High Fashion International Limited

(Incorporated in Bermuda with limited liability)
(Stock Code: 608)

2025
INTERIM REPORT

CONTENTS

Chairman's Statement	2
Management Discussion And Analysis	4
Condensed Consolidated Financial Statements	
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income	12
Condensed Consolidated Statement of Financial Position	15
Condensed Consolidated Statement of Changes in Equity	18
Condensed Consolidated Statement of Cash Flows	19
Notes to the Condensed Consolidated Financial Statements	21
Other Information	40
Corporate Information	47

Chairman's Statement

In the first half of 2025, the global economy and trade were deeply affected by the United States' aggressive tariff policies and geopolitical tensions, and the global apparel industry consequently faced severe and difficult challenges. Although we had already braced ourselves for adverse conditions, the magnitude of the disruption proved far more profound than anticipated.

Our key results for the period ended 30 June 2025 are as follows:

- Net profit attributable to shareholders at HK$41.7 million
- Gearing ratio of non-current liabilities to shareholders' fund at 39.3%. Current ratio at 1.2
- Basic earnings per share landed at HK$0.14
- Net asset value per share amounted to HK$10.36
- Interim dividend per share is HK$0.035

Nevertheless, we are under no illusions that market remains highly unstable. In the second half of the year, we will continue to combat all challenges with a high sense of crisis, prudent cashflow management and strong financial discipline. At the same time, we have undertaken deep-seated reforms, and are reinforcing the corporate culture of "staying current and adaptive" to strengthen our market position. Our Group has always been committed to promoting and leading global fashion trends as our mission. High Fashion is unwavering in our confidence and determination to capitalize on the optimal moment for our future business success and rapid development. We are actively strengthening and accelerating new market expansion, seizing growth opportunities in emerging and premium segments, and providing diversified localized solutions for our brand customers. With greater emphasis on product research and development, we will ensure rapid response to consumer needs across different regions while enhancing the Group's competitive advantages in the global fashion arena.

Chairman's Statement

Innovation in sustainability and trend-setting products are the twin engines steering the future of the fashion industry. High Fashion focuses on low-carbon economy, circular fashion, and healthy lifestyles. By promoting research and development of high-performance and recyclable new materials, we create innovative fashion products that meet functional and lifestyle needs in sportswear and daily apparel categories. New product launches are underway and that will define fashion trends and solidify High Fashion's market leadership.

High Fashion values technological innovation, and the Group continues to advance artificial intelligence and digital transformation with the core goal of enhancing supply chain efficiency and quick response capabilities. Through AI and data-driven applications, we strengthen our capabilities across operations, design and innovation, enhancing the Group's overall performance and enabling us to deliver more efficient, flexible and creative solutions to customers.

While the "High Fashion International Industrial Park" business has been impacted by the domestic real estate market decline, our stringent cashflow management has maintained operational stability of the Park and created a solid foundation for future high-tech talent and resources development. Looking ahead, the Group will pursue growth and establish objectives through strategic planning and forward-thinking approach, evolving with market dynamics while preserving business agility. With prudent financial management and effective risk mitigation, we are well-positioned to advance our business development objectives with enhanced resilience and innovation.

I appreciate very much the enormous support and advice constantly received from our shareholders, customers, suppliers, banks and our fellow Directors. I would also like to thank the management team and all staff members of our Group for their dedication and contribution. Moving forward, High Fashion will continue to foster strong partnerships with all stakeholders in our shared pursuit of long-term value creation.

LAM FOO WAH
Chairman

Hong Kong, 26 August 2025

Management Discussion and Analysis

BUSINESS REVIEW

In the first half of 2025, facing a complex and volatile international landscape, the global economy continued its adjustment phase. Persistent geopolitical tensions, changes in U.S. tariff policies, and accelerating supply chain restructuring have brought certain pressures to the industry. In an environment where challenges and opportunities coexist, the Group adhered to a management philosophy of steady progress and continuous innovation. Through deepening digital management and sustainable development strategies, we actively optimized our market and customer structure, further consolidating our diversified foundation in China, the United States, Europe, and Southeast Asian markets, while exploring emerging market opportunities to form a more balanced global business layout.

To enhance overall efficiency and precision, the Group continuously advanced the application of artificial intelligence technology. Through smart workshops and process automation, we significantly improved production flexibility and cost control capabilities. The deep integration of big data analytics and artificial intelligence enabled precise market trend predictions, providing solid data support for product design and market strategy formulation, driving the development of more environmentally-friendly and innovative products that meet market expectations.

In terms of sustainable development, the Group actively practised green concepts, offering customers one-stop solutions through "Innocell" fabric technology, combining innovative recycling technologies with creative design. Additionally, the Group continued to advance its research and development efforts in environmental technologies, successfully solving silk care challenges with our patented "Silkology" technology, significantly enhancing product durability. This not only demonstrates the Group's commitment to environmental protection but also drives the transformation and upgrading of the textile industry, helping to explore new markets. Meanwhile, the Group actively collaborated with strategic partners to deepen the industrial impact of sustainable development and consolidate competitive market advantages.

The "High Fashion International Industrial Park" in Hangzhou serves as an important strategic asset for the Group. Despite the impact of the domestic real estate downturn, it has maintained stable rental income while gradually demonstrating its platform value for technology and industrial synergy. The project continues to optimize its tenant portfolio, introducing high-tech enterprises and research institutions, promoting the transformation and application of green materials and intelligent manufacturing, and forming positive complementarity with the Group's core business.

Management Discussion and Analysis

Looking ahead, the Group will adopt prudent yet flexible strategies to maintain strategic focus and operational resilience in a rapidly changing business environment filled with uncertainties. At the same time, the Group will actively explore emerging market opportunities in Southeast Asia and other regions, building a diversified global business layout. We firmly believe that through continuous innovation investment and strategic execution, the Group will be able to seize opportunities amid transformation and achieve sustainable long-term value.

FINANCIAL REVIEW

In the first six months of 2025, High Fashion's revenue was HK$1,507.8 million (first six months of 2024: HK$1,643.0 million). Gross profit was HK$288.3 million, with a gross profit margin of 19.1% (first six months of 2024: HK$338.0 million and 20.6%). The Group continues to focus on standardized management, comprehensive cost control, and restructuring projects to enhance operational efficiency and improve production cost performance. The Group's profit for the first six months of 2025 was HK$42.1 million (first six months of 2024: HK$53.1 million).

