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(Stock Code: 0229)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2025

SUMMARY OF UNAUDITED FINANCIAL RESULTS

For the six months ended 30 June 2025

The board (the “**Board**”) of directors (the “**Directors**”) of Raymond Industrial Limited (the “**Company**”) hereby announces the unaudited interim results for the six months ended 30 June 2025 of the Company and its subsidiaries (collectively, the “**Group**”). The condensed consolidated statement of profit or loss, condensed consolidated statement of profit or loss and other comprehensive income of the Group for the six months ended 30 June 2025 and the condensed consolidated statement of financial position of the Group as at 30 June 2025, along with selected explanatory notes, are unaudited but have been reviewed by the Company’s audit committee (the “**Audit Committee**”) together with the Company’s independent auditor, RSM Hong Kong.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS*For the six months ended 30 June 2025**(Expressed in Hong Kong dollars)*

		Six months ended 30 June	
		2025	2024
		HK\$'000	HK\$'000
		(Unaudited)	(Unaudited)
	<i>Note</i>		
Revenue		530,704	523,457
Cost of sales		<u>(453,100)</u>	<u>(445,764)</u>
Gross profit		77,604	77,693
Other revenue	5	7,171	9,267
Other net income	5	11,601	6,542
Selling expenses		(6,525)	(6,415)
General and administrative expenses		<u>(53,331)</u>	<u>(57,577)</u>
Profit before taxation		36,520	29,510
Income tax expense	6	<u>(4,015)</u>	<u>(2,689)</u>
Profit for the period attributable to owners of the Company	7	<u>32,505</u>	<u>26,821</u>
Earnings per share	8		
Basic, HK cents		<u>6.48</u>	<u>5.35</u>
Diluted, HK cents		<u>N/A</u>	<u>N/A</u>

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME**

For the six months ended 30 June 2025

(Expressed in Hong Kong dollars)

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Profit for the period attributable to owners of the Company	32,505	26,821
Other comprehensive income:		
<i>Item that will not be reclassified to profit or loss:</i>		
– Revaluation gain arising from the transfer of property, plant and equipment to investment properties	-	32,797
<i>Item that may be reclassified to profit or loss:</i>		
– Exchange differences on translation of financial statements of foreign operations	3,832	(2,261)
Total Other comprehensive income for the period, net of tax	3,832	30,536
Total comprehensive income for the period attributable to owners of the Company	36,337	57,357

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2025

(Expressed in Hong Kong dollars)

		30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
	<i>Note</i>		
Non-current assets			
Property, plant and equipment	10	125,091	125,732
Right-of-use assets	10	5,398	5,553
Investment properties	11	32,800	32,800
Deferred tax assets		1,826	2,529
		<u>165,115</u>	<u>166,614</u>
Current assets			
Inventories		109,650	134,683
Trade and other receivables	12	281,586	229,710
Current tax assets		-	107
Bank and cash balances		325,178	349,130
		<u>716,414</u>	<u>713,630</u>
Current liabilities			
Trade and other payables	13	204,300	201,565
Dividends payable		489	366
Current tax liabilities		4,599	2,396
		<u>209,388</u>	<u>204,327</u>
Net current assets		<u>507,026</u>	<u>509,303</u>
Total assets less current liabilities		<u>672,141</u>	<u>675,917</u>
Non-current liabilities			
Deferred tax liabilities		148	155
NET ASSETS		<u>671,993</u>	<u>675,762</u>
Capital and reserves			
Share capital		467,676	467,676
Reserves		204,317	208,086
TOTAL EQUITY		<u>671,993</u>	<u>675,762</u>

Notes:

1. BASIS OF PREPARATION

These condensed financial information has been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and the applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The financial information relating to the year ended 31 December 2024 that is included in these unaudited condensed financial statements for the six months ended 30 June 2025 as comparative information does not constitute the statutory annual consolidated financial statements of the Company for that year but is derived from those consolidated financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the consolidated financial statements for the year ended 31 December 2024 to the Registrar of Companies as required by section 622(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance (Cap. 622).

The Company’s auditor has reported on those consolidated financial statements. The auditor’s report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Companies Ordinance (Cap. 622).

These condensed financial statements should be read in conjunction with the 2024 annual financial statements. Except as described below, the accounting policies (including the significant judgments made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty) and methods of computation used in the preparation of these condensed financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2024.

