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## **CIRTEK HOLDINGS LIMITED**

### **常達控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 1433)**

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

The board (the “**Board**”) of directors (the “**Directors**”, each a “**Director**”) of Cirtek Holdings Limited (the “**Company**”) is pleased to present the unaudited interim condensed consolidated results of the Company and its subsidiaries (hereinafter collectively referred to as the “**Group**”) for the six months ended 30 June 2025 (the “**Reporting Period**”), which have been reviewed by the audit committee (the “**Audit Committee**”) of the Company, together with comparative figures for the corresponding period in 2024 as follows:

### **INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

*For the six months ended 30 June 2025*

		<b>Six months ended 30 June</b>	
		<b>2025</b>	<b>2024</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<i>Notes</i>	<b>HK\$'000</b>	<b>HK\$'000</b>
<b>REVENUE</b>	<b>4</b>	<b>258,178</b>	264,519
Cost of sales		<u><b>(136,567)</b></u>	<u>(140,345)</u>
Gross profit		<b>121,611</b>	124,174
Other income and gains	<b>4</b>	<b>2,451</b>	2,525
Selling and distribution expenses		<b>(33,732)</b>	(31,557)
Administrative expenses		<b>(60,283)</b>	(57,323)
Other operating (expenses)/income, net		<b>(913)</b>	1,084
Finance costs		<b>(1,181)</b>	(1,263)
Share of (losses)/profits of an associate		<u><b>(95)</b></u>	<u>208</u>

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**(continued)**

*For the six months ended 30 June 2025*

		<b>Six months ended 30 June</b>	
		<b>2025</b>	<b>2024</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<i>Notes</i>	<b><i>HK\$'000</i></b>	<b><i>HK\$'000</i></b>
PROFIT BEFORE TAX	5	<b>27,858</b>	37,848
Income tax expense	6	<b>(3,518)</b>	(6,556)
PROFIT FOR THE PERIOD		<b>24,340</b>	31,292
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY		<b><i>HK cents</i></b>	<b><i>HK cents</i></b>
– Basic	8	<b>1.22</b>	1.56
– Diluted	8	<b>1.22</b>	1.56

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

*For the six months ended 30 June 2025*

	<b>Six months ended 30 June</b>	
	<b>2025</b>	2024
	<b>(Unaudited)</b>	(Unaudited)
	<b>HK\$'000</b>	HK\$'000
PROFIT FOR THE PERIOD	<u>24,340</u>	<u>31,292</u>
OTHER COMPREHENSIVE LOSS		
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:		
Exchange differences		
Exchange differences on translation of foreign operations, net	<u>(12,957)</u>	<u>(9,979)</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE COMPANY	<u>11,383</u>	<u>21,313</u>

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
*As at 30 June 2025*

		<b>30 June 2025 (Unaudited) HK\$'000</b>	<b>31 December 2024 (Audited) HK\$'000</b>
	<i>Notes</i>		
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	9	<b>137,136</b>	131,240
Right-of-use assets		<b>56,883</b>	64,036
Prepayments and deposits		<b>2,372</b>	3,687
Other intangible assets		<b>537</b>	569
Financial asset at fair value through profit or loss		<b>6,230</b>	6,067
Investment in an associate		<b>5,694</b>	5,789
Deferred tax assets		<b>476</b>	476
		<hr/>	<hr/>
Total non-current assets		<b>209,328</b>	211,864
<b>CURRENT ASSETS</b>			
Inventories		<b>68,992</b>	83,227
Trade receivables	10	<b>53,939</b>	57,562
Prepayments, deposits and other receivables		<b>22,723</b>	26,882
Tax recoverable		<b>71</b>	70
Pledged deposits		<b>4,431</b>	4,306
Cash and cash equivalents		<b>76,222</b>	68,519
		<hr/>	<hr/>
Total current assets		<b>226,378</b>	240,566
<b>CURRENT LIABILITIES</b>			
Trade payables	11	<b>47,089</b>	64,233
Other payables and accruals		<b>53,342</b>	56,018
Interest-bearing bank borrowings		<b>4,047</b>	6,246
Lease liabilities		<b>9,547</b>	9,580
Dividend payables		<b>15,000</b>	–
Tax payable		<b>16,233</b>	16,423
		<hr/>	<hr/>
Total current liabilities		<b>145,258</b>	152,500
<b>NET CURRENT ASSETS</b>			
		<hr/>	<hr/>
<b>NET CURRENT ASSETS</b>		<b>81,120</b>	88,066
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		<hr/>	<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>290,448</b>	299,930