Geographically, in the first six months of 2025, revenue from China was HK$848.7 million, accounting for 56.3% of total revenue (first six months of 2024: HK$955.1 million and 58.1%). Sales from the United States and European countries were HK$417.6 million, accounting for 27.7% of total revenue (first six months of 2024: HK$408.8 million and 24.9%). High Fashion's export sales to other regions, mainly Southeast Asian countries were HK$241.5 million, accounting for 16.0% of total revenue (first six months of 2024: HK$279.1 million and 17.0%).

Other gains for the first six months of 2025 was HK$33.6 million (first six months of 2024: HK$2.6 million), mainly comprising a fair value increase from investment properties of HK$29.0 million (first six months of 2024: HK$3.4 million).

In the first six months of 2025, administrative expenses as a percentage of total revenue were 9.7% (first six months of 2024: 8.6%), while selling and distribution expenses as a percentage of total revenue were 7.2% (first six months of 2024: 6.3%).

Finance costs decreased from HK$41.5 million in first six months of 2024 to HK$33.5 million in the first six months of 2025, mainly due to reduced interest on bank loans and overdrafts.

Management Discussion and Analysis

For the first six months period ended for 2025, the basic earnings per share was HK$0.14 (first six months period ended for 2024: HK$0.17). As of 30 June 2025, the net asset value per share was HK$10.36 (as of 31 December 2024: HK$10.11).

SEGMENT INFORMATION

The segment information for the six months ended 30 June 2025 is as follows:

	Revenue		Segment results	
	2025 HK$'000	2024 HK$'000	**2025 HK$'000**	2024 HK$'000
By principal activities:				
Manufacturing and trading of garments	**1,477,516**	1,577,545	**41,511**	73,467
Property investment and development	**30,276**	65,500	**(843)**	13,772
	1,507,792	1,643,045	**40,668**	87,239
By geographical segments:				
China	**848,670**	955,137	**21,856**	61,763
USA	**233,556**	213,707	**12,701**	10,494
Europe	**184,066**	195,125	**2,371**	7,958
Others	**241,500**	279,076	**3,740**	7,024
	1,507,792	1,643,045	**40,668**	87,239

Management Discussion and Analysis

Manufacturing and trading of garments

Revenue from manufacturing and trading of garments business for the first six months of 2025 was HK$1,478 million (first six months of 2024: HK$1,578 million). Profit in the first six months of 2025 was HK$41.5 million (first six months of 2024: HK$73.5 million).

The Group has systematically incorporated sustainability practices into its comprehensive product development and manufacturing framework, earning widespread market recognition from both domestic and international customers. The business continues to optimize operational performance through enhanced process efficiency and digital transformation, building a customer-centric integrated value system, thereby improving overall customer satisfaction and value creation.

Property investment and development

Revenue from property investment and development business for the first six months of 2025 was HK$30.3 million (first six months of 2024: HK$65.5 million).

With the second phase of "High Fashion International Industrial Park" in Hangzhou now completed, the Group continues to optimize the portfolio of resident enterprises, attracting diverse high-quality talent and capital to create an innovation ecosystem that promotes collaborative research and technological development. This strategic platform strengthens our supply chain capabilities through industry synergies while generating stable rental income that delivers sustainable returns to support the Group's long-term growth.

Management Discussion and Analysis

ENVIRONMENTAL, SOCIAL AND CORPORATE RESPONSIBILITY

Climate change has become a severe challenge faced collectively by countries worldwide, exerting profound impacts on environmental ecology and social development. As a leading enterprise in the industry, the Group has deeply integrated sustainable development concepts into our core business strategy. We actively establish strategic alliances with global fashion brands to jointly advance the industry's green transformation and construct sustainable fashion circular models. Through innovative recycling technologies and the development of high value-added products, we not only reinforce our commitment to environmental protection but also explore emerging markets, aligning closely with national strategies for green and low-carbon development, and responding to climate issues with concrete actions.

In the field of green product development, the Group fully embraces principles of sustainable development, driving the textile and garment industry toward a low-carbon circular economy. Our INNOCELL® T2T product series provides the industry with a comprehensive fashion circular solution. Through deep collaboration with strategic partners, the pilot production line for T2T waste textile recycling has officially commenced operation, successfully applying innovative technology and design to transform discarded textile materials into new high-value products, marking a new milestone in the industry's sustainable development. In addition, the Group has aligned international trends and regulatory requirements with long-term business development goals to establish six-year sustainability targets. These targets span multiple dimensions, including green energy, diversity and inclusion, workplace safety, community integration, and social contribution, with the aim of generating positive impacts on both society and the environment. To support the implementation of these targets, the Group has developed specific action plans, including the installation of heat recovery systems, energy storage facilities, and the expansion of solar power generation systems to enhance overall energy efficiency.

Guided by our core value of "Put the Needs of Others Before Your Own" and driven by the goal of bringing joy to people, the Group is committed to supporting employee growth and development while fostering a harmonious, inclusive, and respectful workplace. The Group has established internal management policies across several key areas to ensure fair and transparent practices and continues to implement various initiatives that promote balanced and healthy lifestyles. Meanwhile, the Group emphasizes creating an atmosphere of continuous learning and professional growth, actively promoting training and knowledge sharing, encouraging employees to realize their potential, and strengthening teamwork to enhance overall organizational effectiveness and cohesion.

The Group upholds principle of integrity with zero tolerance for any corruption and fraudulent behavior. To strengthen a culture of integrity, the Group regularly provides anti-corruption training to new employees and board members and continuously enhances the "Code of Conduct on Integrity" and related systems. Integrity management covers both internal and external dimensions, including a conflict-of-interest declaration mechanism and the active promotion of anti-corruption principles to suppliers, extending integrity values across the supply chain. In addition, the Group has established transparent and compliant internal reporting channels to safeguard employees in raising concerns over misconduct. With respect to customer privacy protection, the Group strictly complies with relevant regulations, establishes comprehensive confidential information management systems, and regularly provides professional training to employees to ensure information security and compliance.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2025, High Fashion's total amount of cash and cash equivalent, short-term deposit and other financial assets at fair value through profit and loss was HK$573.0 million (as at 31 December 2024: HK$593.8 million).

Bank borrowings, mainly denominated in Hong Kong Dollar, have changed from HK$1,600 million as at 31 December 2024 to HK$1,623 million as at 30 June 2025. The bank borrowings were mainly used for various property construction and development projects, as well as fixed asset investments for developing and upgrading production facilities in mainland China.

The gearing ratio of non-current liabilities to shareholders' funds was 39.3% as at 30 June 2025 (as at 31 December 2024: 40.2%). Current ratio is 1.2 (as at 31 December 2024: 1.2), demonstrating the Group's solid capital foundation.

