晶苑國際集團有限公司*
CRYSTAL INTERNATIONAL GROUP LIMITED

(Incorporated in Bermuda with limited liability and registered by way of continuation in the Cayman Islands)
(於百慕達註冊成立的有限公司並以存續方式於開曼群島註冊)

Stock code 股份代號: 2232

CRYSTAL

2025

CRYSTAL INTERNATIONAL INTERIM REPORT
晶苑國際中期報告

* For identification purposes only 僅供識別

About Crystal International Group Limited

Crystal International Group Limited is a global leader and sustainability pioneer in the apparel manufacturing industry. Founded in 1970 and headquartered in Hong Kong, Crystal possesses a leading position in a diversified product portfolio categorised into five product segments with vertical development in fabrics production: Lifestyle wear, Sportswear and outdoor apparel, Denim, Intimate and Sweater. The Group operates a multi-country manufacturing platform, with production facilities including both garment factories and fabric mills spanning five countries: Vietnam, China, Cambodia, Bangladesh and Sri Lanka.

Mission

To be the most profitable company in the industry, customer choice and employee choice.

Corporate Values

- Integrity
- Respect for people
- Embrace innovation
- Energise others
- Delight our customers
- Live quality
- Deliver bottom line results
- Boundaryless enterprise

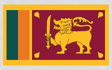
Multi-country Network of Production Facilities


Vietnam


China


Cambodia


Bangladesh


Sri Lanka

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Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. LO Lok Fung Kenneth *(Chairman)*
Mrs. LO CHOY Yuk Ching Yvonne *(Vice Chairman)*
Mr. LO Ching Leung Andrew
(Vice Chairman and Chief Executive Officer)
Mr. WONG Sing Wah
Mr. LO Howard Ching Ho

Non-executive Directors

Mr. WONG Chi Fai
Mr. LEE Kean Phi Mark

Independent Non-executive Directors

Mr. CHANG George Ka Ki
Mr. MAK Wing Sum Alvin
Mr. WONG Siu Kee
Mrs. MAK TANG Pik Yee Agnes, MH, JP

BOARD COMMITTEES

Audit Committee

Mr. CHANG George Ka Ki *(Chairman)*
Mr. MAK Wing Sum Alvin
Mr. WONG Siu Kee
Mrs. MAK TANG Pik Yee Agnes

Remuneration Committee

Mr. MAK Wing Sum Alvin *(Chairman)*
Mr. CHANG George Ka Ki
Mr. WONG Siu Kee
Mrs. MAK TANG Pik Yee Agnes
Mr. LO Lok Fung Kenneth

Nomination Committee

Mr. LO Lok Fung Kenneth *(Chairman)*
Mr. MAK Wing Sum Alvin
Mr. WONG Siu Kee

People Committee

Mr. LO Ching Leung Andrew *(Chairman)*
Mrs. MAK TANG Pik Yee Agnes
Mr. WONG Siu Kee

Sustainability Committee

Mr. LO Ching Leung Andrew *(Chairman)*
Mr. WONG Chi Fai
Mr. LEE Kean Phi Mark

AUTHORISED REPRESENTATIVES

Mr. LO Ching Leung Andrew
Mr. NG Tsz Yeung

COMPANY SECRETARY

Mr. NG Tsz Yeung

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants
Registered Public Interest Entity Auditors
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HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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REGISTERED OFFICE

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Grand Cayman, KY1-1104
Cayman Islands

HONG KONG SHARE REGISTRAR

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Tel: +852 2862 8555
Fax: +852 2865 0990
Website: www.computershare.com/hk/contact

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Maples Fund Services (Cayman) Limited
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Grand Cayman, KY1-1102
Cayman Islands

LEGAL ADVISERS

Simpson Thacher & Bartlett
Maples and Calder (Hong Kong) LLP

COMPANY WEBSITE

www.crystalgroup.com

INVESTOR RELATIONS

ir@crystalgroup.com

STOCK CODE

2232

Financial Highlights

The financial figures are presented in United States Dollars ("**US$**").

	Six months ended 30 June 2025 (unaudited)	2024 (unaudited)
Key Financial Information (US$'000)		
Revenue	**1,229,475**	1,093,672
Cost of sales	**986,873**	880,220
Gross profit	**242,602**	213,452
Profit for the period	**98,323**	84,214
Earnings per share (US cents)		
– basic	**3.44**	2.94
Key Financial Ratios		
Gross profit margin (%)	**19.7%**	19.5%
Net profit margin (%)	**8.0%**	7.7%

	At 30 June 2025 (unaudited)	At 31 December 2024 (audited)
Key Financial Information (US$'000)		
Total assets	**2,337,572**	2,254,453
Total liabilities	**797,277**	719,007
Total equity	**1,540,295**	1,535,446
Net debt (note a)	**–**	–
Bank balances and cash	**511,727**	426,715
Key Financial Ratios		
Net debt to equity ratio (%) (note b)	**–**	–
Cash conversion cycle (days) (note c)	**84**	71

Notes:

(a) Net debt represents total interest-bearing bank borrowings less short-term bank deposit and bank balances and cash.

(b) Net debt to equity ratio represents total interest-bearing bank borrowings less short-term bank deposit and bank balances and cash, divided by total equity.

(c) Cash conversion cycle represents inventory turnover days plus trade and bills receivables turnover days, less trade and bills payables turnover days.

Management Discussion and Analysis

The board (the "**Board**") of directors (the "**Directors**") of the Company is pleased to announce the interim results of the Group for the six months ended 30 June 2025.

MARKET OVERVIEW

In the first half of 2025, the apparel industry continued the strong sales momentum from the previous year. Particularly in Asia and Europe, most apparel brands achieved solid growth. To reach a broader consumer market, apparel brands are inclined to allocate more resources to product development, focusing on differentiated offerings and building diversified product matrices.

Leveraging years of expertise in co-creation and comprehensive production capabilities, the Group provides end-to-end garment manufacturing services, from product innovation to volume production. These advantages allow the Group to benefit from stable growth, driven by the expansion of its brand customers' existing product lines and to capture opportunities from their new product development, thereby increasing our penetration and share within their supply chains.

On 2 April 2025, President Trump of the United States of America ("**USA**") signed an executive order, titled "Liberation Day" Tariffs, announcing the implementation of large-scale reciprocal tariffs against global trade partners. This policy imposes a uniform baseline import tariff of at least 10% on all countries, with additional differential high rates for specific countries, including China, Vietnam, Bangladesh, India and Indonesia, all of which are major apparel exporters to the USA.

As the world's leading apparel consumption market, the USA accounts for about one-third of the Group's sales. Consequently, our business operations are facing tariff-related headwinds.

However, three key factors have mitigated the tariff impact on our business:

FOB-Based Revenue Structure: Our sales are calculated on a free-on-board ("**FOB**") basis, meaning all post-production costs, including international freight, destination port charges, and in particular, the newly imposed import tariffs, are borne by our brand customers. This pricing mechanism insulates our revenue from direct tariff impacts.

Brand Customers' Pricing Power Advantage: The Group partners with well-established and iconic apparel brands in the industry, which have significant retail markup multiples over FOB prices across product categories. Since tariffs are levied on the lower FOB value rather than final retail prices, the relative impact diminishes proportionally with higher markups.

Industry-Wide Resilience: Our brand customers continue to demonstrate resilient growth despite tariff pressures. Also, all major sourcing destinations face similar tariff costs. The core competencies of suppliers, including delivery track record, cost efficiency and comprehensive manufacturing capabilities, collectively outweigh potential tariff implications, especially as brand customers continue to consolidate their supplier bases. Therefore, there has been little incentive for significant procurement shifts.

Management Discussion and Analysis

BUSINESS REVIEW

In the first half of 2025, the Group achieved balanced growth across all segments, fuelled by successful execution of increasing penetration across key brand customers. The Group effectively capitalised on our brand customers' expansion into diversified product categories. The Group's largest brand customer and several major sportswear brand customers delivered exceptional sales momentum, collectively serving as powerful growth engines for the Group.