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**(continued)**

*As at 30 June 2025*

		<b>30 June 2025 (Unaudited) HK\$'000</b>	<b>31 December 2024 (Audited) HK\$'000</b>
	<i>Notes</i>		
<b>NON-CURRENT LIABILITIES</b>			
Other payables		<b>99</b>	160
Lease liabilities		<b>46,062</b>	51,846
Deferred tax liabilities		<b>1,972</b>	1,990
		<hr/>	<hr/>
Total non-current liabilities		<b>48,133</b>	53,996
		<hr/>	<hr/>
Net assets		<b>242,315</b>	245,934
		<hr/>	<hr/>
<b>EQUITY</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital	12	<b>20,000</b>	20,000
Reserves		<b>222,315</b>	225,934
		<hr/>	<hr/>
Total equity		<b>242,315</b>	245,934
		<hr/>	<hr/>

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

## 1. CORPORATE AND GROUP INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands. The registered office address of the Company is Third Floor, Century Yard, Cricket Square, P.O. Box 902, Grand Cayman, KY1-1103, Cayman Islands. The principal place of business of the Company is located at 1/F, Wing Ming Industrial Centre, 15 Cheung Yue Street, Lai Chi Kok, Kowloon, Hong Kong.

The Company is an investment holding company. During the current period, the Group was principally engaged in the manufacturing and sale of printing products.

Charming International Limited (“**Charming International**”), a company incorporated in the British Virgin Islands (the “**BVI**”) on 2 January 2019, is the immediate holding company of the Company, and in the opinion of the Directors, is also the ultimate holding company of the Company.

## 2.1 BASIS OF PREPARATION

The unaudited interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 *Interim Financial Reporting* and the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The unaudited interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2024.

## 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following revised HKFRS Accounting Standards for the first time for the current period’s financial information.

HKAS 21 and HKFRS 1 (amendments)	<i>Lack of Exchangeability</i>
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The adoption of the above revised HKFRS Accounting Standards has had no significant financial effect on this interim condensed consolidated financial information. The Group has not early adopted any new and revised HKFRS Accounting Standards that has been issued but not yet effective in the current accounting period.

### 3. OPERATING SEGMENT INFORMATION

For management purposes, the Group has only one reportable operating segment, which is the manufacture and sale of printing products.

#### Geographical information

##### (a) Revenue from external customers

	For the six months ended 30 June	
	2025	2024
	(Unaudited) HK\$'000	(Unaudited) HK\$'000
Chinese Mainland	85,437	93,527
Bangladesh	45,108	44,476
Hong Kong	25,298	27,293
Vietnam	24,205	21,610
India	13,146	15,940
United States of America	4,355	7,797
Other countries/regions	60,629	53,876
	<hr/>	<hr/>
Total revenue	258,178	264,519
	<hr/>	<hr/>

The revenue information above is based on the locations of the customers.

##### (b) Non-current assets

	30 June	31 December
	2025	2024
	(Unaudited) HK\$'000	(Audited) HK\$'000
Chinese Mainland	90,485	101,094
Bangladesh	57,300	47,420
Hong Kong	22,659	18,821
Vietnam	8,314	5,258
Other countries/regions	23,327	30,137
	<hr/>	<hr/>
Total non-current assets	202,085	202,730
	<hr/>	<hr/>

The non-current asset information above is based on the locations of the assets and excludes financial instruments and deferred tax assets.

#### 4. REVENUE, OTHER INCOME AND GAINS

Revenue represents the net invoiced value of goods sold, after allowances for returns, trade discounts and rebates.

An analysis of the Group's revenue, other income and gains is as follows:

		<b>For the six months ended 30 June</b>	
		<b>2025</b>	<b>2024</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
		<b>HK\$'000</b>	<b>HK\$'000</b>
<b>Revenue from contracts with customers</b>			
<i>(i) Disaggregated revenue information</i>			
<b>Types of goods or services</b>			
Sale of printing products		<u>258,178</u>	<u>264,519</u>
<b>Geographical markets</b>			
Chinese Mainland		85,437	93,527
Bangladesh		45,108	44,476
Hong Kong		25,298	27,293
Vietnam		24,205	21,610
India		13,146	15,940
United States of America		4,355	7,797
Others countries/regions		<u>60,629</u>	<u>53,876</u>
Total		<u>258,178</u>	<u>264,519</u>
<b>Timing of revenue recognition</b>			
Goods transferred at a point in time		<u>258,178</u>	<u>264,519</u>

The following table shows the amounts of revenue recognised that were included in the contract liabilities at the beginning of the periods:

		<b>For the six months ended 30 June</b>	
		<b>2025</b>	<b>2024</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
		<b>HK\$'000</b>	<b>HK\$'000</b>
Sale of printing products		<u>7,280</u>	<u>11,616</u>



(ii) *Performance obligations*

Sale of printing products

The performance obligation is satisfied upon delivery of the printing products and payment is generally due within 30 to 90 days from delivery, except for new customers, where payment in advance is normally required. Some contracts provide customers with a right of return which gives rise to variable consideration subject to constraint.