Net cash generated from operating activities for the first six months of 2025 was approximately HK$69.1 million. High Fashion enjoys ample credit facilities from its partner banks, along with stable income generated from its owned properties. Management has strong confidence in the Group's ability to maintain healthy working capital and liquidity levels, sufficient to meet operational needs and drive future development.

Management Discussion and Analysis

FOREIGN CURRENCY RISK EXPOSURE

Foreign currency risk exposure is primarily related to RMB and USD since a considerable portion of our operating expenses are denominated in RMB while sales are mainly denominated in USD. The Group complies with the policy to monitor foreign currency exchange risk. As HKD is pegged to the USD, the Group considers that its foreign currency risk in respect of USD is minimal. The management will continue to take prudent measures to reduce risks.

CHARGES ON ASSETS

The Group pledged property, plant and equipment of HK$31.6 million, investment properties of HK$2,195.2 million and certain deposits of HK$122.1 million (as at 31 December 2024: property, plant and equipment of HK$33.1 million, investment properties of HK$1,867.7 million, unlisted financial products of HK$10.8 million and certain deposits of HK$152.7 million) as security for bank borrowings.

CAPITAL EXPENDITURE

In the first six months of 2025, High Fashion invested in enhancing manufacturing capabilities and environmental infrastructure. These strategic investments covered automation and intelligent manufacturing systems, sustainable development equipment, digital transformation, and plant and equipment upgrades, totaling HK$34.2 million (first six months of 2024: HK$47.7 million). During the reporting period, the Company also invested HK$40.3 million (first six months of 2024: HK$36.8 million) in property development and construction projects. These investments align with our commitment to sustainable manufacturing and digital transformation, effectively enhancing operational efficiency and market competitive advantages.

CAPITAL COMMITMENTS

As of 30 June 2025, High Fashion's capital expenditure commitments amounted to HK$261.4 million (As of 31 December 2024: HK$394.4 million), relating to contracted but undelivered property, plant and equipment acquisitions and construction activities.

CONTINGENT LIABILITIES

As of 30 June 2025, the Group had no material contingent liabilities.

Management Discussion and Analysis

HUMAN RESOURCES

As at 30 June 2025, the Group had approximately 5,000 employees (as at 31 December 2024: approximately 5,000). Management prioritizes employee development through robust training initiatives, providing both in-person and digital learning platforms to enhance staff capabilities and knowledge. The Group maintains a comprehensive performance evaluation framework that considers individual performance, professional qualifications, and industry standards. Our competitive remuneration strategy encompasses medical subsidies and retirement contributions, complemented by performance-based discretionary bonuses that recognize both corporate success and individual excellence.

Condensed Consolidated Financial Statements

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 HK$'000 (unaudited)	2024 HK$'000 (unaudited)
Revenue			
Goods and services		**1,477,516**	1,577,545
Rental		**30,276**	65,500
Total revenue	*3*	**1,507,792**	1,643,045
Cost of sales and services		**(1,219,480)**	(1,305,062)
Gross profit		**288,312**	337,983
Other income		**8,641**	12,738
Other gains and losses, net	*4*	**33,608**	2,582
Impairment losses under expected credit loss model, net of reversal		**697**	(373)
Administrative expenses		**(145,556)**	(141,389)
Selling and distribution expenses		**(108,025)**	(102,739)
Finance costs	*5*	**(33,468)**	(41,454)
Profit before taxation		**44,209**	67,348
Income tax expenses	*6*	**(2,142)**	(14,267)
Profit for the period	*7*	**42,067**	53,081

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Other comprehensive income (expense)		
Items that will not be reclassified to profit or loss:		
Exchange differences on translation of financial statements to presentation currency	**29,448**	(84,138)
Revaluation of properties upon transfer from investment properties to property, plant and equipment	**2,535**	–
Income tax relating to items that will not be reclassified to profit or loss	**(380)**	–
	31,603	(84,138)
Item that may be subsequently reclassified to profit or loss:		
Exchange differences arising on translation of financial statements of foreign operations	**1,131**	420
Other comprehensive income (expense) for the period, net of tax	**32,734**	(83,718)
Total comprehensive income (expense) for the period	**74,801**	(30,637)

Condensed Consolidated Financial Statements

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

For the six months ended 30 June 2025

	NOTE	Six months ended 30 June **2025** **HK$'000** **(unaudited)**	 2024 HK$'000 (unaudited)
Profit (loss) for the period attributable to:			
Owners of the Company		**41,747**	53,305
Non-controlling interests		**320**	(224)
		42,067	53,081
Total comprehensive income (expense) for the period attributable to:			
Owners of the Company		**74,481**	(30,413)
Non-controlling interests		**320**	(224)
		74,801	(30,637)
Earnings per share	*8*		
Basic		**HK$0.14**	HK$0.17
Diluted		**HK$0.14**	HK$0.17

Condensed Consolidated Financial Statements

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2025

	NOTES	At 30 June 2025 HK$'000 (unaudited)	At 31 December 2024 HK$'000 (audited)
Non-current assets			
Property, plant and equipment	*10*	**577,145**	481,401
Right-of-use assets		**56,575**	47,978
Investment properties	*10*	**3,404,796**	3,401,188
Interests in joint ventures		**7,557**	7,557
Interests in an associate		**21,946**	21,624
Equity instruments at fair value through other comprehensive income ("FVTOCI")		**5,616**	5,616
Deferred tax assets		**12,532**	12,756
Other non-current assets		**35,739**	34,802
		4,121,906	4,012,922
Current assets			
Inventories		**480,344**	497,911
Properties held for sale		**265,720**	208,834
Trade receivables	*11*	**621,035**	647,083
Deposits, prepayments and other receivables		**198,196**	213,127
Amounts due from joint ventures		**–**	5,395
Derivative financial instruments		**410**	–
Other financial assets at fair value through profit or loss ("FVTPL")		**37,276**	25,652
Short-term bank deposits and balances		**207,198**	234,480
Cash and cash equivalents		**328,562**	333,643
		2,138,741	2,166,125

