LUEN THAI HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 311)

PROFIT ALERT

This announcement is made by Luen Thai Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

PROFIT ALERT

The board of directors of the Company (the "**Board**") wishes to inform the shareholders and potential investors of the Company that, based on the review of the information currently available to the Board for the six months ended 30 June 2026 ("**Relevant Period**"), the Company is expected to record a net profit attributable to owners of the Company in the range of approximately US$6.0 million to US$7.0 million for the Relevant Period, as compared to a net profit attributable to owners of the Company of approximately US$0.4 million for the corresponding period in 2025.

The Board considers that the expected improvement in the Group's financial performance is primarily attributable to the following:

(i) an increase in revenue of approximately 10% as compared to the corresponding period in 2025, mainly driven by continued growth in demand from the activewear business;

(ii) an improvement in gross profit margin resulting from a more favourable product mix, ongoing optimisation of the Group's manufacturing footprint, enhanced production efficiency and continued implementation of cost control initiatives; and

(iii) a reduction in finance costs from approximately US$4.8 million in the corresponding period in 2025 to approximately US$3.2 million for the Relevant Period as a result of the Group's continued efforts to optimise its funding structure and reduce borrowing costs.

Notwithstanding the foregoing, the Group remains cautious regarding the business outlook for the second half of 2026 in light of ongoing geopolitical uncertainties, including the continuing Russia-Ukraine conflict, potential instability in the Middle East stemming from US-Iran relations, and uncertainties arising from the reciprocal tariff policies of the United States, all of which may affect customer demand, sourcing decisions and global supply chains. Going forward, the Group will continue to closely monitor market conditions and implement timely adjustments to its business strategies as and when appropriate.

As at the date of this announcement, the Company is still in the course of finalising its unaudited consolidated interim results for the Relevant Period. The information contained in this announcement is based only on a preliminary assessment by the Board of the information currently available and has not been reviewed or audited by the auditor of the Company. Accordingly, the actual results of the Group for the Relevant Period may differ from the information disclosed in this announcement. Shareholders and potential investors should refer to the unaudited interim results of the Company, which are expected to be announced in late August 2026, for details of the Group's performance during the Relevant Period.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Luen Thai Holdings Limited
Tan Cho Lung, Raymond
Chief Executive Officer and Executive Director

Hong Kong, 31 July 2026

As at the date hereof, the Board comprises Mr. Wang Weimin, Dr. Tan Siu Lin, Mr. Tan Cho Lung, Raymond, Mr. Zhang Min and Mr. Jin Xin as executive directors; Ms. Fok Yue San, Sandy as non-executive director; Mr. Chan Henry, Ms. Shi Min and Mr. Luo Guihua as independent non-executive directors.

Company website: www.luenthai.com