The Group achieved revenue growth and margin improvement simultaneously through strategic capacity expansion and productivity optimisation, effectively overcoming the headwinds created by higher USA tariffs. The Group's workforce expansion, by adding approximately 10,000 employees last year, reached full operational capacity during the reporting period. This forward-looking investment in production scale, combined with accelerated automation initiatives and data-driven process improvements, created sufficient operational leverage to absorb the tariff disruptions.

The Group's revenue for the six months ended 30 June 2025 increased by 12.4% to US$1,229 million, compared to the same period last year (six months ended 30 June 2024: US$ 1,094 million).

Gross profit for the six months ended 30 June 2025 increased by 13.7% to US$243 million (six months ended 30 June 2024: US$ 213 million). The gross profit margin increased to 19.7% from 19.5% in the same period last year.

The net profit margin improved from 7.7% to 8.0%, resulting in a 16.8% increase in net profit for the six months ended 30 June 2025 to US$98 million (six months ended 30 June 2024: US$ 84 million).

In keeping with our practice of sharing operation results with shareholders, the Board resolved to declare an interim dividend of HK16.3 cents per ordinary share (six months ended 30 June 2024: HK13.8 cents), representing a payout ratio of 60%.

Capital expenditure for the six months ended 30 June 2025 was US$60 million (six months ended 30 June 2024: US$52 million).

Management Discussion and Analysis

FINANCIAL REVIEW

Revenue

The Group's revenue for the six months ended 30 June 2025 compared to the same period in 2024, by product category, each expressed as an absolute amount and as a percentage of total revenue was:

	For the six months ended 30 June			
	2025		2024	
	US$'000	**%**	US$'000	%
Lifestyle wear	**339,672**	**27.6%**	304,981	27.9%
Sportswear and outdoor apparel	**312,906**	**25.5%**	278,285	25.4%
Denim	**262,202**	**21.3%**	237,697	21.7%
Intimate	**209,784**	**17.1%**	191,517	17.5%
Sweater	**104,911**	**8.5%**	81,192	7.5%
Total Revenue	**1,229,475**	**100.0%**	1,093,672	100.0%

With further collaboration with our key brand customers, our order demand has increased. As such, the Group's revenue increased by 12.4% compared to the same period last year.

The Group's sales analysed by geographical region based on port of discharge were:

	For the six months ended 30 June			
	2025		2024	
	US$'000	**%**	US$'000	%
Asia-Pacific (note a)	**478,286**	**38.9%**	417,729	38.2%
North America	**462,934**	**37.6%**	414,566	37.9%
Europe (note b)	**252,705**	**20.6%**	230,447	21.1%
Other countries/regions	**35,550**	**2.9%**	30,930	2.8%
Total Revenue	**1,229,475**	**100.0%**	1,093,672	100.0%

Notes:

(a) Asia Pacific primarily includes Japan, the People's Republic of China and South Korea.

(b) Europe primarily includes France, Germany, the Netherlands and the United Kingdom.

Management Discussion and Analysis

Gross Profit and Gross Profit Margin

	For the six months ended 30 June			
	2025		2024	
	Gross Profit US$'000	**Gross Profit Margin %**	Gross Profit US$'000	Gross Profit Margin %
Lifestyle wear	**69,801**	**20.5%**	60,344	19.8%
Sportswear and outdoor apparel	**64,869**	**20.7%**	58,158	20.9%
Denim	**42,892**	**16.4%**	39,322	16.5%
Intimate	**43,637**	**20.8%**	37,311	19.5%
Sweater	**21,403**	**20.4%**	18,317	22.6%
Total Gross Profit	**242,602**	**19.7%**	213,452	19.5%

For Lifestyle wear and Intimate, increase in gross profit margin was mainly due to improvement in production efficiency. For Sweater, decrease in gross profit margin was mainly due to more conventional sweaters with lower gross margin.

Other Expenses and Finance Costs

Selling and distribution expenses remained stable at 1.3% in the first half of 2025, compared with 1.3% in the first half of 2024.

Administrative, research and development expenses, and other income and expenses remained stable at 8.0% in the first half of 2025 compared with 8.2% in the first half of 2024.

The effective borrowing rate for the Group in the six months ended 30 June 2025 ranged from 1.52% to 5.64% compared to 4.97% to 6.65% for the same period in 2024. The Group had no fixed-rate borrowings at 30 June 2025. Finance costs amounted 0.5% of revenue in the first half of 2025 compared to 0.6% for the same period in 2024.

Net Profit

With improvement in the gross profit margin, the Group achieved a net profit of US$98 million for the six months ended 30 June 2025. Net profit as a percentage of revenue increased from 7.7% in the first half of 2024 to 8.0% in the first half of 2025.

Capital Management

The consolidated financial position of the Group remained sound throughout the first half of 2025. The positive operating cash flow of US$155 million in the six months (US$44 million for the same period in 2024) contributed to cash balances of US$512 million at 30 June 2025, compared to US$427 million at 31 December 2024. Cash balances were mainly denominated in HK$ and US$. Bank borrowings, mainly denominated in HK$ and US$, have decreased from US$147 million at 31 December 2024 to US$122 million at 30 June 2025. All bank borrowings of US$122 million at 30 June 2025 contained a repayable on demand clause and US$122 million was repayable within one year.

The Group held a positive net cash position of US$517 million at 30 June 2025. The gearing ratio (total interest-bearing bank borrowings, less bank balances and cash, divided by total equity) at 30 June 2025 was nil (31 December 2024: nil).

Our conversion cycle has increased from 71 days in 2024 to 84 days for the six months ended 30 June 2025. With less factoring arrangement for low risk customers, turnover of trade and bills receivables averaged 62 days in the first half of 2025, compared with 52 days average turnover throughout 2024.Inventory turnover averaged 59 days in the first half of 2025, compared with 48 days throughout 2024. Trade and bills payables turnover averaged 37 days in the first half of 2025 compared to 29 days throughout 2024.

Capital expenditure incurred, in the main, for the building, equipping and upgrading of production facilities, has been carefully managed. For the six months ended 30 June 2025, capital expenditure amounted to US$60 million, compared to US$52 million for the same period in 2024. Capital commitments at 30 June 2025 were US$47 million compared to US$52 million at 31 December 2024.

Foreign currency exchange contracts are used to manage foreign currency exposure. The Group's policy is to monitor its foreign currency exposure and use foreign currency exchange contracts, as appropriate, to minimise its foreign currency risks.

Funding and Treasury Policy

The Group has adopted a prudent treasury policy and thus maintained a healthy liquidity position throughout the year. The Group strives to reduce credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. The Group regularly reviews its funding requirements to maintain adequate financial resources in order to support its current business operations as well as its future investments and expansion plans.

Pledge of Assets

At 30 June 2025, pledge of assets of the Group are set out in note 20 to the condensed consolidated financial statements.

Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

For the six months ended 30 June 2025, the Group had no material acquisitions and disposals of subsidiaries, associates and joint ventures.

Significant Investment Held

For the six months ended 30 June 2025, the Group held no significant investments.

Material Acquisitions and Future Plans for Major Investment

The Group continues to invest in vertical upstream integration. The Group did not have other future plans for major investments or acquisition for major capital assets at the date of this interim report.

Contingent Liabilities

At 30 June 2025, the Group had no material contingent liability (31 December 2024: Nil).

Subsequent Events after the Reporting Period

At the date of this interim report, no material event has occurred after the reporting period.

EMPLOYMENT, TRAINING AND DEVELOPMENT

The Group employed around 79,000 people at 30 June 2025. Total staff costs, including administrative and management staff, for the six months ended 30 June 2025 equated to 26.5% of revenue, compared to 25.7% in the same period in 2024. The Group remunerates its staff according to their performance, qualifications, and industry practices, and conducts regular reviews of its remuneration policy. Employees may receive discretionary bonuses and monetary rewards based on their ratings in the annual performance appraisals. The Group also offers rewards or other incentives to motivate the personal growth and career development of its employees, such as ongoing opportunities for training to enhance their technical and product knowledge, as well as their knowledge of industry quality standards. Each new employee of the Group is required to attend an introductory course, and various types of training courses are available to all employees of the Group.

SUSTAINABILITY

Vision and Strategy

Sustainability is a strategic imperative for our business. It is also the key to creating long-term environmental and social value for our stakeholders. Our sustainability framework consists of five pillars: environment, innovation, product integrity, employee care, and community engagement. This serves as a guiding principle when planning our sustainability strategies.