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

At 30 June 2025

	NOTES	At 30 June 2025 HK$'000 (unaudited)	At 31 December 2024 HK$'000 (audited)
Current liabilities			
Trade payables	*12*	**684,326**	675,878
Other payables and accruals		**179,164**	233,147
Lease liabilities		**3,913**	4,072
Amount due to an associate		**689**	691
Contract liabilities		**126,770**	101,054
Tax payable		**51,941**	53,847
Derivative financial instruments		**1,602**	3,749
Bank borrowings	*13*	**791,165**	763,863
		1,839,570	1,836,301
Net current assets		**299,171**	329,824
Total assets less current liabilities		**4,421,077**	4,342,746
Non-current liabilities			
Deferred tax liabilities		**335,536**	335,346
Bank borrowings	*13*	**831,567**	836,065
Lease liabilities		**10,475**	1,862
Provision for long service payments		**2,994**	2,994
Deferred income		**5,598**	5,687
Other liabilities		**69,048**	69,734
		1,255,218	1,251,688
Net assets		**3,165,859**	3,091,058

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

At 30 June 2025

	NOTE	**At 30 June 2025 HK$'000 (unaudited)**	At 31 December 2024 HK$'000 (audited)
Capital and reserves			
Share capital	*14*	**30,562**	30,562
Share premium and reserves		**3,160,304**	3,085,823
Equity attributable to owners of the Company		**3,190,866**	3,116,385
Non-controlling interests		**(25,007)**	(25,327)
Total equity		**3,165,859**	3,091,058

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

	Attributable to owners of the Company												
	Share capital HK$'000	Share premium HK$'000	Translation reserve HK$'000	Reserve funds HK$'000	Property revaluation reserve HK$'000	FVTOCI revaluation reserve HK$'000	Capital redemption reserve HK$'000	Share options reserve HK$'000	Other reserve HK$'000	Retained profits HK$'000	Sub-total HK$'000	Attributable to non-controlling interests HK$'000	Total HK$'000
At 1 January 2025	**30,562**	**287,656**	**8,960**	**124,569**	**438,396**	**5,093**	**8,511**	**1,914**	**39,853**	**2,170,871**	**3,116,385**	**(25,327)**	**3,091,058**
Profit for the period	–	–	–	–	–	–	–	–	–	**41,747**	**41,747**	**320**	**42,067**
Other comprehensive income for the period	–	–	**30,579**	–	**2,155**	–	–	–	–	–	**32,734**	–	**32,734**
Total comprehensive income for the period	–	–	**30,579**	–	**2,155**	–	–	–	–	**41,747**	**74,481**	**320**	**74,801**
Transfer to reserve funds	–	–	–	**8,193**	–	–	–	–	–	**(8,193)**	–	–	–
At 30 June 2025 (unaudited)	**30,562**	**287,656**	**39,539**	**132,762**	**440,551**	**5,093**	**8,511**	**1,914**	**39,853**	**2,204,425**	**3,190,866**	**(25,007)**	**3,165,859**
At 1 January 2024	30,562	287,656	55,736	113,381	438,396	10,093	8,511	1,914	39,853	2,137,748	3,123,850	(29,573)	3,094,277
Profit (loss) for the period	–	–	–	–	–	–	–	–	–	53,305	53,305	(224)	53,081
Other comprehensive expense for the period	–	–	(83,718)	–	–	–	–	–	–	–	(83,718)	–	(83,718)
Total comprehensive (expense) income for the period	–	–	(83,718)	–	–	–	–	–	–	53,305	(30,413)	(224)	(30,637)
Transfer to reserve funds	–	–	–	11,338	–	–	–	–	–	(11,338)	–	–	–
At 30 June 2024 (unaudited)	30,562	287,656	(27,982)	124,719	438,396	10,093	8,511	1,914	39,853	2,179,715	3,093,437	(29,797)	3,063,640

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

	NOTE	Six months ended 30 June 2025 HK$'000 (unaudited)	2024 HK$'000 (unaudited)
Net cash generated from (used in) operating activities		**69,101**	(45,158)
INVESTING ACTIVITIES			
Interests received		**4,462**	23,490
Withdrawal of short-term bank deposits and balances		**42,690**	54,406
New long-term and short-term bank deposits and balances placed		**(11,525)**	(60,861)
Purchases of other financial assets at FVTPL		**(16,502)**	(181,829)
Redemption of other financial assets at FVTPL		**5,098**	203,046
Additions to investment properties		**(40,343)**	(36,808)
Purchases of property, plant and equipment		**(34,242)**	(47,744)
Settlement of derivative financial instruments		**1,257**	(711)
Proceeds on disposal of property, plant and equipment		**4,676**	943
Net cash used in investing activities		**(44,429)**	(46,068)
FINANCING ACTIVITIES			
New bank borrowings raised	*13*	**661,780**	1,560,256
Repayment of bank borrowings	*13*	**(648,415)**	(1,268,310)
Interests paid		**(33,468)**	(86,545)
Repayment of lease liabilities		**(2,558)**	(2,031)
Net cash (used in) generated from financing activities		**(22,661)**	203,370

Condensed Consolidated Financial Statements

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Net increase in cash and cash equivalents	**2,011**	112,144
Cash and cash equivalents at beginning of the period	**333,643**	557,722
Effect of foreign exchange rate changes, net	**(7,092)**	(35,016)
Cash and cash equivalents at end of the period	**328,562**	634,850
Analysis of balances of cash and cash equivalents		
Bank balances and cash	**328,562**	634,850

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

1. Basis of Preparation

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") as well as with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

2. Principal Accounting Policies

The condensed consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments, which are measured at fair values, as appropriate.

Other than changes in accounting policies resulting from application of amendments to HKFRS Accounting Standards, the accounting policies and methods of computation used in these condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2024.

Application of amendments to HKFRS Accounting Standards

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

Amendments to HKAS 21	Lack of Exchangeability

The application of the amendments to a HKFRS Accounting Standard in the current 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.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2025

3. Revenue and Segment Information

Disaggregation of revenue from contracts with customers

	Six months ended 30 June	
	2025	2024
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Revenue from contracts with customers in respect of sales of garments, fabrics and accessories recognised at a point in time under HKFRS 15	**1,477,516**	1,577,545
Rental income recognised under HKFRS 16	**30,276**	65,500
	1,507,792	1,643,045
Geographical markets for revenue from contracts with customers:		
China (including Mainland China and Hong Kong)	**848,670**	955,137
United States of America ("USA")	**233,556**	213,707
Europe	**184,066**	195,125
Others	**241,500**	279,076
	1,507,792	1,643,045

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2025

3. Revenue and Segment Information (Continued)

Disaggregation of revenue from contracts with customers (Continued)

Set out below is the reconciliation of revenue from contracts with customers with the amounts disclosed in segment information:

For the six months ended 30 June 2025 (unaudited)