2. NEW AND AMENDED HONG KONG FINANCIAL REPORTING STANDARDS

A. New and amended standards adopted by the Group

The Group has applied the amendments to HKAS 21 “Lack of Exchangeability” for the first time from 1 January 2025. The Group did not change its accounting policies or make retrospective adjustments as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another country.

B. Impact of new and amended standards issued but not yet adopted by the Group

In July 2024, the HKICPA issued HKFRS 18 “Presentation and Disclosure in Financial Statements” which is effective for annual reporting periods beginning on or after 1 January 2027, with early application permitted. HKFRS 18 introduces significant changes to the presentation of financial statements, with a focus on information about financial performance present in the statement of profit or loss, which will affect how the Group present and disclose financial performance in the financial statements. The key changes introduced in HKFRS 18 relate to (i) the structure of the statement of profit or loss, (ii) required disclosures for management-defined performance measures (which are referred to alternative or non-GAAP performance measures), and (iii) enhanced requirements for aggregation and disaggregation of information.

The management is currently assessing the impact of applying HKFRS 18 on the presentation and the disclosures of the consolidated financial statements.

3. FAIR VALUE MEASUREMENTS

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the condensed consolidated statement of financial position approximate their respective fair values.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following disclosures of fair value measurements use a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2 inputs: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

The Group's policy is to recognise transfers into and transfers out of any of the three levels as of the date of the event or change in circumstances that caused the transfer.

The following table shows the carrying amounts and fair value of financial assets, including their levels in the fair value hierarchy. It does not include fair value information for financial assets not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(a) Disclosures of level in fair value hierarchy:

Description	Fair value measurements as at 30 June 2025			
	Level 1	Level 2	Level 3	Total
	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)	HK\$'000 (unaudited)
Recurring fair value measurements:				
Investment properties:				
Office and warehouse - Hong Kong	-	-	32,800	32,800

Description	Fair value measurements as at 31 December 2024			
	Level 1	Level 2	Level 3	Total
	HK\$'000 (audited)	HK\$'000 (audited)	HK\$'000 (audited)	HK\$'000 (audited)
Recurring fair value measurements:				
Investment properties:				
Office and warehouse - Hong Kong	-	-	32,800	32,800

3. FAIR VALUE MEASUREMENTS (CONT'D)

(b) Reconciliation of assets measured at fair value based on level 3:

Description	Investment properties	
	30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
At beginning of period/year	32,800	-
Transfer from property, plant and equipment	-	903
Revaluation gain recognised in other comprehensive income	-	32,797
Total gains or losses recognised in profit or loss (#)	-	(900)
At end of period/year	32,800	32,800
(#) Include fair value changes for assets held at end of reporting period/year	-	(900)

The fair value changes recognised in profit or loss including those for assets held at the end of reporting period are presented in other net income in the consolidated statement of profit or loss.

(c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements at 30 June 2025:

The Group's financial controller is responsible for the fair value measurements of assets and liabilities required for financial reporting purposes, including level 3 fair value measurements. The financial controller reports directly to the Board of Directors. Discussions of valuation processes and results are held between the financial controller and the Board of Directors at least twice a year.

For level 3 fair value measurements, the Group will normally engage external valuation experts with the recognised professional qualifications and recent experience to perform the valuations.

Level 3 fair value measurements

Description	Valuation technique	Unobservable inputs	Range	Effect on fair value for increase of inputs	Fair value at	
					30 June 2025 HK\$'000 (unaudited)	31 December 2024 HK\$'000 (audited)
Office and warehouse located in Hong Kong	Income approach	Market yield	3.8%	Decrease		
		Monthly market rent	HK\$111,228 per square foot per month	Increase	32,800	32,800

During the six months ended 30 June 2025 and the year ended 31 December 2024, there were no significant changes in the valuation techniques used.

4. SEGMENT INFORMATION

The Group is principally engaged in the manufacture and sale of electrical home appliances. The electrical home appliances are manufactured within the Group's manufacturing facilities located in the People's Republic of China (the "PRC"). The Group's operating segments are determined based on information reported to the senior executive management, being the chief operating decision maker ("CODM") of the Group for the purposes of resource allocation and assessment of segment performance, focused on customer locations.