Following the completion of our Third Global 5-year Sustainability Targets in 2022, we established our new Crystal Sustainability Vision 2030 (“**CSV2030**”) to craft the Group’s sustainability blueprint while addressing a wider spectrum of global sustainability challenges. CSV2030 comprises eight impact areas across the environmental, people, and community dimensions, and sets specific goals we are committed to achieving by the end of the decade. We and all our factories are developing and implementing tailored, detailed, actionable items to meet our CSV2030 objectives. For more details on our CSV2030 goals, please visit our corporate website at https://www.crystalgroup.com/csv2030.

Climate change remains a key focus of our sustainability efforts. We are working collaboratively to fulfil our commitment to net zero emissions by 2050, thus contributing to limiting the global temperature rise to below 1.5°C. We also set an interim target to reduce our aggregate greenhouse gas emissions by 35% by 2030.

CSV2030, along with our sustainable framework and initiatives, aligns with the United Nations (“**UN**”) Sustainable Development Goals[1] (“**SDGs**”) to ensure we contribute to solving global societal problems. As a participant in the UN Global Compact, we support the Ten Principles on human rights, labour, environment, and anti-corruption. We are committed to making these principles part of our strategy, culture, and daily operations while actively engaging with industry players in various collaborative projects.

[1] The United Nations Sustainable Development Goals are a collection of 17 global goals set by the United Nations General Assembly in 2015 for the year 2030. These goals provide a blueprint to achieve a more sustainable future and address global sustainability challenges.

Net Zero 2050 Vision

Our efforts to realise an ambitious net zero roadmap are ongoing. This comprises strategies focusing on energy efficiency, renewable energy, productivity enhancement, and fuel switching. Our 2050 net zero target was validated by the Science Based Targets initiative ("**SBTi**"), which affirmed its alignment with SBTi criteria and climate science. To spearhead progress towards the Group's decarbonisation targets and enhance accountability in our factories, we also established individual carbon intensity targets for each garment factory on an annual basis.

With respect to energy efficiency, all our factories are gradually executing their decarbonisation plans, which were formulated two years ago. We aim to complete more than 220 energy efficiency measures by 2028. To date, at least 120 of these measures have been completed, reducing carbon emissions by over 30,000 tonnes and energy consumption by approximately 32,600 MWh per year.

We continued scaling up our onsite renewable electricity supply by installing more rooftop solar PV capacity. Our goal is to eventually expand its use across all our factories where operationally feasible. The Group's total rooftop solar PV capacity has increased fivefold since late 2021 to about 23 MW at present, with more PV systems being installed or in the planning stage. We also sourced off-site green electricity through power purchasing agreements. Meanwhile, none of our wholly owned factories operate coal-fired units.

Our climate change data, decarbonisation efforts, and risk management practices were disclosed through the CDP. We were included in the CDP Climate A List (leadership) for two consecutive years in 2023 and 2024. We were also honoured to be included in the CDP 2024 Supplier Engagement Assessment ("**SEA**") A List for the first time. These accolades reflect our leadership in climate transition and recognise our commitment to climate transparency and supplier engagement.

Resourcing People and Revitalising Community

Women account for nearly 70% of our workforce. To improve their status in many of the countries in which we operate, we took steps to improve gender equality by empowering over 70,300 female employees through our self-developed CARE[2] programme, which enables our workers to achieve greater effectiveness and embrace personal breakthroughs.

Our human resources development policy provides clear guidelines to support employee development. Our operations planned and carried out training programmes to facilitate the personal and career growth of our employees at all levels. Examples include production training for workers, supervisory skills training for supervisors and line leaders, the Standard Officer Training Curriculum for officer-grade staff, and the Crystal Manager Training Curriculum for managerial-grade staff. To strengthen the Technical Services team's capacity to meet future operational needs, our intimate factory in Vietnam has delivered nearly 1,200 hours of training since 2024 to relevant employees under the Technical Services Centre ("**TSC**")'s Functional Skills Development Programme. This five-module programme equipped participants with advanced knowledge in areas such as garment construction, pattern design, and data analysis, all of which have proven beneficial to their work.

Employee wellness is also central to our people strategy. Our Group operations promote a culture of sports activity by providing sports centres or sports grounds onsite and organising sports programmes, ranging from large-scale inter-factory competitions to regular gym and yoga sessions. Concerning visual health, we partnered with non-profit organisations such as VisionSpring and The Fred Hollows Foundation to offer free vision screenings for employees. Since 2024, close to 30,000 employees have undergone vision screening in Vietnam, Cambodia, and Bangladesh, and over 9,200 of those diagnosed with refractive errors received quality eyeglasses at no cost or at discounted prices.

[2] The CARE programme is an employee well-being programme self-initiated by Crystal. It has five levels to help employees build on their skills, promote a healthy work-life balance, strengthen their self-respect, enhance their sense of belonging, and help them attain self-actualisation.

Management Discussion and Analysis

Recognised for best human resources practices, high employee engagement, and an excellent workplace culture, Crystal's headquarters in Hong Kong was awarded Best Companies to Work for in Asia by HR Asia for the fifth consecutive year. Additionally, our Singapore office received the Silver Award for Most Innovative and Sustainable Office Design at the Employee Experience Awards 2025. These achievements underscore our commitment to creating a functional and inspiring workplace that aligns with our sustainability goals.

Our care goes beyond employees, as our team contributes their skills, time, and compassion to various focus areas of our community programmes, covering community activities, education, environmental protection, health and medical care, and community resilience.

In line with our commitment made in 2024 to plant two million trees globally by 2030, we have planted 450,000 trees so far in Vietnam, China, Cambodia, and Sri Lanka. Our factory teams have implemented tree-planting initiatives prudently, ensuring suitable native plant species are used, prioritising reforestation sites damaged by extreme climate events, and planting mangroves that protect coastal areas and support local fisheries. Our goal is to have a lasting positive impact on the communities in which we operate.

OUTLOOK AND PROSPECTS

The gradual progression of tariff negotiations between the USA and its key trading partners has contributed to a measurable reduction in trade policy uncertainty, thereby revitalising confidence among apparel brands in their product expansion and procurement strategies. In response to this improved business environment, the Group proactively accelerated its workforce expansion during the latter part of the first half of the year, strategically onboarding approximately 4,000 employees across our production facilities to enhance capacity.

Vietnam is the cornerstone of our global production network, representing over 60% of total output and serving as our primary export base for the North American market. The Group will further reserve capacity growth and accelerate the modernisation of its factories in this region. Simultaneously, the Group has focused on building vertical supply chains locally. The self-developed fabric factory in Vietnam is under construction as scheduled.

However, the persistent tariff impact has undeniably shifted procurement patterns in the USA apparel sector, where brand customers tend to choose low-cost alternatives to hedge against the burden of higher tariffs. This trend may be further compounded by signs of softening economic conditions in the USA. In response to these market forces, the Group will prioritise capturing growth opportunities in the European and Asian markets. In the second half of the year, the Group will forge a new partnership with a leading European brand customer.

The Group's capital expenditure plan is being implemented as scheduled, focusing on vertical integration, automation and capacity enhancement. Total expenditure for this year is projected to be comparable to that of last year. The Group will also actively assess the establishment of new production bases in regions neighbouring Europe, leveraging shorter transportation times to enhance responsiveness to the European market. Building upon our existing Southeast Asia-centric production footprint, this expansion will provide brand customers with greater regional diversification in sourcing options, ultimately accelerating customer penetration and market share growth.

Supported by robust operational cash flow generation, we are well-positioned to maintain our longstanding commitment to delivering substantial returns to shareholders through the distribution of consistent and robust dividends.

COMMUNICATION WITH SHAREHOLDERS

The Company's 2025 Annual General Meeting (the "**2025 AGM**") was held on 30 May 2025. All resolutions at the 2025 AGM were passed by way of a poll and the poll results were posted on the websites of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and the Company on the same day.

INTERIM DIVIDEND

The Board has resolved to declare an interim dividend of HK16.3 cents (approximately US2.1 cents) per ordinary share for the six months ended 30 June 2025, payable on Thursday, 18 September 2025, to shareholders of the Company (the "**Shareholder(s)**") whose names appeared on the register of members of the Company on Tuesday, 9 September 2025.