	Manufacturing and trading of garments HK$'000	Property investment and development HK$'000
Segment revenue	**1,477,516**	**30,276**
Less: rental income recognised under HKFRS 16	**–**	**(30,276)**
Revenue from contracts with customers	**1,477,516**	**–**

For the six months ended 30 June 2024 (unaudited)

	Manufacturing and trading of garments HK$'000	Property investment and development HK$'000
Segment revenue	1,577,545	65,500
Less: rental income recognised under HKFRS 16	–	(65,500)
Revenue from contracts with customers	1,577,545	–

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2025

3. Revenue and Segment Information (Continued)

Segment information

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

	Six months ended 30 June	
	2025 **HK$'000** **(unaudited)**	2024 HK$'000 (unaudited)
Segment revenue		
– Manufacturing and trading of garments	**1,477,516**	1,577,545
– Property investment and development	**30,276**	65,500
Revenue – external sales	**1,507,792**	1,643,045
Segment results		
– Manufacturing and trading of garments	**41,511**	73,467
– Property investment and development	**(843)**	13,772
	40,668	87,239
Change in fair value of derivative financial instruments	**3,641**	(1,261)
Change in fair value of investment properties	**28,969**	3,436
Unallocated corporate overhead and other expenses	**(29,069)**	(22,066)
Profit before taxation	**44,209**	67,348

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2025

3. Revenue and Segment Information (Continued)

Segment information (Continued)

Segment profit represents the profit earned by each segment without the allocation of change in fair value of derivative financial instruments and investment properties, certain portion of the central administration costs and other expenses. This is the measure reported to the Group's executive directors, being the chief operating decision maker ("CODM"), for the purposes of resources allocation and performance assessment. Furthermore, as the assets and liabilities for operating segments are not provided to the CODM for the purposes of resources allocation and performance assessment, no segment assets and liabilities is presented accordingly.

4. Other Gains and Losses, Net

	Six months ended 30 June	
	2025 HK$'000 (unaudited)	2024 HK$'000 (unaudited)
Change in fair value of investment properties	**28,969**	3,436
Change in fair value of derivative financial instruments	**3,641**	(1,261)
Net foreign exchange gain	**1,749**	1,028
Loss on disposal of property, plant and equipment, net	**(860)**	(811)
Change in fair value of other financial assets at FVTPL	**109**	190
	33,608	2,582

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2025

5. Finance Costs

	Six months ended 30 June	
	2025	2024
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Interests on:		
Bank borrowings and overdrafts	**35,752**	42,242
Leases liabilities	**159**	191
Borrowings on discounted bills	**393**	735
Total borrowing costs	**36,304**	43,168
Less: amounts capitalized in the cost of qualifying assets	**(2,836)**	(1,714)
	33,468	41,454

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2025

6. Income Tax Expenses

	Six months ended 30 June	
	2025	2024
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Current tax charge:		
Hong Kong	**2,006**	5,566
Mainland China (Note)	**504**	12,975
	2,510	18,541
(Over) under provision in prior periods:		
Hong Kong	**(96)**	–
Mainland China	**31**	27
Other jurisdictions	**17**	(700)
	(48)	(673)
Deferred taxation – current period	**(320)**	(3,601)
	2,142	14,267

Note: Amount includes withholding tax of nil (2024: HK$11,002,000) during the six months ended 30 June 2025.

Deferred tax

Included in deferred taxation for the period is approximately HK$1,480,000 (six months ended 30 June 2024: HK$3,364,000) deferred tax charged on increase (six months ended 30 June 2024: increase) in fair value of investment properties.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2025

7. Profit for the Period

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

	Six months ended 30 June	
	2025	2024
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Depreciation of property, plant and equipment	**35,033**	28,528
Depreciation of right-of-use assets	**3,019**	2,832
Net allowance (reversal) for inventory obsolescence (included in cost of sales)	**536**	(10,701)
Interest income	**(4,462)**	(9,769)

8. Earnings Per Share

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

	Six months ended 30 June	
	2025	2024
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Earnings for the purpose of basic and diluted earnings per share attributable to owners of the Company	**41,747**	53,305

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2025

8. Earnings Per Share (Continued)

	Number of shares '000	Number of shares '000
Number of ordinary shares for the purpose of basic and diluted earnings per share	**305,616**	305,616

The computation of diluted earnings per share for the six months ended 30 June 2025 and 2024 does not assume the exercise of the Company's share options because the exercise price of those options was higher than the average market price for shares.

9. Dividends

During the current interim period, no final dividend in respect of the year ended 31 December 2024 (six months ended 30 June 2024: a final dividend in respect of the year ended 31 December 2023 of HK$0.12 per ordinary share) was declared and paid to the shareholders.

The Board declared that an interim dividend of HK$0.035 per share for the six months ended 30 June 2025 (six months ended 30 June 2024: HK$0.035 per share) will be paid to shareholders whose names appear in the register of members on 12 September 2025. This dividend was declared after the end of the reporting period, and therefore it has not been included as a liability in the condensed consolidated statement of financial position.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2025

10. Property, Plant and Equipment/Investment Properties

During the current interim period, certain portion of the PRC investment properties with the fair value of HK$97,879,000 on the transfer date were transferred to property, plant and equipment due to the change of its use from earning rentals to owner-occupation. The exchange gain of HK$1,399,000 arising from the opening alignment was included in profit or loss and the fair value gain of HK$2,535,000 net off against the deferred tax impact of HK$380,000 were recognised in other comprehensive income.

All investment properties held by the Group are determined using fair value model. The fair value of the Group's major investment properties as at 30 June 2025 has been arrived at on the basis of the valuation carried out by CBRE Advisory Hong Kong Limited and RHL Appraisal Limited (31 December 2024: CBRE Advisory Hong Kong Limited, Centaline Surveyors Limited and 浙江中企華資產評估有限公司), which are independent qualified professional valuer not connected with the Group. An increase in fair value of investment properties of approximately HK$28,969,000 (six months ended 30 June 2024: increase in fair value of HK$3,436,000) has been recognised directly in the profit or loss for the six months ended 30 June 2025.

11. Trade Receivables

Trade receivables mainly comprise receivables from sales of garments and renting of properties. Credit terms granted to the customers for garment trading are mainly ranges from 30 to 90 days. Rentals are payable by tenants upon presentation of demand notes. No credit period is granted to tenants.

