



FORWARD FASHION
HOLDINGS

Forward Fashion (International) Holdings Company Limited

尚晉(國際)控股有限公司

(incorporated in the Cayman Islands with limited liability)

Stock Code : 2528



INTERIM REPORT 2025

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Fan Wing Ting (*Chairman*)
Ms. Chen Xingyi (*Chief Executive Officer*)
Mr. Kevin Trantallis
Mr. Fong Yat Ming
Ms. Fan Tammy

Independent Non-executive Directors

Mr. Yu Chun Kau
Mr. Ng Kam Tsun
Mr. Sze Irons, *B.B.S., J.P.*

BOARD COMMITTEES

Audit Committee

Mr. Yu Chun Kau (*Chairman*)
Mr. Ng Kam Tsun
Mr. Sze Irons, *B.B.S., J.P.*

Remuneration Committee

Mr. Yu Chun Kau (*Chairman*)
Ms. Chen Xingyi
Mr. Sze Irons, *B.B.S., J.P.*

Nomination Committee

Mr. Fan Wing Ting
(*ceased to act as Chairman with effect from 18 July 2025*)
Mr. Yu Chun Kau
Mr. Sze Irons, *B.B.S., J.P.*
(*appointed as Chairman with effect from 18 July 2025*)
Ms. Fan Tammy
(*appointed as a member of the Committee with effect from 18 July 2025*)

Environmental, Social and Governance Committee

Mr. Ng Kam Tsun (*Chairman*)
Mr. Yu Chun Kau
Mr. Sze Irons, *B.B.S., J.P.*

AUTHORISED REPRESENTATIVES

Mr. Kevin Trantallis
Ms. Fan Tammy

COMPANY SECRETARY

Mr. Kevin Trantallis

AUDITORS

SHINEWING (HK) CPA Limited
Certified Public Accountants
Registered Public Interest Entity Auditor
17/F., Chubb Tower, Windsor House
311 Gloucester Road, Causeway Bay
Hong Kong

REGISTERED OFFICE IN THE CAYMAN ISLANDS

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

PRINCIPAL PLACE OF BUSINESS AND HEAD OFFICE IN HONG KONG

Unit 5, 10/F, Tower B
83 King Lam Street
Cheung Sha Wan, Kowloon
Hong Kong

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
Bank of China (Hong Kong) Limited
China Merchants Bank Co., Ltd.

COMPANY WEBSITE

www.forward-fashion.com

STOCK CODE

02528

FINANCIAL HIGHLIGHTS

		For the six months ended 30 June 2025	For the six months ended 30 June 2024
Revenue	<i>HKD million</i>	443.64	468.36
Gross Profit	<i>HKD million</i>	221.54	202.01
Profit (loss) for the period	<i>HKD million</i>	7.03	(54.70)
Profit (loss) per share	<i>HKD</i>	0.02	(0.13)
		As of 30 June 2025	As of 30 June 2024
Current Ratio		1.35	1.09
Gearing Ratio		0.65	0.65

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	Unaudited Six months ended 30 June	
		2025 HKD'000	2024 HKD'000
Revenue	6	443,641	468,361
Cost of sales		(222,100)	(266,356)
Gross profit		221,541	202,005
Selling and marketing expenses		(157,712)	(197,965)
General and administrative expenses		(39,568)	(51,791)
Other (losses) gains – net	7	(1,883)	2,680
Operating profit (loss)		22,378	(45,071)
Finance income		29	949
Finance costs		(6,888)	(9,660)
Finance costs – net		(6,859)	(8,711)
Profit (loss) for the period before income tax		15,519	(53,782)
Income tax expense	8	(8,488)	(916)
Profit (loss) for the period	9	7,031	(54,698)
Other comprehensive expense			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Currency translation loss		(1,726)	(788)
Other comprehensive expense for the period		(1,726)	(788)
Total comprehensive income (expense) for the period		5,305	(55,486)

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (continued)

	<i>Notes</i>	Unaudited	
		Six months ended 30 June	
		2025	2024
		HKD'000	HKD'000
Profit (loss) is attributable to:			
– Owners of the Company		8,371	(50,771)
– Non-controlling interests		(1,340)	(3,927)
		<u>7,031</u>	<u>(54,698)</u>
Total comprehensive income (expense) for the period attributable to:			
– Owners of the Company		6,550	(51,664)
– Non-controlling interests		(1,245)	(3,822)
		<u>5,305</u>	<u>(55,486)</u>
Profit (loss) per share			
Basic and diluted (<i>HKD</i>)	10	0.02	(0.13)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

		Unaudited As at 30 June 2025 HKD'000	Audited As at 31 December 2024 HKD'000
	Notes		
Non-current assets			
Property, plant and equipment	11	102,640	111,388
Right-of-use assets	12	158,492	208,090
Intangible assets		3,486	3,785
Deferred tax assets		8,304	10,545
Prepayments		4,714	13,231
Other receivables and deposits		24,579	20,105
		302,215	367,144
Current assets			
Inventories	13	216,284	252,048
Trade receivables	14	37,624	61,698
Prepayments		24,904	22,317
Amounts due from related parties	21	5,465	5,840
Other receivables and deposits		25,197	25,313
Pledged bank deposits	15	3,624	5,556
Term deposits with initial term of over three months		36,308	36,308
Cash and cash equivalents		67,506	46,225
		416,912	455,305
Current liabilities			
Trade and other payables	16	141,464	198,770
Amounts due to related parties	21	32,129	32,158
Other current liabilities	17	8,699	7,736
Contract liabilities		1,937	11,558
Lease liabilities	12	72,573	91,162
Provisions	18	2,352	5,513
Income tax liabilities		6,352	—
Borrowings		44,944	72,263
		310,450	419,160
Net current assets		106,462	36,145
		408,677	403,289