CLOSURE OF REGISTER OF MEMBERS AND RECORD DATE

For determining the entitlement to the interim dividend, the register of members of the Company was closed from Friday, 5 September 2025 to Tuesday, 9 September 2025, both days inclusive, during which period no transfer of shares will be registered. To qualify for the interim dividend, all properly completed transfer forms accompanied by the relevant share certificates had to be lodged for registration with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Thursday, 4 September 2025.

The record date for determining a Shareholder's entitlement to the interim dividend is Tuesday, 9 September 2025.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S 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 Company's listed securities (including sale of treasury shares).

BOARD OF DIRECTORS

At 30 June 2025, the composition of the Board was:

Executive Directors

Mr. LO Lok Fung Kenneth *(Chairman)* ("**Mr. Kenneth LO**")
Mrs. LO CHOY Yuk Ching Yvonne *(Vice Chairman)* ("**Mrs. Yvonne LO**")
Mr. LO Ching Leung Andrew *(Vice Chairman and Chief Executive Officer)* ("**Mr. Andrew LO**")
Mr. WONG Sing Wah ("**Mr. Dennis WONG**")
Mr. LO Howard Ching Ho ("**Mr. Howard LO**")

Corporate Governance and Other Information

Non-executive Directors

Mr. WONG Chi Fai ("**Mr. Frankie WONG**")
Mr. LEE Kean Phi Mark ("**Mr. Mark LEE**")

Independent Non-executive Directors

Mr. CHANG George Ka Ki ("**Mr. CHANG**")
Mr. MAK Wing Sum Alvin
Mr. WONG Siu Kee
Mrs. MAK TANG Pik Yee Agnes

Save as disclosed above, there has been no change in the Board composition up to the date of this interim report.

Updates on Directors' Information

Changes in the information of the Directors during the six months ended 30 June 2025 and up to the date of this interim report, which is required to be disclosed pursuant to Rule 13.51B(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"), are set out below:

(1) Mr. Mark LEE, a non-executive Director, ceased to be a Nominated Member of Parliament of Singapore with effect from 15 April 2025.

(2) Mr. CHANG, an independent non-executive Director, retired as a director from Morningside Asia (a venture capital firm) with effect from 31 March 2025.

(3) Mr. Andrew LO's 2025 annual salary (including housing) has been revised to HK$6.914 million with effect from 1 April 2025. The 2025 annual salaries of Mr. Dennis WONG and Mr. Howard LO have been revised to HK$6.296 million and HK$3.602 million, respectively, with effect from 1 April 2025.

Save as disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

SENIOR MANAGEMENT

At 30 June 2025 and up to the date of this interim report, the composition of the senior management of the Company remains the same as that set out in the annual report 2024 of the Company.

CONTINUING PROFESSIONAL DEVELOPMENT

To assist the Directors and the executives in continuing their professional development, materials on the subject of corporate governance, including the Company's master policies, are provided to the Directors and the executives from time to time to keep them abreast of latest developments.

SHARE AWARD SCHEME

On 7 April 2017, the Company passed a resolution of the Board to adopt a share award scheme (the "**Share Award Scheme B**") and appointed an independent professional trustee to assist with the administration and vesting of the share awards. The Share Award Scheme B is valid and effective for a period of ten years, commencing from the date of the first grant of shares under this scheme.

No scheme mandate or service provider sublimit on share grant has been set under the Share Award Scheme B. The number of share awards available for grant at the beginning and at the end of the six months ended 30 June 2025 is the number of shares held by the trustee at the respective time, which was nil and nil, respectively. As at the date of this interim report, no shares were held by the trustee. There was no unvested share award at the beginning and at the end of the six months ended 30 June 2025. All share awards held by the Group's employees under the Share Award Scheme B were vested on 3 November 2019. No share awards were granted, vested, cancelled and lapsed under the Share Award Scheme B during the six months ended 30 June 2025.

Corporate Governance and Other Information

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

At 30 June 2025, the interests or short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "**SFO**") which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they had taken or were deemed to have under such provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**")), to be notified to the Company and the Stock Exchange, were as follows:

Interests in the Company

Name of Director	Nature of Interest	Number of Shares [note a]	Approximate Percentage of Shareholding in the Company (%)
Mr. Kenneth LO [note b]	Beneficial owner	306,610,590	10.75
	Interest of spouse	308,505,590	10.81
	Interests held jointly with another person	1,569,052,100	55.00
Mrs. Yvonne LO [note c]	Beneficial owner	306,610,590	10.75
	Interest of spouse	306,610,590	10.75
	Founder of a discretionary trust who can influence how the trustee exercises his discretion	1,895,000	0.07
	Interests held jointly with another person	1,569,052,100	55.00
Mr. Andrew LO	Beneficial owner	68,074,080	2.39
Mr. Dennis WONG	Beneficial owner	7,497,360	0.26
Mr. Frankie WONG	Beneficial owner	4,806,000	0.17
Mr. Howard LO	Beneficial owner	41,345,680	1.45
Mr. Mark LEE	Beneficial owner	591,000	0.02

Notes:

(a) All positions are long positions.

(b) Under the SFO, Mr. Kenneth LO, as the spouse of Mrs. Yvonne LO, was deemed to be interested in the 308,505,590 shares in which Mrs. Yvonne LO was interested. Mr. Kenneth LO and Mrs. Yvonne LO were interested in a total of 1,569,052,100 shares jointly held by Mr. Kenneth LO and Mrs. Yvonne LO.

(c) Under the SFO, Mrs. Yvonne LO, as the spouse of Mr. Kenneth LO, was deemed to be interested in the 306,610,590 shares in which Mr. Kenneth LO was interested. Mrs. Yvonne LO was interested in a total of 1,895,000 shares held by The Incorporated Trustees of Yuk Ching Charity Trust of which Mrs. Yvonne LO is a founder and chairman. Mrs. Yvonne LO and Mr. Kenneth LO were interested in a total of 1,569,052,100 shares jointly held by Mrs. Yvonne LO and Mr. Kenneth LO.

Save as disclosed above, at 30 June 2025, none of the Directors or chief executive of the Company had any interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they had taken or were deemed to have under such provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

At 30 June 2025, the Directors are not aware of any other corporation or individual (other than the Directors or chief executive of the Company) who had an interest or a short position in the shares or underlying shares of the Company which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or as recorded in the register of interests required to be kept pursuant to Section 336 of the SFO.

PUBLIC FLOAT

At the date of this interim report, based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained the prescribed public float under the Listing Rules and as agreed with the Stock Exchange throughout the six months ended 30 June 2025 and up to the date of this interim report.

CORPORATE GOVERNANCE PRACTICES

The Board and the management of the Group are committed to the maintenance of good corporate governance practices and procedures. The Board has reviewed the Company's corporate governance practices and is satisfied that the Company has complied with all code provisions set out in Part 2 of the Corporate Governance Code contained in Appendix C1 to the Listing Rules throughout the six months ended 30 June 2025.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code set out in Appendix C3 to the Listing Rules as its code of conduct regarding directors' securities transactions. Upon specific enquiry being made of all Directors, each of them has confirmed their compliance with the required standards set out in the Model Code throughout the six months ended 30 June 2025 and up to the date of this interim report.

Corporate Governance and Other Information

AUDIT COMMITTEE

There was no change in the composition of the Audit Committee during the six months ended 30 June 2025. The primary duties of the Audit Committee continue to be to review the adequacy of the financial reporting and internal control systems of the Group, oversee the external and internal audit processes, review the Group's management of its existing and potential risks, review connected transactions and perform other duties and responsibilities as delegated by the Board.

For the six months ended 30 June 2025, the Audit Committee met the external auditors to discuss their findings during the audit of the consolidated financial statements for the year ended 31 December 2024. Nothing of a significant nature regarding internal controls and risk management was reported. The Audit Committee reviewed the actions taken by management to address the findings and was satisfied the actions were appropriate and effective. In respect of the work of the Internal Audit in examining the application of policies and internal controls in specific locations within the Group, the Audit Committee was again satisfied with the high quality of the work undertaken. Nothing of a material nature was revealed and appropriate remedial measures to strengthen compliance further are being implemented.