The identified reportable operating segments are as follows:

- Asia – mainly including the PRC, Korea, and Japan
- Europe – mainly including the United Kingdom and Netherlands
- Latin America – mainly including Mexico
- North America – mainly including the United States of America and Canada

For the operating segments of Australia and Africa, they have been included within the "rest of the world" due to neither of these operating segments meeting the quantitative thresholds required for classification as reportable segments.

(a) Segment profit or loss, assets and liabilities

Information regarding the Group's reportable segments as provided to the Group's senior executive management for the purposes of resource allocation and assessment of segment performance for the period is set out below.

	Electrical home appliances					Total
	Asia	Europe	Latin America	North America	Rest of the World	
	2025	2025	2025	2025	2025	2025
	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)
For the six months ended 30 June						
Total reportable segment revenue recognised at a point in time	132,127	135,514	113,950	126,767	22,346	530,704
Total reportable segment profit (adjusted EBITDA)	9,470	18,014	9,616	4,876	728	42,704
As at 30 June						
Total reportable segment assets	879,703	-	-	-	-	879,703
Total reportable segment liabilities	(204,300)	-	-	-	-	(204,300)

4. SEGMENT INFORMATION (CONT'D)

(a) Segment results, assets and liabilities (CONT'D)

	Electrical home appliances					Total
	Asia	Europe	Latin America	North America	Rest of the World	
	2024	2024	2024	2024	2024	2024
	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)
For the six months ended 30 June						
Total reportable segment revenue recognised at a point in time	155,322	123,695	110,829	121,210	12,401	523,457
Total reportable segment profit (adjusted EBITDA)	14,545	6,374	5,710	6,246	638	33,513
As at 31 December (audited)						
Total reportable segment assets	877,608	-	-	-	-	877,608
Total reportable segment liabilities	(201,565)	-	-	-	-	(201,565)

4. SEGMENT INFORMATION (CONT'D)

(b) Reconciliations of reportable segment revenue, profit or loss, assets and liabilities

	Six months ended 30 June	
	2025	2024
	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)
Revenue		
Consolidated revenue	<u>530,704</u>	<u>523,457</u>

	Six months ended 30 June	
	2025	2024
	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)
Profit or loss		
Total reportable segment profit (adjusted EBITDA)	42,704	33,513
Bank interest income	7,171	9,267
Depreciation	<u>(13,355)</u>	<u>(13,270)</u>
Consolidated profit before taxation	<u>36,520</u>	<u>29,510</u>

4. SEGMENT INFORMATION (CONT'D)

(b) Reconciliations of reportable segment revenue, profit or loss, assets and liabilities (CONT'D)

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Assets		
Total reportable segment assets	879,703	877,608
Current tax assets	-	107
Deferred tax assets	1,826	2,529
Consolidated total assets	881,529	880,244
Liabilities		
Total reportable segment liabilities	(204,300)	(201,565)
Dividends payable	(489)	(366)
Current tax liabilities	(4,599)	(2,396)
Deferred tax liabilities	(148)	(155)
Consolidated total liabilities	(209,536)	(204,482)

5. OTHER REVENUE AND OTHER NET INCOME

	Six months ended 30 June	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Other revenue		
Bank interest income	<u>7,171</u>	<u>9,267</u>
Other net income		
Sales of raw material	-	192
Cost of raw material sales	(3)	(310)
Net loss on raw material sales	(3)	(118)
Net exchange gain	9,153	5,063
Net loss on disposal of property, plant and equipment	(159)	-
Net gain on disposal of scrap materials	645	881
Research and development costs for subcontracted projects	(723)	(159)
Rental income	612	306
Service charges for subcontracting services	190	625
Sample sales income	36	191
Subsidy income	1,720	140
Sundry income / (loss)	<u>130</u>	<u>(387)</u>
	<u>11,601</u>	<u>6,542</u>

6. INCOME TAX EXPENSE

Income tax has been recognised in profit or loss as follows:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Current tax – Hong Kong Profits Tax		
Provision for the period	<u>1,579</u>	<u>1,094</u>
Current tax – PRC Enterprise Income Tax		
Provision for the period	<u>2,653</u>	<u>2,461</u>
Over-provision in respect of prior years	<u>(947)</u>	<u>(735)</u>
	<u>1,706</u>	<u>1,726</u>
Deferred tax		
Origination and reversal of temporary differences	<u>730</u>	<u>(131)</u>
Income tax expense	<u><u>4,015</u></u>	<u><u>2,689</u></u>

Notes:

(i) Hong Kong Profits Tax

Under the two-tiered Profits Tax rate regime, the first HK\$2,000,000 of profits of the qualifying group entity established in Hong Kong will be taxed at 8.25%, and profit above that amount will be subject to the tax rate of 16.5%. The profits of the group entities not qualifying for the two-tiered Profits Tax rate regime will continue to be taxed at a rate of 16.5%.