As the remaining performance obligations (unsatisfied or partially satisfied) as at 30 June 2025 and 2024 are part of contracts that have an original expected duration of one year or less, the transaction price allocated to such is not disclosed, as permitted by the practical expedient in HKFRS 15.

	<b>For the six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
<b>Other income and gains</b>		
Freight and transportation income	<b>194</b>	104
Interest income	<b>17</b>	218
Sale of scrap materials	<b>758</b>	749
Government grants*	<b>197</b>	138
Fair value gain on financial assets at fair value through profit or loss, net	<b>163</b>	94
Others	<b>1,122</b>	1,222
	<hr/>	<hr/>
<b>Total</b>	<b>2,451</b>	<b>2,525</b>

- \* The government grants have been received from the local government. It mainly represented compensation of the unemployment insurance paid to the local government and the acquisition of the Group's new machines, whose compensation are transferred from deferred income to profit or loss over the useful lives of the relevant assets during the current period. As at 30 June 2025 and 2024, there were no unfulfilled conditions or other contingencies attaching to the government grants that had been recognised by the Group.

## 5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	<b>For the six months ended 30 June</b>	
	<b>2025</b>	2024
	<b>(Unaudited)</b>	(Unaudited)
	<b>HK\$'000</b>	HK\$'000
Cost of sales <sup>#</sup>	<b>136,567</b>	140,345
Depreciation of property, plant and equipment	<b>10,099</b>	10,258
Depreciation of right-of-use assets	<b>6,696</b>	6,397
Amortisation of other intangible assets	<b>44</b>	31
Short-term lease expenses	<b>745</b>	857
Employee benefit expense (excluding directors' remuneration):		
Wages and salaries	<b>77,088</b>	73,945
Pension scheme contributions (defined contribution scheme) <sup>##</sup>	<b>5,471</b>	4,649
<b>Total</b>	<b>82,559</b>	78,594
Foreign exchange differences, net <sup>*</sup>	<b>1,569</b>	(1,126)
(Reversal of)/impairment of trade receivables <sup>*</sup>	<b>(656)</b>	324
Gain on disposal of items of property, plant and equipment, net <sup>*</sup>	<b>–</b>	(282)

\* This item included in "Other operating (expenses)/income, net" on the face of the interim condensed consolidated statement of profit or loss for the six months ended 30 June 2025 (2024: same).

# Cost of inventories sold includes HK\$41,995,000 (2024: HK\$39,899,000) of employee benefit expense, and depreciation of property, plant and equipment and right-of-use assets which are also included in the respective total amounts disclosed above for each of these types of expenses. Included in cost of sales was also the reversal of provision for inventories of HK\$217,000 (2024: HK\$1,649,000) for the six months ended 30 June 2025.

## There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

## 6. INCOME TAX

Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax in the Cayman Islands and the BVI.

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the year, except for one subsidiary of the Group which is qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 of assessable profits of this subsidiary are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates.

	<b>For the six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Current – Hong Kong		
Charge for the period	<b>556</b>	948
Current – Elsewhere		
Charge for the period	<b>2,962</b>	5,578
Deferred	<b>–</b>	30
	<hr/>	<hr/>
Total tax charge for the period	<b><u>3,518</u></b>	<b><u>6,556</u></b>

## 7. DIVIDEND

The Board of Directors do not recommend the payment of any interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: same).

## 8. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings per share amount is based on the profit for the six months ended 30 June 2025 attributable to ordinary equity holders of the Company of HK\$24,340,000 (Profit for the six months ended 30 June 2024 attributable to ordinary equity holders of the Company of HK\$31,292,000) and the weighted average number of ordinary shares of 1,989,540,278 (2024: 2,000,000,000) in issue during the period.

No adjustment has been made to the basic earnings per share amounts presented for the six months ended 30 June 2025 and 2024 in respect of a dilution as the impact of the share options outstanding had an anti-dilutive effect on the basic earnings per share amounts presented.

## 9. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group acquired property, plant and equipment at a cost of approximately HK\$15,850,000 (six months ended 30 June 2024: HK\$5,642,000).