The aged analysis of the Group's trade receivables net of allowance for credit losses is presented based on the invoice date at the end of the reporting period, which approximates the respective revenue recognition dates.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2025

11. Trade Receivables (Continued)

	At 30 June 2025 HK$'000 (unaudited)	At 31 December 2024 HK$'000 (audited)
Within 90 days	**550,341**	584,142
91 to 180 days	**34,154**	33,112
181 to 360 days	**18,491**	23,746
Over 360 days	**18,049**	6,083
	621,035	647,083

12. Trade Payables

The following is an aged analysis of the trade payables presented based on the invoice date at the end of the reporting period:

	At 30 June 2025 HK$'000 (unaudited)	At 31 December 2024 HK$'000 (audited)
Within 90 days	**421,903**	392,707
91 to 180 days	**46,435**	48,252
181 to 360 days	**13,061**	4,244
Over 360 days	**11,033**	12,563
	492,432	457,766
Accrued purchases	**191,894**	218,112
	684,326	675,878

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2025

12. Trade Payables (Continued)

The average credit period on purchases of goods is around 90 days. The Group has financial risk management policies in place to ensure that all payables are within the credit timeframe.

The Group's trade payables included trade payables under supplier finance arrangements in which the Group has issued bills with the carrying amount of HK$111,143,000 as at 30 June 2025 (31 December 2024: HK$113,511,000) to the relevant suppliers for future settlement and continues to recognise trade payables as the relevant banks are obliged to make payments only on due dates of the bills, under the same conditions as agreed with the suppliers without further extension.

Accrued purchases represent the purchase of goods of which the invoices have not been received by the Group. The purchase invoices will normally be received within one month from the receipt of the goods purchased.

13. Bank Borrowings

During the current interim period, the Group obtained new bank borrowings totalling HK$661,780,000 (six months ended 30 June 2024: HK$1,560,256,000) and repaid HK$648,415,000 (six months ended 30 June 2024: HK$1,268,310,000). The loans carry interest at market rates ranging from 1.9% to 3.38% (31 December 2024: 2.31% to 6.61%) per annum.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2025

14. Share Capital

	Number of shares '000	Amount HK$'000
Ordinary shares of HK$0.10 each		
Authorised:		
At 1 January 2024 (audited), 30 June 2024 (unaudited), 1 January 2025 (audited) and 30 June 2025 (unaudited)	1,000,000	100,000
Issued and fully paid:		
At 1 January 2024 (audited), 30 June 2024 (unaudited), 1 January 2025 (audited) and 30 June 2025 (unaudited)	305,616	30,562

15. Capital Commitments

At 30 June 2025, the Group is committed to capital expenditure in respect of acquisition of property, plant and equipment and construction work contracted but not provided for amounted to approximately HK$261,400,000 (31 December 2024: HK$394,368,000).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2025

16. Related Party Transactions

Apart from the amounts due from joint venture and amount due to an associate as stated in the condensed consolidated statement of financial position, the Group had the following transactions with related parties during the period:

	Six months ended 30 June	
	2025	2024
	HK$'000	HK$'000
	(unaudited)	(unaudited)
Key management personnel compensation (Note)	**9,433**	11,080

Note: The remuneration of directors of the Company, which are the key management personnel, during the period are determined by the remuneration committee having regard to the performance of individuals and market trends.

17. Share-Based Payments

The Company passed an ordinary resolution at the annual general meeting to adopt a share option scheme on 30 May 2012 (the "2012 Share Option Scheme") for a period of 10 years commencing on the adoption date. The 2012 Share Option Scheme expired on 29 May 2022 and no further option could thereafter be granted. Notwithstanding the expiry of the 2012 Share Option Scheme, the share options which had been granted and not exercised nor lapsed at the date of expiry shall remain valid and exercisable in accordance with the 2012 Share Option Scheme and in all other respects, the provisions of the 2012 Share Option Scheme shall remain in full force and effect.

Following the expiry of the 2012 Share Option Scheme, the Company passed a resolution at the 2022 annual general meeting held on 14 June 2022 to adopt the 2022 Share Option Scheme (the "2022 Share Option Scheme") for the continuation of providing recognition to the contributions or services of executive directors, non-executive directors and eligible employees of the Group. Unless otherwise terminated or amended, the 2022 Share Option Scheme will remain in force for 10 years.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2025

17. Share-Based Payments (Continued)

At 30 June 2025, the number of shares in respect of which options had been granted and remained outstanding under the 2012 Share Option Scheme was 5,000,000 (31 December 2024: 5,000,000), which if exercised in full representing 1.64% (31 December 2024: 1.64%) of the shares of the Company in issue at that date. The total number of shares in respect of which options may be granted under the 2022 Share Option Scheme is not permitted to exceed 30% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any 12-month period is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. In addition, any share options to a substantial shareholder of the Company or any of their respective associates that would result in the total number of shares issued and to be issued upon exercise of all options granted and to be granted (including options exercised, cancelled and outstanding) to such person in any 12-month period up to and including the date of such grant exceeding 0.1% of the shares in issue and with an aggregate value (based on the closing price of the shares on the date of grant) in excess of HK$5 million is subject to shareholders' approval in a general meeting.

No consideration is payable by the Grantee in respect of the offer of the grant, the acceptance of the offer of grant or the grant of the Option. The exercise period of the share options granted is determinable by the directors of the Company, but no later than 10 years from the date of the offer. The minimum period for which an option must be held before it can be exercised is to be determined by the directors of the Company after taking into account a wide range of factors including but not limited to the responsibilities and years of services of each eligible participant, business development and other areas concerning the operation and sustainable development of the Group.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2025

17. Share-Based Payments (Continued)

50% of the options granted were exercisable from 3 December 2019 to 2 December 2028, while the remaining 50% of the options granted were exercisable from 3 December 2020 to 2 December 2028. The exercise price is determined by the directors of the Company, and will not be less than the highest of (i) the closing price of the Company's shares as stated in the Stock Exchange's daily quotation sheet on the date of grant of option; (ii) the average closing price of the shares in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant of option; and (iii) the par value of the Company's share.

Details of options granted are as follows:

Number of share options	Date of grant	Exercise period	Exercise price HK$	Fair value at grant date HK$
5,000,000	3 December 2018	3 December 2019 to 2 December 2028	1.76	0.3828

There is no movement of the Company's share options granted during the six months ended 30 June 2025 and the year ended 31 December 2024.

The Group did not recognise any expense for the six months ended 30 June 2025 (year ended 31 December 2024: nil) in relation to share options granted by the Company.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2025

18. Contingent Liabilities

As of 30 June 2025, the Group had no material contingent liabilities.

19. Fair Value Measurements of Financial Instruments

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

The Group's equity investments at FVTOCI, derivative financial instruments and other financial assets at FVTPL are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) 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 is observable.