(ii) PRC Enterprise Income Tax

A subsidiary in the PRC was qualified as a high and new technology enterprise and taxed at a preferential tax rate of 15% (six months ended 30 June 2024: 15%).

7. PROFIT FOR THE PERIOD

The Group's profit for the period is stated at after charging the following:

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
(a) Staff costs (including directors' remunerations)		
Salaries, wages and other benefits	98,931	100,459
Discretionary bonuses	3,951	3,914
Contributions to defined contribution retirement plans	9,185	8,477
	<u>112,067</u>	<u>112,850</u>
	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
(b) Other items		
Cost of sales [#]	453,100	445,764
Depreciation of right-of-use assets	214	227
Depreciation of property, plant and equipment	13,141	13,043
Direct operating expenses of investment properties that generate rental income	123	61
Product development costs*	18,660	18,918
Loss on disposals/written off of property, plant and equipment	<u>2,737</u>	<u>659</u>

[#] Cost of sales includes approximately HK\$89,276,000 (six months ended 30 June 2024: HK\$88,985,000) relating to staff costs and depreciation, of which amounts are also included in the respective total amounts disclosed separately above.

* Product development costs include approximately HK\$13,177,000 (six months ended 30 June 2024: HK\$13,340,000) relating to staff costs and depreciation, which recorded to general and administrative expenses are also included in the respective total amounts disclosed separately above.

8. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit for the period attributable to shareholders of the Company of approximately HK\$32,505,000 (six months ended 30 June 2024: HK\$26,821,000) and the weighted average number of ordinary shares of approximately 501,325,000 (six months ended 30 June 2024: 501,325,000) shares in issue during the interim period.

No diluted earnings per share is presented as the Company did not have any dilutive potential ordinary shares during the six-month ended 30 June 2025 and 2024.

9. DIVIDENDS

(i) Dividends payable to shareholders of the Company attributable to the interim period

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Interim dividend declared and approved after the interim period of 4 HK cents per ordinary share (six months ended 30 June 2024: 4 HK cents per ordinary share)	20,053	20,053

The interim dividend has not been recognised as a liability at the end of the reporting period.

(ii) Dividends payable to shareholders of the Company attributable to the previous financial year, approved and paid during the interim period

	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Final dividend in respect of the previous financial year, approved and paid during the interim period, of 2 HK cents per ordinary share (2023: 4 HK cents per ordinary share)	10,027	20,053
Special dividend in respect of the previous financial year, approved and paid during the interim period, of 6 HK cents per ordinary share (2023: 6 HK cents per ordinary share)	30,079	30,079
	40,106	50,132

10. PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

	Property, plant and equipment	Right-of-use assets (note)	Total
	HK\$'000	HK\$'000	HK\$'000
Cost			
At 31 December 2024 (audited) and 1 January 2025 (unaudited)	363,585	17,797	381,382
Additions	14,059	-	14,059
Disposals/written off	(23,659)	-	(23,659)
Disposal of a subsidiary	(500)	-	(500)
Exchange adjustments	4,677	216	4,893
At 30 June 2025 (unaudited)	358,162	18,013	376,175
Accumulated depreciation			
At 31 December 2024 (audited) and 1 January 2025 (unaudited)	237,853	12,244	250,097
Charge for the period	13,141	214	13,355
Disposals/written off	(20,340)	-	(20,340)
Disposal of a subsidiary	(464)	-	(464)
Exchange adjustments	2,881	157	3,038
At 30 June 2025 (unaudited)	233,071	12,615	245,686
Net carrying value			
At 30 June 2025 (unaudited)	125,091	5,398	130,489
At 31 December 2024 (audited)	125,732	5,553	131,285

Note:

Right-of-use assets represent leasehold land under medium-term leases.