## 10. TRADE RECEIVABLES

	<b>30 June 2025 (Unaudited) HK\$'000</b>	<b>31 December 2024 (Audited) HK\$'000</b>
Trade receivables	<b>55,855</b>	60,134
Impairment	<b>(1,916)</b>	(2,572)
Net carrying amount	<b><u>53,939</u></b>	<b><u>57,562</u></b>

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally within 30-90 days from the date of monthly statements. Each customer has a maximum credit limit. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	<b>30 June 2025 (Unaudited) HK\$'000</b>	<b>31 December 2024 (Audited) HK\$'000</b>
Within 1 month	<b>29,637</b>	32,204
1 to 2 months	<b>14,444</b>	14,381
2 to 3 months	<b>9,063</b>	6,629
Over 3 months	<b>795</b>	4,348
Total	<b><u>53,939</u></b>	<b><u>57,562</u></b>

## 11. TRADE PAYABLES

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

	<b>30 June 2025 (Unaudited) HK\$'000</b>	<b>31 December 2024 (Audited) HK\$'000</b>
Within 1 month	<b>8,912</b>	26,093
1 to 2 months	<b>10,974</b>	17,992
2 to 3 months	<b>24,059</b>	10,317
Over 3 months	<b>3,144</b>	9,831
	<hr/>	<hr/>
Total	<b>47,089</b>	64,233

The trade payables are non-interest-bearing and are normally settled on 30 to 150-day terms (2024: 30 to 150-day terms).

## 12. SHARE CAPITAL

<b>Shares</b>	<b>30 June 2025 (unaudited) HK\$'000</b>	<b>31 December 2024 (audited) HK\$'000</b>
Authorised:		
5,000,000,000 (31 December 2024: 5,000,000,000) ordinary shares of HK\$0.01 (31 December 2024: HK\$0.01) each	<b>50,000</b>	50,000
	<hr/>	<hr/>
Issued and fully paid:		
2,000,000,000 (31 December 2024: 2,000,000,000) ordinary shares of HK\$0.01 (31 December 2024: HK\$0.01) each	<b>20,000</b>	20,000
	<hr/>	<hr/>

## Treasury shares

A summary of movements in the Company's treasury shares is as follows:

	<b>Number of ordinary shares</b>	<b>Amount HK\$'000</b>
At 1 January 2024	—	—
Purchases for the year	<u>10,410,000</u>	<u>416</u>
At 31 December 2024 and 1 January 2025	10,410,000	416
Purchased during the period	<u>50,000</u>	<u>2</u>
At 30 June 2025 (note)	<u>10,460,000</u>	<u>418</u>

*Note:*

During the six months ended 30 June 2025, the Company purchased 50,000 of its shares on the Stock Exchange at a total consideration of HK\$2,000. As at 30 June 2025, the Group had 10,460,000 purchased shares classified as treasury shares.

## 13. COMMITMENTS

At the end of the reporting period, the Group had the following contractual commitments:

	<b>30 June 2025 (Unaudited) HK\$'000</b>	<b>31 December 2024 (Audited) HK\$'000</b>
Contracted, but not provided for:		
Plant and machinery	<u>523</u>	<u>3,418</u>

## 14. RELATED PARTY TRANSACTIONS

(a) The Group had the following transactions with related parties during the period:

		For the six months ended 30 June	
		2025	2024
		(Unaudited)	(Unaudited)
	Notes	HK\$'000	HK\$'000
Associate:			
Sales of products	(i)	1,821	1,104
Commission expenses	(ii)	<u>2,708</u>	<u>2,364</u>

Notes:

- (i) The sales to the associate were made according to the published prices offered to the major customers of the Group, except that a longer credit period of up to six months is normally granted (2024: same).
- (ii) The commission expense arose from the sale of products of a subsidiary arranged by the associate, which in return received a commission based on 3% to 5% of the transaction value (2024: same).

(b) Compensation of key management personnel of the Group

		For the six months ended 30 June	
		2025	2024
		(Unaudited)	(Unaudited)
		HK\$'000	HK\$'000
Salaries, allowances and benefits in kind		3,170	3,771
Pension scheme contributions		<u>18</u>	<u>27</u>
Total		<u>3,188</u>	<u>3,798</u>

## MANAGEMENT DISCUSSION AND ANALYSIS

### Review of Operations

The global macroeconomic environment has remained complex and volatile, with ongoing trade friction between major economies. In particular, tariff policy adjustments have put pressure on global supply chains and exacerbated market uncertainty. These external uncertainties have posed challenges to global economic activity and the business environment has become increasingly complex, with the challenges facing the Group's industry gradually increasing. At the same time, global inflation trends have diverged: while inflation in economies such as the Eurozone has unexpectedly declined, it has risen in the United States. Core inflation rates in many other countries have fallen significantly, creating favourable conditions for a recovery in consumption. In terms of economic performance, Mainland China's gross domestic product (GDP) grew by 5.3% year-on-year in the first half of 2025, while total retail sales of consumer goods increased by 5.0%. The Eurozone's GDP also rose slightly by 0.1% quarter-on-quarter in the second quarter. Meanwhile, due to the impact of trade policies on import and export performance, the United States' GDP growth slowed to 1.25% year-on-year in the first half of 2025, a significant decline from the 2.8% increase recorded for the whole of 2024. Notably, United States' retail sales still recorded a 3.6% year-on-year increase in the first half of the year. After seasonal adjustment, retail sales rose by 4.1% year-on-year from April to June, reflecting greater-than-expected resilience in consumer demand.