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(continued)

		Unaudited As at 30 June 2025 HKD'000	Audited As at 31 December 2024 HKD'000
	<i>Notes</i>		
Capital and reserve			
Share capital	19	4,000	4,000
Share premium		859,232	859,232
Reserves		(606,073)	(604,252)
Accumulated losses		(101,461)	(109,832)
		<hr/>	<hr/>
Equity attributable to owners of the Company		155,698	149,148
		<hr/>	<hr/>
Non-controlling interests		(19,143)	(17,898)
		<hr/>	<hr/>
Total equity		136,555	131,250
		<hr/> <hr/>	<hr/> <hr/>
Non-current liabilities			
Loan from related parties	21	99,065	102,563
Other non-current liabilities	17	12,684	8,515
Lease liabilities	12	91,881	123,854
Provisions	18	11,740	12,794
Borrowings		56,752	24,210
Deferred tax liabilities		—	103
		<hr/>	<hr/>
		272,122	272,039
		<hr/>	<hr/>
		408,677	403,289
		<hr/> <hr/>	<hr/> <hr/>

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Unaudited attributable to owners of the Company					Non-	Total equity
	Share capital HKD'000	Share premium HKD'000	Reserve HKD'000	Accumulated losses HKD'000	Sub-total HKD'000	controlling interests HKD'000	
At 1 January 2025	4,000	859,232	(604,252)	(109,832)	149,148	(17,898)	131,250
Total comprehensive income (expense) for the period							
Profit (loss) for the period	-	-	-	8,371	8,371	(1,340)	7,031
Other comprehensive (expense) income for the period	-	-	(1,821)	-	(1,821)	95	(1,726)
	-	-	(1,821)	8,371	6,550	(1,245)	5,305
At 30 June 2025	4,000	859,232	(606,073)	(101,461)	155,698	(19,143)	136,555
At 1 January 2024	4,000	859,232	(601,667)	(32,752)	228,813	(10,169)	218,644
Total comprehensive expense for the period							
Loss for the period	-	-	-	(50,771)	(50,771)	(3,927)	(54,698)
Other comprehensive (expense) income for the period	-	-	(893)	-	(893)	105	(788)
	-	-	(893)	(50,771)	(51,664)	(3,822)	(55,486)
At 30 June 2024	4,000	859,232	(602,560)	(83,523)	177,149	(13,991)	163,158

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Unaudited	
	Six months ended 30 June	
	2025	2024
	HKD'000	HKD'000
Cash flows from operating activities		
Cash generated from operations	77,151	32,712
Income tax refund	—	560
Net cash from operating activities	77,151	33,272
Cash flows from investing activities		
Interest income received	29	949
Purchase of property, plant and equipment	(12,770)	(12,182)
Proceeds from disposal of property, plant and equipment	7,309	18,757
Investment in term deposits	—	10,000
Net cash (used in) from investing activities	(5,432)	17,524
Cash flows from financing activities		
Proceeds from borrowings	32,542	88,632
Interest paid	(3,151)	(5,115)
Repayment of loans from related parties	(3,498)	(16,609)
Repayment of borrowings	(27,319)	(80,924)
Payment of lease liabilities and interest expense	(48,775)	(62,664)
Net cash used in financing activities	(50,201)	(76,680)
Net increase (decrease) in cash and cash equivalents	21,518	(25,884)
Cash and cash equivalents at beginning of the period	46,225	73,298
Effects of exchange rate changes	(237)	216
Cash and cash equivalents at end of the period	67,506	47,630

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1 GENERAL INFORMATION

Forward Fashion (International) Holdings Company Limited (the “**Company**”) was incorporated in the Cayman Islands on 16 May 2019. The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section to the interim report.

The Company is an investment holding company and its subsidiaries (collectively refer to as the “**Group**”) are principally engaged in the retail, wholesale, provision of store management and consignment service of fashion apparel of international brands ranging from established designer label brands, popular global brands to up-and-coming brands through its multi-brand and multi-store business model in Mainland China, Macau, Hong Kong and Taiwan and catering service in Macau.

The immediate and ultimate holding company of the Company is Gold Star Fashion Limited, a company incorporated in the British Virgin Islands (the “**BVI**”) and is wholly-owned by Mr. Fan Wing Ting (“**Mr. Fan**”), the ultimate controlling shareholder (the “**Controlling Shareholder**”) of the Group.

The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 13 January 2020.

The condensed consolidated financial statements are presented in Hong Kong dollars (“**HKD**”), which is also the functional currency of the Company.

2 BASIS OF PREPARATION

The condensed consolidated financial statements of the Group for the six months ended 30 June 2025 have been prepared in accordance with International Accounting Standard (“**IAS**”) 34 “Interim Financial Reporting” issued by the International Accounting Standards Board (“**IASB**”) and the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(continued)

3 ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis.

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024.

Application of amendments to International Financial Reporting Standards ("IFRSs")

In the current interim period, the Group has applied, for the first time, the following amendments to IFRS issued by the IASB which are effective for the Group's financial year beginning 1 January 2025:

Amendments to IAS 21	Lack of Exchangeability
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The application of the amendments to IFRSs in the current interim period has had no material impact on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

4 FAIR VALUE OF FINANCIAL INSTRUMENTS

Management has determined that the carrying amounts of cash and cash equivalents, trade receivables, financial assets included in prepayments and other receivables, other financial assets at amortised cost, trade payables and financial liabilities included in the current portion of other payables and accruals based on their notional amounts, reasonably approximate to their fair values because these financial instruments are mostly short term in nature.