11. INVESTMENT PROPERTIES

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
At beginning of period/year	32,800	-
Transfer from property, plant and equipment	-	903
Revaluation gain recognised in other comprehensive income	-	32,797
Fair value changes recognised in profit or loss	-	(900)
At end of period/year	<u>32,800</u>	<u>32,800</u>

On 1 April 2024, the Group leased out a portion of an owner-occupied building to generate rental income. Accordingly, that portion of property, plant and equipment was reclassified as investment property when the owner-occupation ceased.

The fair value of the Group's investment properties as of the date of transfer from property, plant and equipment to investment properties was valued by an external independent valuer at HK\$33,700,000. Investment properties were revalued at 31 December 2024 on income capitalisation method. The valuations were performed by the external independent valuer. Details can be found in 2024 annual financial statements.

Management considered that there were no material changes to the fair value of investment properties during the six months period ended 30 June 2025.

12. TRADE AND OTHER RECEIVABLES

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Trade receivables	260,382	204,120
Other receivables	13,855	20,386
Deposits and prepayments	7,349	5,204
	<u>281,586</u>	<u>229,710</u>

The ageing analysis of trade receivables as of the end of the reporting period, based on invoice date, is as follows:

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Within 1 month	102,112	63,956
More than 1 month but less than 3 months	120,133	106,917
More than 3 months but less than 12 months	38,137	33,241
Over 12 months	-	6
	<u>260,382</u>	<u>204,120</u>

Trade receivables are normally due within 30 to 120 days from the date of billing.

13. TRADE AND OTHER PAYABLES

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Trade payables	150,263	145,980
Accrued charges and other payables	54,019	55,547
Contract liabilities	18	38
	<u>204,300</u>	<u>201,565</u>

The ageing analysis of trade payables as of the end of the reporting period, based on invoice date, is as follows:

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Within 1 month	57,363	49,580
More than 1 month but less than 3 months	77,938	73,533
More than 3 months but less than 12 months	13,963	21,948
Over 12 months	999	919
	<u>150,263</u>	<u>145,980</u>

INTERIM DIVIDEND

At the Board meeting held on 22 August 2025, the Board declared an interim dividend of 4 Hong Kong cents (corresponding period in 2024: 4 Hong Kong cents) per ordinary share.

CLOSURE OF REGISTER OF MEMBERS

The book of transfers and register of members of the Company (the “**Register of Members**”) will be closed from Monday, 15 September 2025 to Wednesday, 17 September 2025, both days inclusive, during which period no transfer of shares will be registered.

In order to qualify for the interim dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company’s share registrar, Computershare Hong Kong Investor Services Limited, at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong by 4:30 p.m. on Friday, 12 September 2025. The interim dividend will be payable on or about Friday, 3 October 2025 to shareholders of the Company whose names appear on the Register of Members at the close of business on Wednesday, 17 September 2025.

BUSINESS HIGHLIGHTS

The Group’s revenue was HK\$530,704,000 in the first six months of 2025, representing an increase of approximately 1.38% when compared with the revenue for the corresponding period in 2024 (HK\$523,457,000). The Group’s net profit was HK\$32,505,000, representing an increase of approximately 21.19% when compared with the net profit of HK\$26,821,000 for the corresponding period in 2024. The increase in net profit was attributable to a series of favorable macroeconomic factors (strong United States Dollars (“**USD**”) and depreciating Renminbi (“**RMB**”).

During the first six months of 2025, although the Group’s management faced uncertainties arising from the rising interest rates that caused inflationary pressures and lower sales demand worldwide, the Group had been able to continue to launch new innovative products with good gross profit margins. To improve the cash flow further, the Group opted to exercise financial prudence to reduce safety stock for contingency planning, and to optimize fixed costs by investing in new machinery prudently to support launch of new products. Our management team expects to find new customers and discuss new opportunities to develop more new products during the second half of 2025 amid all the uncertainties around the world.

On 9 April 2025, the U.S. President Donald Trump instituted a 90-day pause on a slew of country-specific tariff rates subject to his reciprocal tariff policy, instead maintaining a 10% baseline rate for most trading partners. Since then, the U.S. has agreed to a 90-day tariff reduction for imports from China. Treasury Secretary Scott Bessent said that the U.S. would reinstate reciprocal tariffs first announced on 2 April 2025 for countries it is unable to reach deals with during the current 90-day pause.