The global macroeconomic environment has been fraught with challenges, affecting different industries around the world. Leveraging its completed global footprint, the Group maintained relatively stable overall operational performance during the six months ended 30 June 2025 (the "**Review Period**"). During the Review Period, global demand fluctuations and tariffs caused some apparel brands to adopt a more cautious approach, resulting in a slowdown in order placement by certain customers of the Group. However, thanks to its broad and globally distributed customer base, the Group's revenue declined only slightly to approximately HK\$258.2 million (first half of 2024: approximately HK\$264.5 million) compared with the same period last year. In addition, through product portfolio adjustments, economies of scale, and regional synergies, the gross profit margin recorded a slight increase to 47.1% (first half of 2024: 46.9%). In the second half of 2024, the Group strategically expanded the size of its sales team in overseas markets to actively retain existing customers and secure more orders amid intensifying market competition, while also positioning itself to capitalise on market recovery opportunities. This resulted in an increase in operating cost during the period. Despite this, the Group still recorded a profit attributable to owners of the Company of approximately HK\$24.3 million during the Review Period (first half of 2024: approximately HK\$31.3 million).



From a sales and production perspective, global economic uncertainties have persisted, with consumer sentiment remaining cautious in major markets and the pace of recovery slowing. Due to the ongoing impact of tariff policies, the growth rate of apparel imports in major European and American markets slowed in the second quarter, further intensifying industry competition. The Group's sales network spans over 40 markets worldwide, while it operates production facilities in the five major textile and apparel exporting countries: Mainland China, Vietnam, Bangladesh, India, and Turkey, and has also established production factories in Central America and Southern Europe. This global footprint has enabled the Group to respond quickly to changes in various geographical markets, leverage the advantages of production capacity and flexible resource allocation in different regions, and effectively diversify market and operational risks. For example, when tariff policy changes triggered short-term order shifts, the Group was able to utilise its ample production capacity in various regions to adjust production, respond quickly to customer needs, and stabilise existing orders and revenue sources. Although sales performance in the American market declined, the Group benefited from its diversified geographical layout which enabled it to capitalise on sales growth in Europe and other markets, hence significantly reducing the impact of fluctuations in a single market. Meanwhile, the sales and marketing team actively expanded its customer base, striving to identify new order opportunities in a cautious consumer environment, thereby maintaining business scale and supporting overall sales performance.

In terms of products, the Group offered a diverse range of materials and a rich product portfolio, and continued to innovate in line with market and customer needs. With the application of radio-frequency identification (RFID) technology in the global retail and apparel industries continuing to grow, the European market has shown particular interest in such products. The Group focused on using RFID technology to label products made from various materials in order to meet customer needs and seize market opportunities. At the same time, the market has placed an increasing emphasis on sustainable development, with major apparel brands showing strong demand for label products that meet environmental standards. The Group has actively responded to market trends and worked closely with suppliers to accelerate the introduction of new environmentally friendly materials and products, helping customers advance their green transformation. This move has not only consolidated existing customer relationships, but also helped develop a new customer base focused on environmental protection, thereby expanding the sales base.

In 2023, the Group acquired a partial equity interest in Primway S.A.R.L (“**Primway**”), a French packaging company founded over a decade ago. The business integration was completed last year. During the Review Period, Primway successfully introduced new French customers to the Group and secured orders. Going forward, the Group will leverage Primway's European sales network, combined with the Group's strengths in product manufacturing, to jointly expand the market and explore new opportunities.

## **Business and Financial Review**

### *Revenue*

The Group's unaudited consolidated revenue for six months ended 30 June 2025 amounted to approximately HK\$258.2 million, representing a constant level with slight decrease of approximately 2.4% as compared with approximately HK\$264.5 million in the corresponding period of 2024.

Although there was slight decrease of approximately 2.4% decrease to record in the corresponding period of 2024, the sales orders remain constant level base on the long term relationship of customer portfolios even under the challenge global economic environment.