The Audit Committee reviewed the quality of the work of the external auditors together with their independence and was satisfied with both. It recommended to the Board the reappointment of Messrs. Deloitte Touche Tohmatsu as the Company's auditors for the ensuing year.

The Audit Committee has reviewed, together with the management of the Group, the accounting principles and policies adopted by the Group and discussed with them the unaudited condensed consolidated financial statements and interim report of the Group for the six months ended 30 June 2025, recommending their adoption by the Board. The Audit Committee continued, during the first half year, its periodic reviews of the approved connected transactions and expenditure.

In addition, the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2025 have been reviewed by the independent auditors of the Company, Messrs. Deloitte Touche Tohmatsu.

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS

The Board is responsible for ensuring the Group establishes and maintains appropriate and effective risk management and internal control systems. The Board is satisfied with the effectiveness of the risk management and internal control systems in place.

The Board's oversight of the Company's risk management and internal control systems, both directly and via the Audit Committee, is on-going. In this regard, the Audit Committee reviewed the progress of the Company's cyber security initiatives, their roll out within the Group and statistics of cyber attacks, their nature and location. The Audit Committee was satisfied with the defences in place and remedial actions taken. The testing of the cyber defences in place by a competent third party had been completed. Issues identified during the test were being followed up, with progress being tracked. Among other important risks examined, business compliance was reviewed. Business compliance is a complex area and the Audit Committee is satisfied with the steps taken so far.

The Group has a written risk assessment process to identify, evaluate and manage significant risks. The Audit Committee satisfied itself, upon review, that the process continued to be implemented effectively.

The Board being responsible for the structure and effectiveness of both the risk management and internal control systems, the Audit Committee also satisfied itself regarding the appropriateness and strength of internal controls.

The Audit Committee continued its practice of reviewing risks pertaining to the Company as a standing item at each of its meetings inviting input from the Chief Financial Officer and the relevant management of the Company. It used the reviews as an important factor in determining the priorities of the Internal Audit programmes.

On Behalf of the Board
Crystal International Group Limited
LO Lok Fung Kenneth
Chairman

Hong Kong, 20 August 2025

Report on Review of Condensed Consolidated Financial Statements

Deloitte. 德勤

TO THE BOARD OF DIRECTORS OF
CRYSTAL INTERNATIONAL GROUP LIMITED
(incorporated in Bermuda with limited liability and registered by way of continuation in the Cayman Islands)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Crystal International Group Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") set out on pages 21 to 41, which comprise the condensed consolidated statement of financial position at 30 June 2025 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and notes to the condensed consolidated financial statements. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 "Interim Financial Reporting" ("**IAS 34**") issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

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

Report on Review of Condensed Consolidated Financial Statements

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
20 August 2025

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2025

	NOTES	Six months ended 30 June **2025** **US$'000** **(unaudited)**	 2024 US$'000 (unaudited)
Revenue	3	**1,229,475**	1,093,672
Cost of sales		**(986,873)**	(880,220)
Gross profit		**242,602**	213,452
Other income, gains or losses		**12,070**	12,656
Impairment losses under expected credit loss model, net of reversal	11	**(2,043)**	(93)
Selling and distribution expenses		**(16,135)**	(14,567)
Administrative expenses		**(93,977)**	(86,814)
Research and development expenses		**(16,308)**	(15,721)
Finance costs		**(6,498)**	(6,090)
Share of results of associates		**(4)**	89
Profit before tax	4	**119,707**	102,912
Income tax expense	5	**(21,384)**	(18,698)
Profit for the period		**98,323**	84,214
Other comprehensive expense			
Items that may be reclassified subsequently to profit or loss:			
Exchange difference arising on translation of foreign operations		**(7,391)**	(12,195)
Fair value changes on trade receivables at fair value through other comprehensive income		**415**	(223)
Impairment loss on trade receivables at fair value through other comprehensive income under expected credit loss model, net of reversal	11	**(4)**	37
		(6,980)	(12,381)
Items that will not be reclassified to profit or loss:			
Surplus on revaluation of properties		**5,164**	5,782
Deferred tax expense arising on revaluation of properties		**(1,205)**	(1,233)
		3,959	4,549
Other comprehensive expense for the period		**(3,021)**	(7,832)
Total comprehensive income for the period		**95,302**	76,382

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2025

	NOTE	Six months ended 30 June 2025 US$'000 (unaudited)	 2024 US$'000 (unaudited)
Profit for the period attributable to:			
Owners of the Company		**98,265**	84,012
Non-controlling interests		**58**	202
		98,323	84,214
Total comprehensive income for the period attributable to:			
Owners of the Company		**95,244**	76,180
Non-controlling interests		**58**	202
		95,302	76,382
Basic earnings per share for profit attributable to the owners of the Company (US cents)	7	**3.44**	2.94

Condensed Consolidated Statement of Financial Position

At 30 June 2025

	NOTES	At 30 June 2025 US$'000 (unaudited)	At 31 December 2024 US$'000 (audited)
ASSETS			
Non-current assets			
Property, plant and equipment	8	**604,281**	599,409
Right-of-use assets	8	**111,327**	115,174
Deposits paid for acquisition of property, plant and equipment		**36,594**	22,295
Goodwill		**74,941**	74,941
Intangible assets		**63,732**	66,191
Interests in associates		**11,561**	11,793
Loan receivables		**577**	686
Deferred taxation assets		**3,718**	3,627
		906,731	894,116
Current assets			
Inventories		**351,683**	281,434
Right-of-use assets	8	**1,075**	1,465
Trade, bills and other receivables	9	**138,398**	206,086
Trade receivables at fair value through other comprehensive income	10	**297,560**	294,586
Amounts due from related companies	17	**215**	218
Loan receivables		**2,100**	227
Tax recoverable		**1,778**	2,862
Short-term bank deposits	12	**126,305**	146,744
Bank balances and cash		**511,727**	426,715
		1,430,841	1,360,337
Total assets		**2,337,572**	2,254,453

Condensed Consolidated Statement of Financial Position

At 30 June 2025

	NOTES	At 30 June 2025 US$'000 (unaudited)	At 31 December 2024 US$'000 (audited)
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	18	**3,654**	3,654
Reserves		**1,533,201**	1,527,002
Equity attributable to owners of the Company		**1,536,855**	1,530,656
Non-controlling interests		**3,440**	4,790
Total equity		**1,540,295**	1,535,446
Non-current liabilities			
Other payables	13	**–**	352
Lease liabilities	14	**15,784**	17,415
Deferred taxation liabilities		**37,050**	36,308
		52,834	54,075
Current liabilities			
Trade and other payables	13	**481,001**	477,694
Lease liabilities	14	**9,074**	10,313
Amounts due to associates	16	**13,000**	6,663
Dividend payable		**89,045**	–
Tax liabilities		**30,803**	23,291
Bank borrowings	15	**121,520**	146,971
		744,443	664,932
Total equity and liabilities		**2,337,572**	2,254,453

