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## **TEXWINCA HOLDINGS LIMITED**

**德永佳集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 321)

Website: <http://www.texwinca.com/>

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

#### **FINANCIAL HIGHLIGHTS**

- Revenue for the six months ended 30 September 2025 amounted to HK\$2,711.8 million (six months ended 30 September 2024: HK\$3,001.4 million), representing a 9.6% decline, mainly attributable to the subdued economic environment.
- Profit attributable to the Company's ordinary equity holders for the six months ended 30 September 2025 amounted to HK\$112.3 million (six months ended 30 September 2024: HK\$101.5 million), representing a 10.6% increase resulting from the Group's continued efforts in cost control and operational efficiency enhancements.
- Basic earnings per share for the six months ended 30 September 2025 amounted to HK8.1 cents (six months ended 30 September 2024: HK7.3 cents).
- The Board has resolved to declare an interim dividend of HK4.0 cents (six months ended 30 September 2024: interim dividend of HK1.0 cent) per ordinary share, representing the dividend payout ratio of 49.2% (six months ended 30 September 2024: 54.4%).

#### **RESULTS**

The board of directors (the "Board") of Texwinca Holdings Limited (the "Company") has pleasure in presenting the unaudited interim results of the Company and its subsidiaries (collectively referred to as the "Group") for the six months ended 30 September 2025. The interim results have been reviewed by the Company's audit committee.

*\* For identification purposes only*

**CONDENSED CONSOLIDATED STATEMENT OF  
PROFIT OR LOSS**

		<b>Six months ended 30 September</b>	
		<b>2025</b>	<b>2024</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
		<b>HK\$'000</b>	<b>HK\$'000</b>
	<i>Note</i>		
<b>REVENUE</b>	<b>3</b>	<b>2,711,814</b>	<b>3,001,360</b>
Cost of sales		<b>(1,962,369)</b>	<b>(2,281,831)</b>
Gross profit		<b>749,445</b>	<b>719,529</b>
Other income and gains	<b>3</b>	<b>79,996</b>	<b>110,371</b>
Selling and distribution expenses		<b>(266,510)</b>	<b>(333,425)</b>
Administrative expenses		<b>(391,326)</b>	<b>(406,949)</b>
Other operating expenses - net		<b>(3,064)</b>	<b>(1,662)</b>
Finance costs		<b>(20,832)</b>	<b>(41,981)</b>
<b>PROFIT BEFORE TAX AND GAIN FROM RESUMPTION OF LAND AND BUILDINGS</b>		<b>147,709</b>	<b>45,883</b>
Gain from resumption of land and buildings		<b>—</b>	<b>88,807</b>
<b>PROFIT BEFORE TAX</b>	<b>4</b>	<b>147,709</b>	<b>134,690</b>
Income tax	<b>5</b>	<b>(36,465)</b>	<b>(33,261)</b>
<b>PROFIT FOR THE PERIOD</b>		<b>111,244</b>	<b>101,429</b>
Attributable to:			
Ordinary equity holders of the Company		<b>112,330</b>	<b>101,542</b>
Non-controlling interests		<b>(1,086)</b>	<b>(113)</b>
		<b>111,244</b>	<b>101,429</b>
<b>EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY</b>			
Basic and diluted ( <i>HK cents</i> )	<b>7</b>	<b>8.1</b>	<b>7.3</b>

Details of the dividends for the six months ended 30 September 2025 are disclosed in note 6 to this interim results announcement.

**CONDENSED CONSOLIDATED STATEMENT OF  
COMPREHENSIVE INCOME**

	<b>Six months ended</b>	
	<b>30 September</b>	
	<b>2025</b>	<b>2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
<b>PROFIT FOR THE PERIOD</b>	<b>111,244</b>	<b>101,429</b>
<b>OTHER COMPREHENSIVE INCOME, NET OF TAX</b>		
Item that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	<b>49,393</b>	<b>79,940</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>160,637</b>	<b>181,369</b>
Attributable to:		
Ordinary equity holders of the Company	<b>161,882</b>	<b>181,291</b>
Non-controlling interests	<b>(1,245)</b>	<b>78</b>
	<b>160,637</b>	<b>181,369</b>