### *Gross Profit*

During the six months ended 30 June 2025, the Group's overall gross profit margin amounted to approximately HK\$121.6 million, representing a slight decrease of approximately 2.1% as compared with approximately HK\$124.1 million in the corresponding period of 2024.

The slight decrease in gross profit was mainly due to the profit margin of product mix shift and price pressure both customers and suppliers.

### *Other Income and Gains*

Other income and gains mainly consists of profit arising from sales of scrap materials, bank interest income and government grants.

The amount represent approximately HK\$2.5 million during the six months ended 30 June, 2025 and in the corresponding period of 2024 respectively, which remained broadly stable on period-on-period basis.

### *Selling and Distribution Expenses*

Selling and distribution expenses increased by approximately 6.9% from approximately HK\$31.5 million in the first half of 2024 to approximately HK\$33.7 million in the corresponding period of 2025.

The increase mainly represented the increase in staff cost and consultancy fee within the Group when compared with the corresponding period of 2024.

### *Administrative Expenses*

Administrative expenses increased by approximately 5.2% from approximately HK\$57.3 million in the first half of 2024 to approximately HK\$60.3 million in the corresponding period of 2025.

Such increase was mainly due to the inflation effect and increase in operating cost to sustain the expanding strategy within the Group during the Reporting Period.

### *Other Operating (Expenses)/Income, net*

The other operating expense was approximately HK\$0.9 million during the six months ended 30 June, 2025 compared with the other income was approximately HK\$1.1 million in the corresponding period of 2024. The above change was mainly due to the foreign exchange differences and impairment of trade receivables during the six months ended 30 June, 2025.

### *Finance Costs*

Finance costs mainly consists of the interest on bank loan and lease liabilities. During the Reporting Period, finance costs amounted to approximately HK\$1.2 million, representing a decrease of approximately 6.5% as compared with approximately HK\$1.3 million in the corresponding period of 2024.

This decrease was due to the repayment of certain bank loans during the Reporting Period.

### *Taxation*

Income tax expenses of the Group were calculated based on the assessable profits of the group members at the rate prevailing in the relevant jurisdictions.

Income tax expenses in the first half of 2025 amounted to approximately HK\$3.5 million, representing a significantly decrease from approximately HK\$6.6 million in the first half of 2024.

The above change was mainly due to the decrease on the tax provision as profit decrease under the challenge global economic environment during the Reporting Period.

### *Profit for the period*

Reported net profit for the first half of 2025 was approximately HK\$24.3 million, representing a decrease from approximately HK\$31.3 million in the first half of 2024.

The decrease of net profit mainly represented the price pressure both customers and suppliers as well as the inflation effect to led the operating cost increase under challenge global economic environment.

### **Capital Structure, Liquidity and Financial Resources**

The Group's operating capital was mainly generated from cash from its daily operation of its businesses, equity funding and interest-bearing loan. The Group's cash requirements related primarily to production and operating activities, repayment of due liabilities, capital expenditure, interest and other unforeseeable cash requirements.

As at 30 June 2025, the Group had net current assets of approximately HK\$81.1 million (31 December 2024: approximately HK\$88.1 million) including inventories of approximately HK\$69.0 million (31 December 2024: approximately HK\$83.2 million) trade receivables of approximately HK\$53.9 million (31 December 2024: approximately HK\$57.6 million) and trade payables of approximately HK\$47.1 million (31 December 2024: approximately HK\$64.2 million).

Cash and cash equivalents and pledged deposits of the Group as at 30 June 2025 amounted to approximately HK\$76.2 million and HK\$4.4 million respectively (31 December 2024: approximately HK\$68.5 million and 4.3 million respectively).

The Group had interest-bearing bank borrowings of approximately HK\$4.0 million (31 December 2024: approximately HK\$6.2 million). The Group had aggregate banking facilities of approximately HK\$120.8 million, of which approximately HK\$4.1 million was utilized and approximately HK\$116.7 million was unutilized. The Group maintains these facilities as an available resource and, as at the date of this announcement, the Company does not intent to draw down the unutilised amount.

## **Foreign Exchange Exposure**

The Group's transactions and the monetary assets are principally denominated in Hong Kong dollars, Renminbi, Euro dollars and United States dollars. The Group currently does not have a foreign currency hedging policy. The Group has not experienced any material difficulties or effects on its operations or liquidity as a result of fluctuations in currency exchanges rate during the six months ended 30 June 2025.

The Group will continue to monitor its foreign currency exposure and consider hedging significant currency exposure should the need arise.

## **Charges on Group Assets**

As at 30 June 2025, certain of the Group's plant and machinery with a net book value approximately HK\$6.7 million were pledged to secure certain bank loan granted to the Group. Also, a life insurance policy with a carrying amount of approximately HK\$6.2 million (31 December 2024: approximately HK\$6.0 million) was pledged to secure certain bank loans granted to the Group.