The fair values of the non-current portion of other receivables, interest-bearing bank and other borrowings and the non-current portion of other payables have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The fair values approximate to their carrying amounts.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(continued)

5 SEGMENT INFORMATION

The Group is principally engaged in the retail, wholesale, provision of store management service of fashion apparel of international brands ranging from established designer label brands, popular global brands to up-and-coming brands through its multi-brand and multi-store business model in Mainland China, Macau and Hong Kong and catering service in Macau. The performance of the Group's retail stores is subject to seasonal fluctuations and certain holiday seasons.

The Group's business activities, for which discrete financial statements are available, are regularly reviewed and evaluated by the executive directors of the Company, being the chief operating decision-maker ("**CODM**"). The CODM considers the business from geographic perspective and assesses the performance of the geographical segments mainly based on segment revenues, segment result, segment assets and segment liabilities.

The revenues from external customers reported to CODM are measured as segment revenues, which are the revenues derived from customers of each segment.

Segment result is equal to revenue from external customers deducted by cost of sales and selling and marketing expenses from each segment.

Non-current assets is presented based on the geographic location of the assets. Non-current assets excluded financial instruments and deferred tax assets.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(continued)

5 SEGMENT INFORMATION (continued)

The segment information for the six months ended 30 June 2025 and 2024 are as follows:

	As at 30 June 2025 (Unaudited)			Total HKD'000
	Mainland China HKD'000	Macau HKD'000	Hong Kong and others HKD'000	
Segment revenue	154,160	293,534	21,304	468,998
Inter-segment revenue (Note)	(1,053)	(20,062)	(4,242)	(25,357)
Revenue from external customers	153,107	273,472	17,062	443,641
Cost of sales	(92,930)	(117,493)	(11,677)	(222,100)
Selling and marketing expenses	(59,934)	(83,038)	(14,740)	(157,712)
Segment result	243	72,941	(9,355)	63,829
General and administrative expenses				(39,568)
Other losses, net				(1,883)
Finance income				29
Finance costs				(6,888)
Profit before income tax				15,519

	Six months ended 30 June 2025 (Unaudited)			Total HKD'000
	Mainland China HKD'000	Macau HKD'000	Hong Kong and others HKD'000	
Segment non-current assets	40,432	213,729	15,171	269,332

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(continued)

5 SEGMENT INFORMATION (continued)

	As at 30 June 2024 (unaudited)			
	Mainland China HKD'000	Macau HKD'000	Hong Kong and others HKD'000	Total HKD'000
Segment revenue	203,232	234,691	46,018	483,941
Inter-segment revenue (<i>Note</i>)	(1,287)	(11,365)	(2,928)	(15,580)
Revenue from external customers	201,945	223,326	43,090	468,361
Cost of sales	(116,667)	(120,181)	(29,508)	(266,356)
Selling and marketing expenses	(83,326)	(96,871)	(17,768)	(197,965)
Segment result	1,952	6,274	(4,186)	4,040
General and administrative expenses				(51,791)
Other income				–
Other gains, net				2,680
Finance income				949
Finance costs				(9,660)
Loss before income tax				(53,782)

	Year ended 31 December 2024 (audited)			
	Mainland China HKD'000	Macau HKD'000	Hong Kong and others HKD'000	Total HKD'000
Segment non-current assets	34,583	289,849	12,062	336,494

Note: The inter-segment revenue are sold at cost.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(continued)

5 SEGMENT INFORMATION (continued)

The accounting policies of the geographical segments are the same as the Group's accounting policies described in Note 3. Segment result represents the result of each segment without allocation of general and administrative expenses, other income, other gains – net, finance income and finance costs.

The Group has a large number of customers, and none of the revenue from these customers accounted for 10% or more of the Group's revenue during the year (2024: Nil).

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by geographical segment:

	30 June 2025 (unaudited) HKD'000	31 December 2024 (audited) HKD'000
Segment assets		
Mainland China	198,589	228,076
Macau	362,102	463,443
HK and others	50,998	42,841
Total segment assets	611,689	734,360
Unallocated corporate assets	107,438	88,089
Consolidated assets	719,127	822,449
Segment liabilities		
Mainland China	174,019	96,169
Macau	176,899	361,481
HK and others	30,893	25,956
Total segment liabilities	381,811	483,606
Unallocated corporate liabilities	200,761	207,593
Consolidated liabilities	582,572	691,199

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to geographical segments other than pledged bank deposits, term deposits with initial term of over three months, cash and cash equivalents; and
- all liabilities are allocated to geographical segments other than lease liabilities, borrowings and loans from related parties.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(continued)

6 REVENUE

(a) *Disaggregation of revenue by business line and nature*

	Unaudited	
	Six months ended 30 June	
	2025	2024
	HKD'000	HKD'000
Revenue from contracts with customers within the scope of IFRS 15		
Retail	305,633	375,481
Store management	117,831	51,320
Catering service	19,425	15,411
Wholesale	752	26,149
Total	443,641	468,361

(b) *Disaggregation of revenue from contracts with customers by timing of revenue recognition*

	Unaudited	
	Six months ended 30 June	
	2025	2024
	HKD'000	HKD'000
Revenue at a point in time	325,810	417,041
Revenue over time	117,831	51,320
Total	443,641	468,361

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(continued)

7 OTHER (LOSSES) GAINS – NET

	Unaudited	
	Six months ended 30 June	
	2025	2024
	HKD'000	HKD'000
Gains on the early termination of right-of-use assets and lease liabilities	812	720
Net exchange gains (losses)	3,412	(1,949)
Net (losses) gains on disposal of property, plant and equipment	(5,336)	3,796
Others	(771)	113
	(1,883)	2,680