For valuation technique using discounted cash flows, the discount rates used take into consideration the credit risk of the relevant counterparties of the contracts or the Group, as appropriate.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2025

19. Fair Value Measurements of Financial Instruments (Continued)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (Continued)

Financial assets/ financial liabilities	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)
	30 June 2025 (unaudited)	31 December 2024 (audited)		
Foreign exchange forward contracts	**Assets – HK$410,000**	Assets – Nil	Level 2	Valuation technique: Discounted cash flow.
	Liabilities – HK$1,602,000	Liabilities – HK$3,749,000		Key inputs: Forward exchange rates, contracted exchange rates and discount rates
Unlisted fund in Hong Kong	**Assets – HK$5,112,000**	Assets – HK$10,515,000	Level 2	Valuation techniques: Redeemable value provided by financial institutions.
Unlisted financial products in Mainland China	**Assets – HK$32,164,000**	Assets – HK$15,137,000	Level 2	Valuation technique: Quoted price for identical asset from a platform.
Equity instruments at FVTOCI	**Assets – HK$5,616,000**	Assets – HK$5,616,000	Level 2	Valuation technique: Net asset value.

There is no transfer amongst level 1, 2 and 3 for the six months ended 30 June 2025 and year ended 31 December 2024.

The directors of the Company consider that the carrying amounts of the financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate their fair values.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

For the six months ended 30 June 2025

20. Financial Assets and Financial Liabilities Subject to Enforceable Master Netting Arrangements

The Group has entered into certain derivative transactions that are covered by the International Swaps and Derivatives Association Master Netting Agreements ("ISDA Agreements") signed with various banks. These derivative instruments are not offset in the condensed consolidated statement of financial position as the ISDA Agreements are in place with a right of set off only in the event of default, insolvency or bankruptcy so that the Group currently has no legally enforceable right to set off the recognised amounts. The carrying amounts of financial assets and financial liabilities presented under "Derivative financial instruments" in the condensed consolidated statement of financial position is HK$410,000 and HK$1,602,000 (31 December 2024: nil and HK$3,749,000), respectively.

The gross amounts of the recognised financial assets and financial liabilities disclosed in the above tables, which are subject to enforceable master netting arrangements, are measured at as follows:

- Derivative financial instruments – fair value

Other Information

INTERIM DIVIDEND

The Board has resolved to declare an interim dividend of HK$0.035 per share for the six months ended 30 June 2025 (six months ended 30 June 2024: HK$0.035 per share) on the shares in issue amounting to approximately HK$10,697,000 (six months ended 30 June 2024: HK$10,697,000), to the shareholders whose names appear on the Register of Members on Friday, 12 September 2025. The dividend will be payable on Friday, 3 October 2025.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members will be closed from Thursday, 11 September 2025 to Friday, 12 September 2025, both days inclusive, during which period no transfer of shares will be registered. In order to determine shareholders who are entitled to qualify for the interim dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration by not later than 4:30 p.m. on Wednesday, 10 September 2025.

CORPORATE GOVERNANCE

The Company has applied the principles of, and complied with all the applicable code provisions of the Corporate Governance Code as set out in Appendix C1 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") throughout the accounting period for the six months ended 30 June 2025.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

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 of the directors of the Company (the "Directors").

Specific enquiry has been made of all Directors and they have complied with the required standard set out in the Model Code during the six months ended 30 June 2025.

The Company has established the written guidelines on no less exacting terms than the Model Code relating to securities transactions for the relevant employees.

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

During the six months ended 30 June 2025, the Company had not redeemed, and neither the Company nor any of its subsidiaries had purchased or sold any of the Company's listed securities.

AUDIT COMMITTEE REVIEW

The Audit Committee of the Company has reviewed the Group's unaudited condensed consolidated financial information and interim report of the Company for the six months ended 30 June 2025.

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

As at 30 June 2025, the interests and short positions of the Directors, chief executives of the Company (the "Chief Executives") and their associates in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which any such director or chief executive was taken or deemed to have under such provisions of the SFO) or have been recorded in the register maintained by the Company pursuant to Section 352 of the SFO, or which have been notified to the Company and the Stock Exchange pursuant to the Model Code contained in the Listing Rules, were as follows:

Long Positions in the Shares and Underlying Shares of the Company

(a) Ordinary shares of the Company

Name of Director	*Notes*	Capacity	Nature of interests	Number of ordinary shares held	Percentage of the Company's issued share capital *(Note 4)*
Lam Foo Wah		Beneficial owner	Personal	1,789,901	0.59%
	1, 2	Other interests	Other	222,069,460	72.66%

Other Information

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (CONTINUED)

Long Positions in the Shares and Underlying Shares of the Company (Continued)

(b) Share options granted by the Company

Name of Directors	Capacity	Number of underlying shares held pursuant to share options *(Note 3)*	Percentage of the Company's issued share capital *(Note 4)*
Lam Gee Yu, Will	Beneficial owner	2,500,000	0.82%
Lam Din Yu, Well	Beneficial owner	2,500,000	0.82%

Notes:

1. Mr. Lam Foo Wah is deemed to have interests in 170,867,620 ordinary shares which are beneficially owned by Hinton Company Limited, the entire issued share capital of which is held under LFW Vista Trust. Mr. Lam is regarded as a founder of the trust.

2. Mr. Lam Foo Wah is deemed to have interests in 51,201,840 ordinary shares which are beneficially owned by High Fashion Charitable Foundation Limited, the entire issued share capital of which is held under LFW Vista Trust. Mr. Lam is regarded as a founder of the trust.

3. Particulars of these share options and their movements as at 30 June 2025 are set out in the "Share Option Scheme" section below.

4. The issued share capital of the Company is 305,615,420 shares as at 30 June 2025.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (CONTINUED)

Long Positions in the Shares and Underlying Shares of the Company (Continued)

(b) Share options granted by the Company (Continued)

Save as disclosed above, as at 30 June 2025, none of the Directors, Chief Executives nor their associates had or was deemed to have any interests or short positions in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which have been recorded in the register maintained by the Company pursuant to section 352 of the SFO or which have been notified to the Company and the Stock Exchange pursuant to the Model Code.

Furthermore, save as disclosed in the "Share Option Scheme" section below and note 17 to the condensed consolidated financial statements, at no time during the six months ended 30 June 2025 was the Company or any of its subsidiaries a party to any arrangements to enable the Directors or any of their spouses or children under the age of 18 to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or its associated corporations (within the meaning of Part XV of the SFO).