## **PROSPECTS**

According to the "World Economic Situation and Prospects as of mid-2025" report issued by the United Nations, global economic growth in 2025 will continue to be constrained by geopolitical tensions and trade policies, with corporate investment likely to be cautious and high debt levels and sluggish productivity growth further undermining the pace of recovery. Economic growth in major economies is generally slowing down. The United States is expected to experience a significant slowdown in economic growth to 1.6% in 2025 due to tariffs and weakening domestic demand; the European Union is expected to maintain GDP growth of 1% in 2025 due to trade barriers; and Mainland China is expected to see economic growth slow to 4.6% in 2025 due to weak consumer confidence and pressure on export-oriented manufacturing. Inflationary pressures have not fully subsided, and policy fluctuations and rising supply chain costs continue to cause uncertainty in global markets.

Facing a complex and ever-changing environment, the Group has gradually achieved cross-regional resource integration and coordinated operations through its global deployment strategy launched years ago, shifting from the initial investment phase to the scale operation phase. It will fully leverage the advantages of its production bases in different regions to serve local and neighbouring markets, as well as utilising its ability to quickly respond to market demands by adjusting production capacity. In addition, the Group will strictly control costs through automated production and a centralised procurement system, and adopt flexible strategies to withstand various challenges and seize development opportunities.

RFID technology is a key business area for the Group, and it will continue to expand related products and application markets in the future to further consolidate its competitive advantage in this field. At the same time, the Group will strengthen its monitoring and response to fluctuations in raw material prices and strictly control production costs to improve overall operational efficiency. To increase market coverage, the Group will recruit sales talent from various regions to expand its sales network in different areas, attract quality customers, and secure high-value orders. Against the backdrop of frequent fluctuations in the global economic environment, the Group will adhere to a prudent financial policy. It will control debt levels, strengthen cash flow, and maintain sufficient cash reserves in a bid to continuously enhance financial resilience, respond to external challenges, and seize medium- to long-term development opportunities.

Looking ahead, the Group will continue to leverage its global deployment strategy to maintain its core businesses in a rapidly changing environment, while actively exploring new growth opportunities. The Group will continue to enhance its operational capabilities, increase its risk-resilience and sustainable growth potential, and deliver consistent and stable returns to shareholders.

## **COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE**

The Company is committed to maintain high standards of corporate governance to protect the interests of its Shareholders and to enhance corporate value and accountability. The Board has reviewed the Company's corporate governance practices and is satisfied that the Company has complied with all code provisions of the Corporate Governance Code ("**CG Code**") as set out in Appendix C1 to the Listing Rules for the Review Period. The Company will continue to enhance its corporate governance practices appropriate to the conduct and growth of its business and to review such practices from time to time to ensure that they comply with the CG Code and align with the latest developments.

## **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF THE COMPANY**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("**Model Code**") as set out in Appendix C3 to the Listing Rules as the Company's code of conduct regarding Directors' and employees' securities transactions. Upon specific enquiries, all Directors and members of the senior management confirmed that they have complied with the relevant provisions of the Model Code throughout the period from the Listing Date to the date of this announcement.

## **INTERIM DIVIDEND**

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

## **SUFFICIENCY OF PUBLIC FLOAT**

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as of the date of this announcement, the Company maintained the prescribed public float of no less than 25% as required under the Listing Rules.

## **MATERIAL ACQUISITIONS AND DISPOSALS**

During the Reporting Period, the Group had no material acquisitions and disposals of subsidiaries, associates and joint ventures.

## **SIGNIFICANT INVESTMENTS**

During the Reporting Period, the Group did not hold any significant investments, the fair value of which accounted for more than 5% of the Group's total assets.

## **EVENT AFTER REPORTING PERIOD**

There was no significant event relevant to the business or financial performance of the Group that has come to the attention of the Directors after the six months ended 30 June 2025 and up to the date of this announcement.

## **CONTINGENT LIABILITIES**

As at 30 June 2025, the Group had no material contingent liabilities (31 December 2024: Nil).

## SHARE OPTION SCHEME

The Company adopted a share option scheme on 21 February 2020 (the “**Share Option Scheme**”). The Share Option Scheme has been valid and effective for a period of ten years commencing on 12 March 2020. Upon expiry, no further options may be granted. However, the provisions of the Share Option Scheme shall remain in full force and effect in all other respects, and options granted during its term may continue to be exercisable in accordance with their respective terms of issue.