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Attributable to owners of the Company									
	Share capital US$'000	Share premium US$'000	Property revaluation reserve US$'000	Exchange reserve US$'000	Capital reserve US$'000	Financial instruments revaluation reserve US$'000	Retained profits US$'000	Subtotal US$'000	Non-controlling interests US$'000	Total equity US$'000
At 1 January 2025 (audited)	**3,654**	**505,677**	**79,014**	**(140,426)**	**9,903**	**(2,056)**	**1,074,890**	**1,530,656**	**4,790**	**1,535,446**
Profit for the period	**–**	**–**	**–**	**–**	**–**	**–**	**98,265**	**98,265**	**58**	**98,323**
Exchange difference arising on translation of foreign operations	**–**	**–**	**–**	**(7,391)**	**–**	**–**	**–**	**(7,391)**	**–**	**(7,391)**
Surplus on revaluation of properties	**–**	**–**	**5,164**	**–**	**–**	**–**	**–**	**5,164**	**–**	**5,164**
Deferred tax expense arising on revaluation of properties	**–**	**–**	**(1,205)**	**–**	**–**	**–**	**–**	**(1,205)**	**–**	**(1,205)**
Fair value changes on trade receivables at fair value through other comprehensive income	**–**	**–**	**–**	**–**	**–**	**415**	**–**	**415**	**–**	**415**
Impairment loss on trade receivables at fair value through other comprehensive income under expected credit loss model, net of reversal	**–**	**–**	**–**	**–**	**–**	**(4)**	**–**	**(4)**	**–**	**(4)**
Total comprehensive income (expense) for the period	**–**	**–**	**3,959**	**(7,391)**	**–**	**411**	**98,265**	**95,244**	**58**	**95,302**
Dividend recognised as distribution (Note 6)	**–**	**–**	**–**	**–**	**–**	**–**	**(89,045)**	**(89,045)**	**–**	**(89,045)**
Dividend paid to a non-controlling interest	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(1,408)**	**(1,408)**
At 30 June 2025 (unaudited)	**3,654**	**505,677**	**82,973**	**(147,817)**	**9,903**	**(1,645)**	**1,084,110**	**1,536,855**	**3,440**	**1,540,295**
At 1 January 2024 (audited)	3,654	505,677	70,882	(126,759)	9,903	(1,133)	972,218	1,434,442	4,460	1,438,902
Profit for the period	–	–	–	–	–	–	84,012	84,012	202	84,214
Exchange difference arising on translation of foreign operations	–	–	–	(12,195)	–	–	–	(12,195)	–	(12,195)
Surplus on revaluation of properties	–	–	5,782	–	–	–	–	5,782	–	5,782
Deferred tax expense arising on revaluation of properties	–	–	(1,233)	–	–	–	–	(1,233)	–	(1,233)
Fair value changes on trade receivables at fair value through other comprehensive income	–	–	–	–	–	(223)	–	(223)	–	(223)
Impairment loss on trade receivables at fair value through other comprehensive income under expected credit loss model, net of reversal	–	–	–	–	–	37	–	37	–	37
Total comprehensive income (expense) for the period	–	–	4,549	(12,195)	–	(186)	84,012	76,180	202	76,382
Dividend recognised as distribution (Note 6)	–	–	–	–	–	–	(47,434)	(47,434)	–	(47,434)
At 30 June 2024 (unaudited)	3,654	505,677	75,431	(138,954)	9,903	(1,319)	1,008,796	1,463,188	4,662	1,467,850

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	US$'000	US$'000
	(unaudited)	(unaudited)
NET CASH FROM OPERATING ACTIVITIES	**154,920**	43,613
INVESTING ACTIVITIES		
Withdrawal of short-term bank deposits	**146,613**	95,615
Placement of short-term bank deposits	**(126,563)**	(36,148)
Payment for property, plant and equipment	**(58,360)**	(47,792)
Interest received	**9,058**	12,224
Loan receivables (advanced) received	**(1,826)**	110
Proceeds on disposal of property, plant and equipment	**341**	474
Payment on settlement of derivative financial instruments	**–**	(109)
NET CASH (USED IN) FROM INVESTING ACTIVITIES	**(30,737)**	24,374
FINANCING ACTIVITIES		
Repayment of bank borrowings	**(152,397)**	(107,592)
Repayment of lease liabilities	**(9,688)**	(6,391)
Interest paid	**(6,498)**	(6,090)
Dividend paid to a non-controlling interest	**(1,408)**	–
New bank borrowings raised	**128,344**	53,304
NET CASH USED IN FINANCING ACTIVITIES	**(41,647)**	(66,769)
NET INCREASE IN CASH AND CASH EQUIVALENTS	**82,536**	1,218
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	**2,476**	(1,832)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	**426,715**	543,444
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD, represented by bank balances and cash	**511,727**	542,830

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

1. GENERAL AND BASIS OF PREPARATION

Crystal International Group Limited (the "**Company**") was previously incorporated in Bermuda as an exempted company with limited liability and registered by way of continuation in the Cayman Islands as an exempted company with limited liability. The Company is directly held by its controlling shareholders, Mr. LO Lok Fung Kenneth and Mrs. LO CHOY Yuk Ching Yvonne, both executive directors of the Company. The address of the registered office of the Company is Ugland House, P.O. Box 309, Grand Cayman, KY1-1104, Cayman Islands and the principal place of business of the Company is 5-7/F., AXA Tower, Landmark East, No. 100 How Ming Street, Kowloon, Hong Kong.

The Group is principally engaged in the manufacturing and trading of garments.

The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 3 November 2017.

The condensed consolidated financial statements are presented in United States dollars ("**US$**"), which is also the functional currency of the Company.

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" issued by the International Accounting Standards Board ("**IASB**") as well as with the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments that are measured at revalued amounts or fair values, as appropriate. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024.

Application of amendments to IFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to an IFRS Accounting Standard as issued by the IASB, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2025 for the preparation of the Group's condensed consolidated financial statements:

Amendments to IAS 21	Lack of Exchangeability

The application of the amendments to an IFRS Accounting Standard in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

Information reported to the chief executive officer of the Group, being the chief operating decision maker (the "**CODM**"), for the purposes of resource allocation and assessment of segment performances, focuses on types of products.

(i) Lifestyle wear

(ii) Sportswear and outdoor apparel

(iii) Denim

(iv) Intimate

(v) Sweater

These operating segments also represent the Group's reportable segments. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

Segment revenue and results

The following is an analysis of the Group's revenue and results by operating segments.

Six months ended 30 June 2025 (unaudited)

	Lifestyle wear US$'000	Sportswear and outdoor apparel US$'000	Denim US$'000	Intimate US$'000	Sweater US$'000	Total US$'000
SEGMENT REVENUE						
External sales	339,672	312,906	262,202	209,784	104,911	1,229,475
Segment profit	69,801	64,869	42,892	43,637	21,403	242,602
Other income, gains or losses						12,070
Impairment losses under expected credit loss model, net of reversal						(2,043)
Selling and distribution expenses						(16,135)
Administrative expenses						(93,977)
Research and development expenses						(16,308)
Finance costs						(6,498)
Share of results of associates						(4)
Profit before tax						119,707

3. REVENUE AND SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

Six months ended 30 June 2024 (unaudited)

	Lifestyle wear US$'000	Sportswear and outdoor apparel US$'000	Denim US$'000	Intimate US$'000	Sweater US$'000	Total US$'000
SEGMENT REVENUE						
External sales	304,981	278,285	237,697	191,517	81,192	1,093,672
Segment profit	60,344	58,158	39,322	37,311	18,317	213,452
Other income, gains or losses						12,656
Impairment losses under expected credit loss model, net of reversal						(93)
Selling and distribution expenses						(14,567)
Administrative expenses						(86,814)
Research and development expenses						(15,721)
Finance costs						(6,090)
Share of results of associates						89
Profit before tax						102,912

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit represents the profit earned by each segment without allocation of other income, gains or losses, impairment losses under expected credit loss model, net of reversal, selling and distribution expenses, administrative expenses, research and development expenses, finance costs and share of results of associates. This is the measure reported to the CODM of the Group for the purposes of resource allocation and performance assessment.

Certain amounts of depreciation of property, plant and equipment and right-of-use assets are included in the measure of segment results in each segment. No further analysis is presented for certain items included or excluded in the measure of segment results as such information is not regularly provided to the CODM.

Segment assets and liabilities

No analysis of segment assets or segment liabilities is presented as such information is not regularly provided to the CODM.

3. REVENUE AND SEGMENT INFORMATION (Continued)

Geographical information

Information about the Group's revenue is presented below by geographical location based on port of discharge.

	Six months ended 30 June	
	2025	2024
	US$'000	US$'000
	(unaudited)	(unaudited)
Asia Pacific (note a)	**478,286**	417,729
North America	**462,934**	414,566
Europe (note b)	**252,705**	230,447
Other countries/regions	**35,550**	30,930
	1,229,475	1,093,672

Notes:

(a) Asia Pacific primarily includes Japan, the People's Republic of China (the "**PRC**") and South Korea.

(b) Europe primarily includes France, Germany, the Netherlands and the United Kingdom (the "**U.K.**").