8 INCOME TAX EXPENSE*Income tax expense*

	Unaudited	
	Six months ended 30 June	
	2025	2024
	HKD'000	HKD'000
Current income tax	6,350	9
Deferred income tax related to the temporary differences	2,138	907
	8,488	916

9 PROFIT (LOSS) FOR THE PERIOD

Profit (loss) for the period has been arrived at after charging (crediting):

	Unaudited	
	Six months ended 30 June	
	2025	2024
	HKD'000	HKD'000
Cost of inventories (included in cost of sales)	173,019	232,441
Impairment loss on right-of-use assets	7,545	2,438
Impairment loss on property, plant and equipment	1,631	1,044
Provision for impairment on inventories (included in cost of sales)	11,088	2,134
Depreciation of property, plant and equipment	17,914	18,579
Amortisation of intangible assets	252	471
Depreciation of right-of-use assets	47,386	51,944

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(continued)

10 PROFIT (LOSS) PER SHARE

(a) Basic profit (loss) per share

	Unaudited Six months ended 30 June	
	2025	2024
Profit (loss) attributable to owners of the Company (HKD'000)	8,371	(50,771)
Weighted average number of ordinary shares in issue (HKD'000)	400,000	400,000
Basic profit (loss) per share (HKD) (Note)	0.02	(0.13)

Note: Basic profit (loss) per share is calculated by dividing the profit (loss) attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period.

- (b) The diluted profit (loss) per share is same as the basic profit (loss) per share as there were no dilutive potential ordinary shares outstanding for both periods.

11 PROPERTY, PLANT AND EQUIPMENT

During the period ended 30 June 2025, the Group acquired property, plant and equipment at a cost of HKD12,770,000 (2024: HKD15,216,000).

Property, plant and equipment with a net book value of HKD12,645,000 were disposed of by the Group during the period ended 30 June 2025 (2024: HKD14,961,000), resulting in a net losses on disposal of HKD5,336,000 (2024: net gains on disposal HKD3,796,000).

12 RIGHT-OF-USE ASSETS/LEASE LIABILITIES

During the period ended 30 June 2024, the Group entered into lease agreements for operations. On lease commencement, the Group recognised right-of-use assets and lease liabilities of HKD35,283,000 (2024: HKD38,935,000).

Right-of-use assets in relation to a lease agreement with carrying amount of HKD33,428,000 was early terminated during the period ended 30 June 2025 (2024: HKD2,001,000), while the relevant lease liabilities of HKD34,240,000 was discharged during the current period (2024: HKD2,721,000).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(continued)

13 INVENTORIES

	Unaudited As at 30 June 2025 HKD'000	Audited As at 31 December 2024 HKD'000
Fashion wears and accessories	232,130	250,097
Electronic devices	2,992	2,796
Skincare and cosmetic products	5,672	11,832
Food and beverages	—	745
Less: provision for impairment	(24,510)	(13,422)
	216,284	252,048

14 TRADE RECEIVABLES

	Unaudited As at 30 June 2025 HKD'000	Audited As at 31 December 2024 HKD'000
Trade receivables	38,395	62,469
Less: provision for impairment of trade receivables	(771)	(771)
Net trade receivables	37,624	61,698

The credit terms of trade receivables granted by the Group are generally 1–3 months (2024: 1–3 months).

The ageing analysis of the trade receivables, net of allowance for impairment, based on invoice date as at 30 June 2025 and 31 December 2024 is as follows:

	Unaudited As at 30 June 2025 HKD'000	Audited As at 31 December 2024 HKD'000
Within 3 months	32,641	60,653
Over 3 months and within 6 months	1,698	818
Over 6 months and within 1 year	3,285	227
	37,624	61,698

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(continued)

15 PLEDGED BANK DEPOSITS

	Unaudited As at 30 June 2025 HKD'000	Audited As at 31 December 2024 HKD'000
Pledged bank deposits	3,624	5,556

As at 30 June 2025, the pledged bank deposits is pledged for bank borrowings repayable in full within one year of approximately HKD23,660,000 (31 December 2024: HKD23,660,000) and are therefore classified as current assets.

The pledged bank deposits earns interest at floating rates based on daily bank deposit rates.

16 TRADE AND OTHER PAYABLES

	Unaudited As at 30 June 2025 HKD'000	Audited As at 31 December 2024 HKD'000
Current		
Trade payables (<i>Note</i>)	50,225	115,804
Salaries payable	22,473	23,458
Variable lease payable	14,439	17,046
Other taxes payable	6,155	7,742
License fee payable	—	8,359
Operating support fund	578	10,291
Renovation service fee payables	18,444	7,085
Other payables	29,150	8,985
	141,464	198,770

Note: Trade payables primarily represent payables for inventories. The ageing analysis of the trade payables based on invoice date is as follows:

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(continued)

16 TRADE AND OTHER PAYABLES (continued)

	Unaudited As at 30 June 2025 HKD'000	Audited As at 31 December 2024 HKD'000
Within 3 months	21,585	79,235
Over 3 months and within 1 year	4,618	13,755
Over 1 year	24,022	22,814
	50,225	115,804

The credit terms of the trade payables is up to 3 months (31 December 2024: 3 months).