The "China-U.S. Geneva Economic and Trade Talks Joint Statement" issued by China and the U.S. on 12 May 2025 seemed to mean that the trade war between the two countries has been significantly de-escalated, but in the absence of a lasting agreement, the uncertainty surrounding the final tariff rates and the impact of the tariffs already implemented would remain important considerations in forecasting the macroeconomy. Although effective tariff rates were significantly lower than before, the Trump administration appeared to be using tariffs to pursue an import substitution agenda aimed at boosting U.S. manufacturing and reducing the trade deficit, which could further disrupt trade flows and supply chains.

In May 2025, one year after the Group successfully shipped the first container of “Made in Indonesia” products for one of our major customers from the Batam, Indonesia factory, the Group planned to double our production capacity in Batam with our manufacturing partner. To alleviate potential geopolitical risk, it is important that the Group has an overseas manufacturing facility where we can produce key products outside China for our customers in case Sino-U.S. relationship deteriorates.

PROSPECTS IN THE SECOND HALF OF 2025

The Group’s management anticipates strong challenges during the second half of 2025 due to continuous geopolitical tensions and economic uncertainties. The Group’s management expects the toxic culture of “involution” in China will increase domestic factories cost cutting competition resulting in diminishing returns if we do not innovate and carve out a niche market to develop new differentiated novel products. Furthermore, the Group’s management needs to react quickly to formulate a new and effective strategy to counter the disruptive market forces emerging from the business ecosystem in which the Group operates. The Group’s investment in research and development (“**R&D**”) enables us to maintain the High and New Technology Enterprise (“**HNTE**”) status for the ninth consecutive year, and allows the Group to use new knowledge, patents and innovations to grow our business despite a punctuated equilibrium in the business ecosystem. The Group’s management will remain resilient to tackle any immediate market downturns and form stronger partnership with our strategic customers to adapt to the new business ecosystem.

In the year 2025, the Group will continue to invest and promote computerization of manufacturing. The Group has integrated our ERP system with MES system and new financial analytic software such as Microsoft Power BI to enable detailed financial analytics to help the Group’s management team make wise decisions on important strategic tasks quickly and to unlock the Group’s full operational potential. By analyzing the profit margins of different product lines, the cash and inventory real time positions, and the latest accounts receivables and payables status, the Group’s management can address the entire value chain to open up new business opportunities, make more efficient use of working capital and better manage discretionary spending. With the state-of-the art rejuvenated factory, enthusiastic management and workers, the Group’s management strives to achieve greater results and to attain excellence in both operational and financial performance in the coming years.

In today’s fast-changing business environment, building the right competencies across individuals and functions is essential to turning strategy into successful execution. Even with clear ambitions, organizations often struggle to deliver; not due to intent, but competency gaps that lead to misalignment, slow decisions, and underleveraged talent. Our top management therefore defines the competencies required to execute strategy - across functions, levels, and roles; assesses current capability and diagnose gaps that hinder business performance; designs and implement competency models that embed future-ready behaviours into day-to-day execution; and enables capability-building programs that strengthen strategic alignment, agility, and ownership.

To alleviate the risk of increasing dependence on export to the U.S., our top management has decided to work with our customers to develop new products for China market. Chinese Premier Li Qiang, speaking at the Summer Davos Forum at Tianjin in June 2025, said that he believed China could turn consumption into a driving force for economic development and become a “mega-consumer powerhouse”. Policymakers would be striving to build on China's solid manufacturing base to develop it into a “mega-consumer powerhouse”, while at the same time positioning the country as a stabilizing force in the fast-changing global trade landscape. Despite the frequent global trade frictions, China has the ability to “move steadily through economic cycles and continue to inject more stability and certainty into the world economy”.

FINANCIAL REVIEW

The liquidity position of the Group was good. The current ratio of the Group was 3.42 as of 30 June 2025 (31 December 2024: 3.49). The quick ratio of the Group was 2.90 as of 30 June 2025 (31 December 2024: 2.83). The gearing ratio of the Group was 0.30 as of 30 June 2025 (31 December 2024: 0.30) which was computed by the trade and other payables over total equity.

Bank balances and cash were HK\$325,178,000 as of 30 June 2025 (31 December 2024: approximately HK\$349,130,000), representing a decrease of HK\$23,952,000 compared with that for the corresponding period. The decrease was mainly due to special dividend paid to shareholders of the Company, more products being shipped during the “90 days tariff suspension grace period”, resulting in higher trade receivables and a lower cash balance.