4. PROFIT BEFORE TAX

	Six months ended 30 June	
	2025	2024
	US$'000	US$'000
	(unaudited)	(unaudited)
Profit before tax has been arrived at after charging (crediting):		
Directors' emoluments	**1,748**	1,717
Other staff costs	**291,744**	251,948
Retirement benefit schemes' contributions for other staff	**32,029**	26,986
Total staff costs (note)	**325,521**	280,651
Depreciation of property, plant and equipment (note)	**31,000**	31,687
Depreciation of right-of-use assets (note)	**9,184**	6,502
Amortisation of intangible asset (included in selling and distribution expenses)	**2,459**	2,459
Net impairment loss recognised in respect of property, plant and equipment	**–**	382
Cost of inventories recognised as expenses (including write-down of inventories amounting to US$1,236,000 (2024: US$6,567,000)) (note)	**986,873**	880,220
(Gain) loss on disposals of property, plant and equipment	**(192)**	139
Loss on termination of leases	**–**	15
Net loss arising from changes in fair value of derivative financial instruments	**–**	109
Interest income	**(9,058)**	(12,224)
Net foreign exchange loss	**3,113**	6,017
Finance costs:		
– interest expense on lease liabilities	**688**	690
– interest expense on bank borrowings	**2,276**	1,804
– interest expense on factoring arrangement	**3,534**	3,596

Note: Cost of inventories recognised as expenses include staff costs, depreciation of property, plant and equipment and depreciation of right-of-use assets used for production, which amounts are also included in the respective total amounts disclosed separately above.

5. INCOME TAX EXPENSE

	Six months ended 30 June	
	2025	2024
	US$'000	US$'000
	(unaudited)	(unaudited)
The income tax expense comprises:		
Hong Kong Profits Tax		
– current period	**13,005**	10,968
– under(over)-provision in prior years	**2**	(18)
Overseas taxation		
– current period	**9,829**	8,580
– over-provision in prior years	**(906)**	(700)
	21,930	18,830
Deferred taxation	**(546)**	(132)
	21,384	18,698

Under the two-tiered profits tax rates regime, the first Hong Kong dollars ("**HK$**") 2 million of profits of the qualifying group entity are taxed at 8.25%, and profits above HK$2 million are taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime continue to be taxed at a flat rate of 16.5%.

The directors of the Company consider the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the condensed consolidated financial statements. Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both periods.

Under the Law of the PRC on Enterprise Income Tax (the "**EIT Law**") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both periods.

Certain subsidiaries incorporated in Cambodia are exempted from tax on profit in both periods while they fulfil certain requirements pursuant to the relevant laws and regulations in Cambodia.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

The Group is operating in certain jurisdictions where the Pillar Two Rules is effective. However, as the Group's estimated effective tax rates of all the jurisdictions in which the Group operates are higher than 15%, after taking into account the adjustments under the Pillar Two Rules based on management's best estimate, the management of the Group considered the Group is not liable to top-up tax under the Pillar Two Rules.

The Group is continuing to assess the impact of the Pillar Two income taxes legislation on its future financial performance.

6. DIVIDENDS

	Six months ended 30 June	
	2025	2024
	US$'000	US$'000
	(unaudited)	(unaudited)
Final, declared, of HK19.0 cents per ordinary share for 2024 (2024: HK13.0 cents per ordinary share for 2023)	**69,055**	47,434
Special, declared, of HK 5.5 cents per ordinary share for 2024 (2024: nil for 2023)	**19,990**	–
	89,045	47,434

Pursuant to a resolution passed by the Board of Directors (the "**Board**") on 20 August 2025, the Board has resolved to declare an interim dividend of HK16.3 cents (six months ended 30 June 2024: HK13.8 cents) per ordinary share, totalling HK$465,010,000 (equivalent to US$59,242,000) (six months ended 30 June 2024: HK$393,689,000 (equivalent to US$50,432,000)) estimated on the number of shares in issue at 30 June 2025. This declared dividend is not reflected as a dividend payable in these condensed consolidated financial statements, but will be reflected as an appropriation of reserve for the year ending 31 December 2025.

7. EARNINGS PER SHARE

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

	Six months ended 30 June	
	2025	2024
	US$'000	US$'000
	(unaudited)	(unaudited)
Earnings:		
Profit for the period attributable to owners of the Company for the purpose of calculating basic earnings per share	**98,265**	84,012
	'000	'000
Number of shares:		
Number of ordinary shares for the purpose of calculating basic earnings per share	**2,852,822**	2,852,822

No diluted earnings per share was presented for the six months ended 30 June 2025 and 2024 as there were no potential dilutive ordinary shares in issue during both periods.

8. PROPERTY, PLANT AND EQUIPMENT/RIGHT-OF-USE ASSETS

During the six months ended 30 June 2025, the Group incurred total expenditure of US$38,276,000 (six months ended 30 June 2024: US$29,600,000) on the acquisition of property, plant and equipment.

The Group's owned properties classified as property, plant and equipment were revalued by the directors of the Company at the end of the current interim period. The resulting revaluation surplus of US$5,164,000 (six months ended 30 June 2024: US$5,782,000) has been credited to the property revaluation reserve during the six months ended 30 June 2025.

During the current interim period, the Group entered into several new lease agreements with lease terms ranging from 1 month to 20 years (six months ended 30 June 2024: 1 month to 60 months) and fixed monthly payments. The Group recognised new right-of-use assets of US$6,952,000 (six months ended 30 June 2024: US$5,863,000) and lease liabilities of US$6,952,000 (six months ended 30 June 2024: US$5,863,000) during the current interim period.

9. TRADE, BILLS AND OTHER RECEIVABLES

	At 30 June 2025 US$'000 (unaudited)	At 31 December 2024 US$'000 (audited)
Trade receivables – contracts with customers	**88,218**	159,209
Less: allowance for expected credit losses	**(7,312)**	(4,801)
	80,906	154,408
Bills receivable	**1,567**	1,473
Temporary payments to suppliers	**17,346**	13,988
Other receivables, deposits and prepayments	**38,579**	36,217
	138,398	206,086

The Group allows credit periods ranging from 14 to 120 days (31 December 2024: 14 to 120 days) to its trade customers. The following is an aged analysis of trade receivables, net of allowance for expected credit losses, based on invoice dates.

	At 30 June 2025 US$'000 (unaudited)	At 31 December 2024 US$'000 (audited)
Within 60 days	**73,549**	121,978
61 to 90 days	**7,077**	31,242
91 to 120 days	**168**	1,077
Over 120 days	**112**	111
	80,906	154,408

10. TRADE RECEIVABLES AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

As part of the Group's cash flow management, the Group factors certain trade receivables to financial institutions before the receivables are due for repayment. The factored trade receivables are derecognised on the basis that the Group has transferred substantially all the risks and rewards to the relevant counterparties. Such trade receivables, that are held for the collection of contractual cash flows and sale of financial assets, have been classified as trade receivables at fair value through other comprehensive income ("**FVTOCI**").

The following is an aged analysis of trade receivables at FVTOCI based on invoice dates.

	At 30 June 2025 US$'000 (unaudited)	At 31 December 2024 US$'000 (audited)
Within 60 days	**200,291**	236,485
61 to 90 days	**91,584**	45,972
91 to 120 days	**5,107**	9,834
Over 120 days	**578**	2,295
	297,560	294,586

Details of the valuation techniques and key inputs adopted for their fair value measurements are disclosed in note 22.

11. IMPAIRMENT LOSSES UNDER EXPECTED CREDIT LOSS MODEL, NET OF REVERSAL

	Six months ended 30 June	
	2025 US$'000 (unaudited)	2024 US$'000 (unaudited)
Impairment losses recognised (reversed) in respect of		
– trade receivables at amortised cost	**2,047**	56
– trade receivables at FVTOCI	**(4)**	37
	2,043	93

The basis of determining the inputs and assumptions and the estimation techniques used in the condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024.

12. SHORT-TERM BANK DEPOSITS

The short-term bank deposits carried interest at fixed rate of 1.55% to 4.10% (31 December 2024: 3.99% to 4.27%) per annum.

The short-term bank deposits are deposits placed with banks that have more than three months to maturity when deposited. The short-term bank deposits will mature within 12 months from the end of the reporting period and are therefore classified as current assets.