17 OTHER CURRENT AND NON-CURRENT LIABILITIES

	Unaudited As at 30 June 2025 HKD'000	Audited As at 31 December 2024 HKD'000
At 1 January	16,251	21,779
Receipt (<i>Note</i>)	11,508	2,712
Recognised in consolidated statements of profit or loss	(6,449)	(7,987)
Exchange differences	73	(253)
	21,383	16,251
At the end or the period/year		
Current	8,699	7,736
Non-current	12,684	8,515

Note: The other current and non-current liabilities are mainly the decoration subsidy received from the franchisors plus rental support for base shares and shopping malls and are amortised through out the lease term.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(continued)

18 PROVISIONS

	Unaudited As at 30 June 2025 HKD'000	Audited As at 31 December 2024 HKD'000
Provision for reinstatement of premises		
Non-current	11,740	12,794
Current	2,352	5,513
	14,092	18,307
	Unaudited As at 30 June 2025 HKD'000	Audited As at 31 December 2024 HKD'000
At 1 January	18,307	19,525
Additional provision in the period/year	3,895	7,953
Utilisation	(8,150)	(9,254)
Exchange difference	40	83
	14,092	18,307
At the end of the period/year		

19 SHARE CAPITAL

	Number of shares HKD'000	Nominal value of shares HKD'000
As at 1 January 2024 (audited), 31 December 2024 (audited), 1 January 2025 (audited) and 30 June 2025 (unaudited)	400,000	4,000

The Group did not issued any new ordinary share during the period.

20 DIVIDENDS

The board of directors of the Company does not recommend the payment of any interim dividend for the six months ended 30 June 2025.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(continued)

21 SIGNIFICANT RELATED PARTY TRANSACTIONS

(a) *Significant transactions with related parties*

The following significant transactions occurred with related parties:

	Unaudited	
	Six months ended 30 June	
	2025	2024
	HKD'000	HKD'000
Purchase of goods		
Companies with significant over a subsidiary	421	2,083
Fellow subsidiaries	48	202
Lease payments (with variable lease payments)		
Controlling shareholder of the Company	1,050	1,067
Interest expense paid		
Controlling shareholder of the Company	1,299	1,912
A fellow subsidiary	571	907
Provision of corporate management services		
Fellow subsidiaries	—	1,775
Sales of goods		
A fellow subsidiary	—	91

In the opinion of the directors of the Company, the related party transactions were carried out in the normal course of business and at terms negotiated between the Group and the respective related parties.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(continued)

21 SIGNIFICANT RELATED PARTY TRANSACTIONS (continued)

(b) *Period/year end balances with related parties*

(i) Due from related parties

Particulars of amounts due from related parties are as follows:

	Unaudited As at 30 June 2025 HKD'000	Audited As at 31 December 2024 HKD'000
Fellow subsidiaries		
Sao Hang Investment Company Ltd	283	1,117
SJ Synergy Engineering Company Limited	2,234	2,234
Company with significant influence over NB China Limited		
– White S.R.L.	2,948	2,489
	5,465	5,840

The amounts were in trade nature, unsecured, repayment on demand and non-interest bearing.

The ageing analysis of the amount due from related parties, based on invoice date as at 30 June 2025 and 31 December 2024 is as follows:

	Unaudited As at 30 June 2025 HKD'000	Audited As at 31 December 2024 HKD'000
Within 3 months	5,465	5,840

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(continued)

21 SIGNIFICANT RELATED PARTY TRANSACTIONS (continued)

(b) *Period/year end balances with related parties (continued)*

(ii) Due to related parties

	Unaudited As at 30 June 2025 HKD'000	Audited As at 31 December 2024 HKD'000
Loans from related parties		
Mr. Fan	70,173	70,086
Wise Fortune Company Limited	28,892	32,477
	99,065	102,563
Amounts due to related parties		
Fellow subsidiaries		
SJ Synergy Engineering Company Limited	31,228	31,229
SJ Synergy Holdings Limited	897	897
深圳創雅品牌管理有限責任公司	4	32
	32,129	32,158
Carrying amount repayable on demand or within one year	(32,129)	(32,158)
Amounts shown under non-current liabilities	99,065	102,563

Loans from related parties are unsecured with a fixed interest rate between 3%–5% (31 December 2024: 4%–5%). The loans are repayment in full on due date and the interest are paid on monthly basis. These loans of approximately HK\$99,065,000 (31 December 2024: HK\$102,563,000) are due in 2027 (31 December 2024: 2027) at the period ended 30 June 2025.

Amounts due to related parties are in trade nature, unsecured, interest-free and repayable on demand.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

(continued)

21 SIGNIFICANT RELATED PARTY TRANSACTIONS (continued)

(b) *Period/year end balances with related parties (continued)*

(ii) Due to related parties (continued)

The ageing analysis of the amounts due from related parties, based on invoice date as at 30 June 2025 and 31 December 2024 is as follows:

	Unaudited As at 30 June 2025 HKD'000	Audited As at 31 December 2024 HKD'000
Within 3 months	32,129	32,158

(c) *Leases as lessee with other related parties*

The following amounts of leases are related to related parties:

	Unaudited As at 30 June 2025 HKD'000	Audited As at 31 December 2024 HKD'000
Lease liabilities		
Controlling Shareholder of the Company	2,882	1,341

In June 2025, the Group renewed a two-year lease in respect of certain properties from Controlling shareholder of the Company. The amount of rent payable by the Group under the lease is RMB159,000 (approximately HK\$172,000) per month.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

The Group principally engages in the retail of fashion apparel of international brands ranging from established designer label brands, popular global brands to up-and-coming brands in Mainland China, Macau, Hong Kong and Taiwan (collectively, "**Greater China**"). The Group adopts a multi-brand and multi-store business model. As at 30 June 2025, the Group operated 128 self-operated retail stores in Greater China, of which 113 retail stores are mono-brand stores operated under the brand name of the merchandise to cater for the brand's target customers and 14 retail stores are multi-brand stores that offer a broad assortment of the Group's selected fashion apparel and lifestyle merchandise from different international brands and the Group's own brands. In addition to its fashion brands, the Group also operates the Galeries Lafayette store in Macau and runs the American burger chain "Five Guys" in Macau. As at 30 June 2025, the Group's brand portfolio had 187 brands, of which 185 brands are international brands owned by third-party brand owners or their master/authorised licensors.