On 15 September 2020, the Company granted a total of 2,000,000 shares options with an exercise price of HK\$0.057 per share under the Share Option Scheme to one member of our senior management (“**Grantee A**”). The share options carry rights to subscribe for up to a total of 2,000,000 ordinary shares of the Company under the Share Option Scheme. On the date of grant, Grantee A was not a director, a chief executive or a substantial shareholder (within the meaning as ascribed to it under the Listing Rules) of the Company, or any of their respective associates (within the meaning as ascribed to it under the Listing Rules).

As at 1 January 2025 and 30 June 2025, the total number of share options available for grant under the scheme mandate was 198,000,000 on both dates. No service provider sublimit was set under the Share Option Scheme. During the six months ended 30 June 2025, the Company did not grant any share options under the Share Option Scheme.

The total number of Shares that may be issued in respect of options granted under all schemes of the Company during the six months ended 30 June 2025 (i.e., 2,000,000) divided by the weighted average number of Shares in issue for the six months ended 30 June 2025 (i.e., 2,000,000,000) was 0.1%.

Details of the share options granted under the Share Option Scheme are as follows:

Participant	Date of grant	Exercise price per share (HK\$)	Balance as at 1 January 2025	Options			Balance as at 30 June 2025	Vesting period	Exercise period
				Options granted during the Reporting Period	Options exercised during the Reporting Period	Options cancelled/ lapsed during the Reporting Period			
Grantee A	15 September 2020	HK\$0.057	2,000,000	0	0	0	2,000,000	- 50% from 15 September 2020 to 30 December 2021 - 50% from 15 September 2020 to 30 December 2023	- 50% from 31 December 2021 to 14 September 2025 - 50% from 31 December 2023 to 14 September 2025



## **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY INCLUDING TREASURY SHARES**

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Reporting Period (including sales of treasury shares (as defined in the Listing Rules)). As at 30 June 2025, the Company held 10,460,000 treasury shares. The Company intends to determine whether and when these treasury shares so repurchased are to be cancelled or sold at market price based on market conditions and the capital management needs of the Group from time to time, or dispose of such treasury shares for other purposes in compliance with the Listing Rules, the Memorandum and Articles of the Company and applicable laws of Cayman Islands.

## **AUDIT COMMITTEE AND REVIEW OF UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION**

Pursuant to Rule 3.21 of the Listing Rules, the Company established an Audit Committee with written terms of reference aligned with the CG Code. The Audit Committee comprises three independent non-executive Directors, namely Mr. Lam Chor Ki Dick, Mr. Lee Tak Cheong and Ms. Luk Mei Yan. The Audit Committee is chaired by Ms. Luk Mei Yan and is responsible for assisting the Board in safeguarding the Group's assets by providing an independent review of the effectiveness of the financial reporting process and the internal controls and risk management systems of the Group. It also performs other duties and responsibilities as assigned by the Board.

The Audit Committee has discussed with the management of the Group and reviewed the unaudited interim condensed consolidated financial information of the Group for the six months ended 30 June 2025, including the accounting principles and practices adopted by the Group, and discussed financial related matters. The Audit Committee is of the view that such financial information has complied with the applicable accounting standards and adequate disclosures have been made.

## **PUBLICATION OF INFORMATION ON THE STOCK EXCHANGE'S WEBSITE**

This interim results announcement of the Company for the six months ended 30 June 2025 containing all the information required by the Listing Rules is published on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the website of the Company at [www.cirtek.com](http://www.cirtek.com). The interim report of the Company for the six months ended 30 June 2025 containing all information required by the Listing Rules will be dispatched to the shareholders of the Company and published on the aforementioned websites in due course.

## **FORWARD LOOKING STATEMENTS**

This announcement contains forward looking statements with respect to the financial conditions, results of operations and business of the Group. These forward looking statements represent the Company's expectations or beliefs concerning future events and involve known and unknown risks and uncertainty that could cause actual results, performance or events to differ materially from those expressed or implied in such statements.

## **APPRECIATION**

The Group's continued success depends on all its staff's commitment, dedication and professionalism. The Board would like to thank every member of staff for their diligence and dedication and to express its sincere appreciation to the shareholders, clients and suppliers for their continuous and valuable support to the Group.

By Order of the Board  
**Cirtek Holdings Limited**  
**CHAN Sing Ming Barry**  
*Chairman and Executive Director*

Hong Kong, 28 August 2025

*As at the date of this announcement, the Board comprises Mr. Chan Sing Ming Barry, Ms. Law Miu Lan and Mr. Chan Tsz Fung being executive Directors; and Mr. Lam Chor Ki Dick, Mr. Lee Tak Cheong and Ms. Luk Mei Yan being independent non-executive Directors.*