the date of this announcement, the Board of Directors comprises six Executive Directors, namely Mr. HUI Sai Chung (Chairman), Mr. HUI Kwok Kwong, Mr. NG Chi Ming, Mr. HUI Yan Kuen, Mr. HUI Man Wai and Mr. HUI Yan Lung, Geoffrey and three Independent Non-executive Directors, namely Mr. CHING Yu Lung, Mr. YU Chi Kwong and Ms. LIU Sau Lai.*