The Group experienced a decrease of 5.3% in revenue for the first six months ended 30 June 2025 and recorded a profit of HKD7.0 million. Macau recorded an increase of HKD50.1 million, or a positive growth rate of 22.5% YoY. Hong Kong and Taiwan jointly recorded a decrease of HKD26.0 million or a negative growth rate of 60.4% YoY. Mainland China recorded a decrease of HKD48.9 million or a negative growth rate of 24.2% YoY.

FINANCIAL REVIEW

Revenue

The Group's revenue decreased to HKD443.7 million for the six months ended 30 June 2025 (2024: HKD468.4 million), representing a YoY 5.3% decrease. The decrease of revenue for the six months ended 30 June 2025 was mainly due to the economic slowdown and the poor customer sentiment in Mainland China, Hong Kong and Taiwan. The mono-brand stores recorded a decrease of 23.5% YoY and the multi-brand stores recorded a decrease of 0.5% YoY. The Group recorded a decrease of 26.4% over the online sales through different media platforms. Store management and consignment services and wholesale recorded an increase of 129.6% YoY and a decrease of 97.3% YoY, respectively.

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

Breakdown of revenue by sales channels:

	Six months ended 30 June 2025		Six months ended 30 June 2024		Change (%)
	HKD million	% of revenue	HKD million	% of revenue	
Retail					
Mono-brand stores	206.7	46.6	270.3	57.7	(11.1)
Multi-brand stores	82.8	18.7	83.2	17.8	(0.9)
Online sales	16.2	3.6	22.0	4.7	(1.1)
	305.7	68.9	375.5	80.2	(11.3)
Catering service	19.4	4.4	15.4	3.3	1.1
Store Management & consignment services	117.8	26.5	51.3	10.9	15.6
Wholesale	0.7	0.2	26.2	5.6	(5.4)
Total	443.6	100.0	468.4	100.0	(5.3)

The revenue generated from the retail stores in Macau for the six months ended 30 June 2025 increased to HKD273.5 million, representing an increase of 22.5% when compared to that for the six months ended 30 June 2024. The revenue generated from Mainland China recorded HKD153.1 million for the six months ended 30 June 2025, representing a YoY decrease of 24.2%. The revenue generated from the sales in Hong Kong and Taiwan recorded a decrease to HKD17.0 million for the six months ended 30 June 2025, representing a YoY decrease of 60.6%.

Revenue by geographical areas:

	Six months ended 30 June 2025		Six months ended 30 June 2024		Change (%)
	HKD million	% of revenue	HKD million	% of revenue	
Mainland China	153.1	34.5	202.0	43.1	(24.2)
Macau	273.5	61.7	223.3	47.7	22.5
Hong Kong and Taiwan	17.0	3.8	43.1	9.2	(60.3)
	443.6	100.0	468.4	100.0	(5.3)

MANAGEMENT DISCUSSION AND ANALYSIS (continued)*Gross profit*

The Group's cost of sales consisted of cost of inventory sold for the fashion apparel and lifestyle products and the cost of store management and consignment services rendered to the brand owners. The cost of sales decreased to HKD222.1 million for the six months ended 30 June 2025, or a YoY decrease of 16.6%, primarily attributable to the decrease in sales.

The gross profit for the six months ended 30 June 2025 increased by HKD19.5 million, or a YoY increase of 9.7%, to HKD221.5 million and the gross profit margin increased from 43.1% for the six months ended 30 June 2024 to 49.9% for the six months ended 30 June 2025. Among the Greater China areas, the gross profit margin of sales in the PRC for the six months ended 30 June 2025 recorded a decrease of 290 basis points to 39.3% mainly due to stock clearance of store closures. The gross profit margins of sales in Hong Kong and Taiwan recorded an increase of 10 basis points for the six months ended 30 June 2025 due to decrease the wholesale business. The gross profit margins on sales in Macau increased to 57.0% for the six months ended 30 June 2025 from 46.2% for the six months ended 30 June 2024.

Other income and other gains and losses, net

The Group had no other income for the six months ended 30 June 2025. The Group recorded net other losses of HKD1.9 million, compared with the net other gains of HKD2.7 million for the six months ended 30 June 2024, mainly attributable to the increase of net losses on disposal of property, plant and equipment and right-of-use assets of HKD5.3 million.

Operating expenses

Selling and marketing expenses decreased to HKD157.7 million for the six months ended 30 June 2025, or a 20.4% YoY decrease, primarily due to a decrease of advertising and promotion expenses of HKD10.1 million and a decrease in employee benefit expenses of HKD12.5 million.

General and administrative expenses decreased to HKD39.6 million for the six months ended 30 June 2025, or a YoY decrease of 23.6%, primarily due to a decrease in employee benefit expenses of HKD6.6 million and a decrease in depreciation of right of use assets of HKD2.6 million.

Finance costs

Net finance costs decreased to HKD6.9 million for the six months ended 30 June 2025, or a YoY decrease of 21.3%. The decrease was mainly due to the decrease in interest on bank borrowing and lease liabilities of HKD1.5 million and HKD0.8 million, respectively.