13. TRADE AND OTHER PAYABLES

	At 30 June 2025 US$'000 (unaudited)	At 31 December 2024 US$'000 (audited)
Trade payables	**219,680**	176,404
Bills payable (Note)	**4,350**	3,476
	224,030	179,880
Accrued staff cost	**105,596**	122,280
Other payables	**49,971**	66,348
Other accruals	**101,404**	109,538
Total trade and other payables	**481,001**	478,046

Note: These relate to trade payables in which the Group has issued bills to the relevant suppliers for future settlement trade payables. The suppliers can obtain the invoice amounts from the bank on the maturity date of the bills. The Group continues to recognise these trade payables as the Group is obliged to make payments to the relevant banks on due dates of the bills, under the same conditions as agreed with the suppliers without further extension. In the condensed consolidated statement of cash flows, settlements of these bills by the Group are included within operating cash flows based on the nature of the arrangements.

The total balance is analysed for reporting purposes as:

	At 30 June 2025 US$'000 (unaudited)	At 31 December 2024 US$'000 (audited)
Current	**481,001**	477,694
Non-current	**–**	352
	481,001	478,046

13. TRADE AND OTHER PAYABLES (Continued)

At 31 December 2024, the non-current amounts was related to the purchase of property, plant and equipment and was unsecured, interest-free and repayable in 2026.

The credit period of trade payables is from 14 to 90 days. The following is an aged analysis of trade payables (including bills payable) based on invoice dates.

	At 30 June 2025 US$'000 (unaudited)	At 31 December 2024 US$'000 (audited)
Within 60 days	**204,945**	160,336
61 to 90 days	**15,340**	17,689
91 to 120 days	**2,020**	1,140
Over 120 days	**1,725**	715
	224,030	179,880

14. LEASE LIABILITIES

Included in the lease liabilities is the balance of US$638,000 (31 December 2024: US$1,273,000) with related companies controlled by certain directors of the Company. During the current interim period, interest expense of US$25,000 (six months ended 30 June 2024: US$30,000) has been charged to profit or loss and repayment of US$651,000 (six months ended 30 June 2024: US$648,000) has been made in relation to the lease liabilities and interest expense with the related companies.

Certain directors of the Company, namely Mr. LO Lok Fung Kenneth, Mrs. LO CHOY Yuk Ching Yvonne and Mr. LO Ching Leung Andrew, have control in these companies.

15. BANK BORROWINGS

During the six months ended 30 June 2025, the Group obtained new bank borrowings of US$128,344,000 (six months ended 30 June 2024: US$53,304,000) and repaid bank borrowings of US$152,397,000 (six months ended 30 June 2024: US$107,592,000). The bank borrowings of the Group carry interest at market rates ranging from 1.52% to 5.64% (31 December 2024: 4.61% to 6.65%) per annum.

16. AMOUNTS DUE TO ASSOCIATES

The amounts are trade in nature, unsecured, interest-free and repayable according to the credit period of 90 days. The amounts are aged within 90 days.

17. AMOUNTS DUE FROM RELATED COMPANIES

	At 30 June 2025 US$'000 (unaudited)	At 31 December 2024 US$'000 (audited)
Amounts due from related companies	**215**	218

At 30 June 2025 and 31 December 2024, amounts due from related companies are non-trade in nature, unsecured, interest-free and repayable on demand. The maximum balances during the six months ended 30 June 2025 were US$218,000 (31 December 2024: US$218,000).

Certain directors of the Company, namely Mr. LO Lok Fung Kenneth, Mrs. LO CHOY Yuk Ching Yvonne and Mr. LO Ching Leung Andrew, have control in these companies.

18. SHARE CAPITAL

	Number of shares '000	**Share capital** US$'000
Ordinary shares of HK$0.01 each		
Authorised:		
At 1 January 2024, 30 June 2024, 1 January 2025 and 30 June 2025	3,500,000	4,482
Issued and fully paid:		
At 1 January 2024, 30 June 2024, 1 January 2025 and 30 June 2025	2,852,822	3,654

19. CAPITAL COMMITMENTS

At the end of the reporting period, the Group had capital commitments as follows:

	At 30 June 2025 US$'000 (unaudited)	At 31 December 2024 US$'000 (audited)
Contracted for but not provided for in the condensed consolidated financial statements in relation to the acquisition of property, plant and equipment	**47,403**	51,952

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

20. PLEDGE OF ASSETS

At the end of the reporting period, the Group had the following assets pledged to banks as security for general banking facilities granted to the Group.

	At 30 June 2025 US$'000 (unaudited)	At 31 December 2024 US$'000 (audited)
Property, plant and equipment	**1,556**	1,574
Inventories	**3,257**	3,333
	4,813	4,907

21. RELATED PARTY TRANSACTIONS

(i) Related party transactions

During the period, the Group entered into transactions with the following related parties:

		Six months ended 30 June	
Relationship	**Nature of transaction**	**2025 US$'000 (unaudited)**	2024 US$'000 (unaudited)
Associates	Purchase of materials	**(21,012)**	(20,232)
Companies controlled by certain directors of the Company (note)	Interest expense on lease liabilities	**(25)**	(30)
	Handling fee received	**16**	14

Note: Certain directors of the Company, namely Mr. Lo Lok Fung Kenneth, Mrs. Lo Choy Yuk Ching Yvonne and Mr. Lo Ching Leung Andrew, have control in these companies.

At 30 June 2025, the Company has provided a corporate guarantee to an associate of the Group to secure the bank facilities granted to an associate to the extent of US$5,000,000 (31 December 2024: US$5,000,000). The Group is required to pay immediately if the associate is unable to meet its obligation. The Group assessed that the fair value at initial recognition of the financial guarantee was insignificant. Based on the assessment of the management, the ECL on financial guarantee contract is insignificant at 30 June 2025 and 31 December 2024 in view of the fact that credit risk in the contract is insignificant.

At 30 June 2025 and 31 December 2024, the Company has provided a corporate guarantee to its subsidiaries to fully secure the bank facilities granted to its subsidiaries. The Company is required to pay immediately if its subsidiaries are unable to meet their obligations.

21. RELATED PARTY TRANSACTIONS (Continued)

(i) Related party transactions (Continued)

At 30 June 2025 and 31 December 2024, the Company has provided a corporate guarantee to its subsidiary incorporated in the U.K. to secure its obligation and liabilities in relation to the defined benefits scheme (details disclosed in the Group's consolidated financial statements for the year ended 31 December 2024) to the extent of US$10,973,000 (31 December 2024: US$10,040,000). The Company is required to pay immediately if its subsidiary incorporated in the U.K. is unable to meet its obligation.

(ii) Emoluments of key management personnel

Emoluments of directors, who are also the key management personnel, during the period were as follows:

	Six months ended 30 June	
	2025	2024
	US$'000	US$'000
	(unaudited)	(unaudited)
Short-term benefits	**1,704**	1,676
Post-employment benefits	**44**	41
	1,748	1,717

The emoluments of directors are recommended to the Board by the Remuneration Committee of the Company having regard to the performance of each individual and comparable market statistics.

(iii) Related party balances

The Group's outstanding balances with related parties at 30 June 2025 and 31 December 2024 are set out in aggregate in these condensed consolidated statement of financial position and the corresponding notes thereto.

(iv) Licence agreement entered into with a related company

The Group entered into a licence agreement on 12 October 2022 with a related company controlled by Mr. LO Lok Fung Kenneth and Mrs. LO CHOY Yuk Ching Yvonne who are executive directors of the Company, pursuant to which the related company agreed to grant to the Group a licence to use certain trademarks and domain names in connection with its business and operations in various territories for three years commencing 1 January 2023. The consideration is HK$1.00.

22. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Some of the Group's financial assets are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation techniques and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements are observable.

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

	Fair value at		**Fair value hierarchy**	**Valuation techniques and key inputs**
	30.6.2025 US$'000 (unaudited)	31.12.2024 US$'000 (audited)		
Financial asset				
Trade receivables at FVTOCI (note 10)	**297,560**	294,586	Level 2	A discounted cash flow method is used to assess the present value of the cash flows to be derived from the receivables using the discount rates from the factoring arrangements.

There were no transfers into or out of Level 2 during both periods.

For financial assets and financial liabilities that are not measured at fair value on a recurring basis, the directors of the Company consider that the carrying amounts of these financial assets and financial liabilities recognised in the condensed consolidated financial statements approximate their fair values.