SHARE OPTION SCHEME

The Company passed an ordinary resolution at the annual general meeting to adopt 2012 Share Option Scheme for a period of 10 years commencing on the adoption date. The 2012 Share Option Scheme expired on 29 May 2022 and no further option could thereafter be granted. Notwithstanding the expiry of the 2012 Share Option Scheme, the share options which had been granted and not exercised nor lapsed at the date if expiry shall remain valid and exercisable in accordance with the 2012 Share Option Scheme and in all other respects, the provisions of the 2012 Share Option Scheme shall remain in full force and effect.

Other Information

SHARE OPTION SCHEME (CONTINUED)

Following the expiry of the 2012 Share Option Scheme, the Company passed a resolution at the 2022 annual general meeting held on 14 June 2022 to adopt the 2022 Share Option Scheme for the continuation of providing recognition to the contributions or services of eligible participants. Unless otherwise terminated or amended, the 2022 Share Option Scheme will remain in force for 10 years.

The movements in the Company's share options during the six months ended 30 June 2025 are disclosed as follows:

				Number of share options				
Name of grantees	Date of grant	Exercise price per share HK$	Exercise period	As at 1 January 2025	Granted during the period	Exercised during the period	Lapsed/ cancelled during the period	As at 30 June 2025
Directors								
Lam Gee Yu, Will	3 December 2018	1.76	3 December 2019 to 2 December 2028	1,250,000	–	–	–	1,250,000
			3 December 2020 to 2 December 2028	1,250,000	–	–	–	1,250,000
				2,500,000	–	–	–	2,500,000
Lam Din Yu, Well	3 December 2018	1.76	3 December 2019 to 2 December 2028	1,250,000	–	–	–	1,250,000
			3 December 2020 to 2 December 2028	1,250,000	–	–	–	1,250,000
				2,500,000	–	–	–	2,500,000
			Total	**5,000,000**	**–**	**–**	**–**	**5,000,000**

Note:

The vesting period of the share options is from the date of grant until the commencement of the exercise period.

SHARE OPTION SCHEME (CONTINUED)

Save as disclosed above, no share options of the Company was granted, exercised, lapsed or cancelled during the period.

As at 30 June 2025, no share option has been granted under the 2022 Share Option Scheme. The total number of share options available for issue under the 2022 Share Option Scheme is 30,561,542, representing 10% of the issued share capital of the Company. Further information of the 2022 Share Option Scheme is set out in note 17 to the condensed consolidated financial statements.

Apart from the 2012 Share Option Scheme or the 2022 Share Option Scheme, during the six months ended 30 June 2025, no rights were granted to the Directors, Chief Executives or those of the Company's subsidiaries, or any of their spouses or children under 18 years of age to subscribe for equity or debt securities of the Company or its subsidiaries.

SUBSTANTIAL SHAREHOLDERS

As at 30 June 2025, the following substantial shareholders, other than Directors and Chief Executives, had the interests and short positions in the shares and underlying shares of the Company which have been disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO, have been recorded in the register kept by the Company pursuant to section 336 of SFO:

Long Positions in the Ordinary Shares of the Company

Name of Shareholders	*Notes*	Capacity	Number of Ordinary shares held	Percentage of the Company's issued share capital *(Note 3)*
Leung Shuk Bing	*1*	Interest of spouse	223,859,361	73.25%
Hinton Company Limited	*2*	Beneficial owner	170,867,620	55.91%
High Fashion Charitable Foundation Limited	*2*	Beneficial owner	51,201,840	16.75%

SUBSTANTIAL SHAREHOLDERS (CONTINUED)

Long Positions in the Ordinary Shares of the Company (Continued)

Notes:

1. Ms. Leung Shuk Bing is spouse of Mr. Lam Foo Wah and is deemed to have interests in 223,859,361 ordinary shares.

2. Such interests have been disclosed as interests of Mr. Lam Foo Wah in the "Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures" above.

3. The issued share capital of the Company is 305,615,420 shares as at 30 June 2025.

Save as disclosed above, as at 30 June 2025, no person, other than the Directors or Chief Executives, whose interests are set out in the section "Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures" above, had registered a long or short position in the shares, underlying shares and debentures of the Company that was required to be recorded pursuant to section 336 of the SFO.

Corporate Information

High Fashion International Limited is a company incorporated in Bermuda with limited liability.

BOARD OF DIRECTORS

Executive Directors

Mr. Lam Foo Wah *(Chairman)*
Mr. Lam Gee Yu, Will *(Managing Director)*
Mr. Lam Din Yu, Well
(Managing Director (China))

Non-executive Director

Ms. Leung Wing Man, Mabel

Independent Non-executive Directors

Mr. Chung Kwok Pan
Mr. Tong Hee Keung, Samuel
Mr. Lau Yip Shing
Mr. Wong Chun Sek, Edmund

AUDIT COMMITTEE

Mr. Wong Chun Sek, Edmund *(Chairman)*
Mr. Chung Kwok Pan
Mr. Tong Hee Keung, Samuel
Mr. Lau Yip Shing

REMUNERATION COMMITTEE

Mr. Chung Kwok Pan *(Chairman)*
Mr. Lam Gee Yu, Will
Mr. Wong Chun Sek, Edmund

NOMINATION COMMITTEE

Mr. Lam Foo Wah *(Chairman)*
Mr. Lam Din Yu, Well
Ms. Leung Wing Man, Mabel
(appointed on 26 August 2025)
Mr. Chung Kwok Pan
Mr. Tong Hee Keung, Samuel
Mr. Lau Yip Shing
Mr. Wong Chun Sek, Edmund
(appointed on 26 August 2025)

RISK MANAGEMENT COMMITTEE

Mr. Lam Gee Yu, Will *(Chairman)*
Mr. Lam Din Yu, Well
Ms. Leung Wing Man, Mabel
Mr. Chung Kwok Pan
Mr. Tong Hee Keung, Samuel
Mr. Lau Yip Shing
Mr. Wong Chun Sek, Edmund

Corporate Information

COMPANY SECRETARY

Ms. Cheuk Chui King

AUDITOR

Deloitte Touche Tohmatsu
Registered Public Interest Entity Auditors

REGISTERED OFFICE

Clarendon House, 2 Church Street,
Hamilton HM11, Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

11/F., High Fashion Centre,
1–11 Kwai Hei Street, Kwai Chung,
New Territories, Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Corporate Services (Bermuda) Limited
Clarendon House, 2 Church Street,
Hamilton HM11, Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

COMPANY WEBSITE

www.highfashion.com.hk