Profit (loss) for the period

The Group recorded a net profit of HKD7.0 million for the six months ended 30 June 2025 comparing with a net loss of HKD54.7 million for the six months ended 30 June 2024 mainly attributable to the increase of gross profit of HKD19.5 million and the decrease of selling and marketing expenses of HKD40.3 million.

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

SEASONALITY

The Group's sales performance is subject to seasonal fluctuations and it normally generates higher revenue during winter season than summer season as winter apparel generally has a higher unit price than summer apparel. The Group records higher revenue in festive seasons such as Christmas and the month before Chinese New Year and the traditional peak season in Mainland China long holidays. Normally revenue recorded in the first half and the second half of the year are of equal weighting as they have similar festivals and holidays.

FINANCIAL

Working capital structure

The Group's net current assets amounted to HKD106.5 million as at 30 June 2025 (31 December 2024: net current assets HKD36.1 million), representing an increase of HKD70.4 million from 31 December 2024. Such increase was primarily the result of the decrease in current assets of HKD38.4 million (mainly resulting from the decrease in trade receivables of HKD24.1 million and the decrease in inventories of HKD35.8 million) and offset by the decrease in current liabilities of HKD108.7 million (mainly comprised of the decrease in trade and other payables of HKD57.3 million and the decrease in borrowings of HKD27.3 million).

Liquidity and financial management

The Group strives to maintain a healthy financial position and liquidity for its normal operation, development needs and ad hoc events. As at 30 June 2025, the cash and cash equivalents were HKD67.5 million, representing an increase of HKD21.3 million comparing with that for 31 December 2024.

The Group's current ratio, calculated by comparing all the current assets to all the current liabilities, was 1.3 times as at 30 June 2025, compared to that of 1.2 times as at 31 December 2024. The increase in the current ratio was mainly attributable to the decrease in trade and other payable, lease liabilities and contract liabilities which outweighed the decrease in net of inventories, trade receivables and pledged bank deposit. As at 30 June 2025, the Group had borrowings totaled HKD101.7 million (31 December 2024: HKD96.5 million). The gearing ratio of the Group, which is calculated as net debt divided by total capital was 69% as at 30 June 2025 compared to that of 74% as at 31 December 2024.

Pledge of assets

As at 30 June 2025, a building with net book value of HKD55.4 million and pledged bank deposits of HKD3.6 million were pledged for a first mortgage, credit loans and credit facilities of bank borrowings, respectively.

CAPITAL COMMITMENT

The Group had no material capital commitment contracted, but not provided for as at 30 June 2025 (31 December 2024: Nil).

CONTINGENT LIABILITIES

As of 30 June 2025, the Group did not have any material contingent liabilities.

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

FOREIGN EXCHANGE RISK MANAGEMENT

Merchandise purchased by the Group is mainly denominated in Euros, United States Dollars (USD) and Renminbi (RMB) whereas the retail operation is mainly exposed to RMB, Macanese pataca (MOP), New Taiwan Dollars (TWD) and Hong Kong Dollars (HKD). However, the Group did not expect foreign currency fluctuations to materially impact its operation. The Group did not hedge foreign exchange fluctuation by forward contracts. The Group manages the foreign exchange risk by reviewing its net foreign exchange exposures regularly and endeavors to shrink these exposures through reviewing the exchange rates with the suppliers and the brand owners periodically.

OUTLOOK

The economic environment remains challenging, with ongoing trade tensions and subdued consumer spending are particularly affecting fashion retail through reduced discretionary spending.

Moving forward, the Group maintains a prudent yet positive stance on prospects, even amid prevailing headwinds. The Group will continue to bolster its online footprint and digital commerce infrastructure to tap into the expanding e-commerce segment. In addition, expense management and efficiency enhancements will remain central, encompassing lease renegotiations, inventory refinement, and supply chain optimizations. Although macroeconomic uncertainties, trade frictions, and demographic shifts such as an aging population may endure, the Group is dedicated to addressing them with adaptability and determination, targeting steady improvement and enduring viability.

USE OF PROCEEDS FROM THE LISTING

The shares of the Company (the **"Shares"**) were listed on The Stock Exchange of Hong Kong Limited (the **"Stock Exchange"**) on 13 January 2020 (the **"Listing Date"**) and the net proceeds from the global offering of its Shares (the **"Global Offering"**) amounted to HKD140.0 million.

As of 30 June 2025, the Company has used approximately 91.5% (31 December 2024: 91.4%) of the proceeds from the Global Offering and the net proceeds have been utilised in line with those set out in the section headed "Future Plans and Use of Proceeds" in the prospectus of the Company dated 30 December 2019 (the **"Prospectus"**).

The following sets forth a summary of the utilisation of the net proceeds from the Global Offering as of 30 June 2025:

- 100% was used for expanding our retail stores
- 100% was used for upgrading our existing retail stores
- approximately 64.6% was used for exploring new brands
- 100% was used for the set up and implementation of our Centralised Retail Management System
- 100% was used for strengthening of our online sales

MANAGEMENT DISCUSSION AND ANALYSIS (continued)

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During the six months ended 30 June 2025, the Group did not have any material acquisitions or disposals of subsidiaries, associates or joint ventures.

EMPLOYEES AND REMUNERATION POLICIES

The Group adopts a competitive emolument policy to attract, retain and motivate high quality individuals. Remuneration packages are reviewed regularly to reflect the market practice and employees' performance. As at 30 June 2025, the Group employed around 987 employees (30 June 2024: 1,205 employees). The total staff costs for the six months ended 30 June 2025 was HKD96.7 million (30 June 2024: HKD114.3 million), a YoY decrease of 15.4%.