There was no bank borrowing as of 30 June 2025 (31 December 2024: Nil), and the Group had no contingent liabilities as of 30 June 2025 (31 December 2024: Nil).

CHARGE ON ASSETS

The Group has no charges on assets as of 30 June 2025 (31 December 2024: Nil).

FOREIGN EXCHANGE EXPOSURE

Most of the Group’s transactions were conducted in the USD, Hong Kong dollars and RMB. The depreciation of RMB verses USD during the six months ended 30 June 2025 caused decrease in our labour costs as Hong Kong dollars is our functional currency. At the same time, the Group has seen positive impact on our financial performance as a result of British pounds appreciation since our sales received in British pounds has increased in 2025. The Group does not foresee any further exposure to foreign currency fluctuations and thus use of financial instruments for exchange rate hedging purpose is not considered.

STAFF

The Group currently employs approximately 20 Hong Kong staff members and provides them with the Mandatory Provident Fund Scheme. Our factory in the PRC employs approximately 564 to 571 staff members, and workers employed directly or indirectly ranged from 1,523 to 1,928 persons during the six months ended 30 June 2025.

The Group’s remuneration policies remained the same as disclosed in the 2024 annual report.

The Group would like to extend its appreciation to all the staff members for their hard work and dedication to the Group throughout the period.

EVENTS AFTER THE REPORTING PERIOD

There are no significant events subsequent to 30 June 2025 which would materially affect the Group’s operating and financial performance as at the date of this announcement.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities during the six months ended 30 June 2025.

CORPORATE GOVERNANCE

Throughout the six months ended 30 June 2025, the Company was in compliance with the applicable code provisions of the Corporate Governance Code as set out in Part 2 of Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

COMPLIANCE WITH MODEL CODE

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors and established written guidelines no less exacting than the Model Code for senior management and specified persons who are likely to possess inside information in relation to the Group. Having made specific enquiry with the Directors, all the Directors confirmed that they had complied with the required standards as set out in the Model Code during the six months ended 30 June 2025.

REMUNERATION COMMITTEE

A remuneration committee of the Company (the “**Remuneration Committee**”) has been established in accordance with the requirements of the Listing Rules. The Remuneration Committee comprises two executive Directors, namely Dr. Wong, Man Hin Raymond and Mr. Wong, Ying Man John; and three independent non-executive Directors (“**INEDs**”), namely Mr. Lo, Kwong Shun Wilson (chairman), Ms. Ling, Kit Sum Imma and Dr. Ko, Siu Fung Stephen.

AUDIT COMMITTEE

The terms of reference which describe the authority and duties of the Audit Committee were prepared and adopted with reference to the Code Provisions in D.3 Under Part 2 of Appendix C1 to the Listing Rules and “A Guide for The Formation of An Audit Committee” published by the Hong Kong Institute of Certified Public Accountants.

The Audit Committee has reviewed the accounting practices and principles adopted by the Group and discussed the auditing, internal control and financial reporting matters with the management of the Group including the review of the interim results and the interim financial information for the six months ended 30 June 2025.

The Audit Committee comprises three INEDs, namely Ms. Ling, Kit Sum Imma (chairlady), Mr. Lo, Kwong Shun Wilson and Dr. Ko, Siu Fung Stephen.

NOMINATION COMMITTEE

A nomination committee of the Company (the “**Nomination Committee**”) has been established in

accordance with the requirements of the Listing Rules. The Nomination Committee comprises three INEDs, namely Mr. Lo, Kwong Shun Wilson (chairman), Ms. Ling, Kit Sum Imma and Dr. Ko, Siu Fung Stephen.

DISCLOSURE OF INFORMATION ON THE STOCK EXCHANGE'S WEBSITE

The 2025 interim financial information will be published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.raymondfinance.com) in due course.

By Order of the Board
WONG, Man Hin Raymond
Chairman

Hong Kong, 22 August 2025

As at the date of this announcement, the Board comprises the following Directors:

Executive Directors:

Dr. WONG, Man Hin Raymond
Mr. WONG, Ying Man John
Mr. MOK, Kin Hing
Dr. WONG, Yin Wai

Non-Executive Directors:

Dr. WONG, Kin Lae Wilson
Mr. WONG, Ying Kit David

Independent Non-Executive Directors:

Ms. LING, Kit Sum Imma
Mr. LO, Kwong Shun Wilson
Dr. KO, Siu Fung Stephen