EVENTS AFTER THE REPORTING PERIOD

Up to the date of this interim report, the Directors are not aware of any significant events related to the business or financial performance of the Group after reporting period.

OTHER INFORMATION**PURCHASE, SALE AND REDEMPTION OF LISTED SECURITIES**

During the six months ended 30 June 2025, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the listed securities of the Company.

DISCLOSURE OF INTERESTS

Interests and short positions of directors and chief executive in the shares, underlying shares and debentures of the Company and its associated corporations

As at 30 June 2025, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**") which were 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 the Directors and chief executive of the Company were deemed or taken to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") in Appendix C3 of the Rules Governing the Listing of Securities (the "**Listing Rules**") on the Stock Exchange were as follows:

Name of Director	Nature of interest	Number of Shares held/ interested	Approximately percentage of shareholding in the Company
Mr. Fan Wing Ting (" Mr. Fan ") (Note 1)	Interest in controlled corporation	300,000,000	75%

Note:

1. Mr. Fan owns the entire issued share capital of Gold Star Fashion Limited and he is deemed to be interested in the 300,000,000 Shares held by Gold Star Fashion Limited by virtue of the SFO.

OTHER INFORMATION (continued)**INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY**

So far as the Directors and chief executive of the Company are aware, as at 30 June 2025, the following shareholders of the Company (other than the interests of the Directors and the chief executives of the Company) had interests in the Shares or underlying Shares of the Company as recorded in the register required to be kept under Section 336 of the SFO:

Shareholders	Capacity/ Nature of interest	Number of Shares held/ interested	Approximately percentage of shareholding in the Company
Gold Star Fashion Limited (<i>Note 1</i>)	Beneficial owner	300,000,000	75%
Ms. Cheng King Ling (<i>Note 2</i>)	Interest of spouse	300,000,000	75%

Notes:

1. Mr. Fan owns the entire issued share capital of Gold Star Fashion Limited.
2. Ms. Cheng King Ling is the spouse of Mr. Fan. Therefore, she is deemed to be interested in all the Shares in which Mr. Fan has interest in under the SFO.

OTHER INFORMATION (continued)**SHARE OPTION SCHEME**

The Company has adopted a share option scheme (the **"Share Option Scheme"**) pursuant to the written resolutions of the Company's shareholders and Directors passed on 17 December 2019 which took effect upon the Listing Date. The principal terms of the Share Option Scheme are summarised in Appendix IV to the Prospectus.

The purpose of the Share Option Scheme is to provide an incentive or reward to any full-time or part-time employees, consultants or potential employees, consultants, executives or officers (including Directors) of the Company or any of its subsidiaries, and any suppliers, customers, consultants, agents and advisors, for their contribution or potential contribution to the Group.

No share option has been granted, exercised, cancelled or lapsed under the Share Option Scheme since its adoption on 17 December 2019, and there is no outstanding share option as at 30 June 2025. Therefore the weighted average closing price of the shares immediately before the dates on which the options were exercised or vested pursuant to Rule 17.07(1) (d) of the Listing Rules is not available.

Pursuant to Rule 17.07(2) of the Listing Rules, the total number of share options available for grant under the Share Option Scheme as at 1 January 2025 and 30 June 2025 were 40,000,000 and 40,000,000 respectively.

Pursuant to Rule 17.09(3) of the Listing Rules, the total number of share options available for grant under the Share Option Scheme as at 30 June 2025 was 40,000,000 shares, representing approximately 10% of the 400,000,000 ordinary shares of the Company at issue as at 30 June 2025, being the date of this interim report.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS AS SET OUT IN APPENDIX C3 OF THE LISTING RULES (THE "MODEL CODE")

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings as set out in the Model Code. The Company, having made specific enquiry of all the Directors, is not aware of any non-compliance with the required standard of dealings and its code of conduct regarding securities transactions by the Directors during the six months ended 30 June 2025.

CHANGES IN INFORMATION OF DIRECTORS

In accordance with Rule 13.51B(1) of the Listing Rules, the changes in information which is required to be disclosed by Directors pursuant to paragraphs (c) and (g) of Rules 13.51(2) of the Listing Rules are as follows:

Mr. Yu Chun Kau has resigned as an Independent Non-executive Director of Ruifeng Power Group Company Limited (**"Ruifeng"**) with effect from 30 June 2025. He also ceased to be the chairman of the Audit Committee and the member of each of the Remuneration Committee and the Nomination Committee of Ruifeng with effect from 30 June 2025.

Save as disclosed in this interim report, the Directors are not aware of any change in the information of Directors and chief executives of the Company that are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules as at the date of this interim report.

OTHER INFORMATION (continued)

INTERIM DIVIDEND

The Board does not recommend the declaration of an interim dividend for the six months ended 30 June 2025 (30 June 2024: Nil).

CORPORATE GOVERNANCE CODE

The Directors recognise the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of the Company so as to achieve effective accountability.

The Company has adopted the code provisions of the Corporate Governance Code and Corporate Governance Report (the “**CG Code**”) as set out in Appendix C1 of the Listing Rules issued by the Stock Exchange.

The Company has complied with the code provisions in the CG Code for the six months ended 30 June 2025. The Company is committed to the objective that the Board should include a balanced composition of Executive Directors and Independent Non-executive Directors so that there is a strong independent element on the Board which can effectively exercise independent judgement.

AUDIT COMMITTEE

The Audit Committee has reviewed with management of the Company the accounting principles and practices adopted, discussed risk management and internal controls and financial reporting matters including a general review of the unaudited interim financial results for the six months ended 30 June 2025.

On behalf of the Board

Fan Wing Ting
Chairman

Hong Kong, 29 August 2025