**CONDENSED CONSOLIDATED STATEMENT OF  
FINANCIAL POSITION**

		<b>30 September 2025 (Unaudited) HK\$'000</b>	<b>31 March 2025 (Audited) HK\$'000</b>
	<i>Note</i>		
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	8	<b>1,465,184</b>	1,452,743
Right-of-use assets		<b>512,499</b>	586,792
Investment properties		<b>497,089</b>	497,089
Construction in progress		<b>7,177</b>	80,266
Intangible assets		<b>51,776</b>	51,761
Prepayments		<b>8,905</b>	14,260
Long-term rental deposits		<b>18,153</b>	21,834
Financial assets at fair value through profit or loss		<b>22,264</b>	22,155
Debt instruments at amortised cost		<b>15,434</b>	—
Deferred tax assets		<b>27,008</b>	32,468
		<b>2,625,489</b>	2,759,368
<b>CURRENT ASSETS</b>			
Inventories		<b>1,125,373</b>	1,242,676
Trade receivables	9	<b>819,139</b>	662,790
Bills receivable		<b>168,079</b>	269,397
Prepayments, deposits and other receivables		<b>336,587</b>	278,220
Financial assets at fair value through profit or loss		<b>1,578</b>	7,499
Debt instruments at amortised cost		<b>1,177</b>	963
Derivative financial assets		<b>1,024</b>	6,222
Tax recoverable		<b>3,117</b>	27,109
Cash and bank balances		<b>1,607,123</b>	1,633,407
		<b>4,063,197</b>	4,128,283
<b>CURRENT LIABILITIES</b>			
Trade payables	10	<b>528,619</b>	503,436
Other payables and accrued liabilities		<b>265,948</b>	273,712
Lease liabilities		<b>140,387</b>	118,519
Derivative financial liabilities		<b>266</b>	3,830
Interest-bearing bank borrowings		<b>245,745</b>	539,424
Tax payable		<b>21,364</b>	18,813
Dividend payable		<b>82,902</b>	—
		<b>1,285,231</b>	1,457,734
<b>NET CURRENT ASSETS</b>		<b>2,777,966</b>	2,670,549
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>5,403,455</b>	5,429,917

**CONDENSED CONSOLIDATED STATEMENT OF  
FINANCIAL POSITION (CONTINUED)**

		<b>30 September 2025 (Unaudited) HK\$'000</b>	<b>31 March 2025 (Audited) HK\$'000</b>
	<i>Note</i>		
<b>NON-CURRENT LIABILITIES</b>			
Other payables and accrued liabilities		<b>11,729</b>	13,927
Lease liabilities		<b>209,547</b>	298,783
Interest-bearing bank borrowings		<b>290,114</b>	306,818
Deferred tax liabilities		<b>45,161</b>	41,220
		<hr/>	
		<b>556,551</b>	660,748
		<hr/>	
<b>NET ASSETS</b>		<b>4,846,904</b>	4,769,169
		<hr/>	
<b>EQUITY</b>			
<b>Attributable to ordinary equity holders of the Company</b>			
Issued capital		<b>69,085</b>	69,085
Reserves		<b>4,718,774</b>	4,612,160
Dividends declared	6	<b>55,268</b>	82,902
		<hr/>	
		<b>4,843,127</b>	4,764,147
<b>Non-controlling interests</b>		<b>3,777</b>	5,022
		<hr/>	
<b>TOTAL EQUITY</b>		<b>4,846,904</b>	4,769,169
		<hr/>	

**CONDENSED CONSOLIDATED STATEMENT OF  
CHANGES IN EQUITY**

	Attributable to ordinary equity holders of the Company										Non- controlling interests	Total equity
	Issued capital	Share premium account	Capital redemption reserve	Contributed surplus	Exchange fluctuation reserve	Asset revaluation reserve	Capital reserve	Retained profits	Dividends declared	Total		
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 April 2025	69,085	703,365	1,695	3,986	(220,565)	63,339	375,180	3,685,160	82,902	4,764,147	5,022	4,769,169
Profit/(loss) for the period	—	—	—	—	—	—	—	112,330	—	112,330	(1,086)	111,244
Other comprehensive income for the period:												
Exchange differences on translation of foreign operations	—	—	—	—	49,552	—	—	—	—	49,552	(159)	49,393
Total comprehensive income for the period	—	—	—	—	49,552	—	—	112,330	—	161,882	(1,245)	160,637
2024/2025 proposed final and special dividends declared	—	—	—	—	—	—	—	—	(82,902)	(82,902)	—	(82,902)
2025/2026 interim dividend declared	—	—	—	—	—	—	—	(55,268)	55,268	—	—	—
At 30 September 2025	69,085	703,365	1,695	3,986	(171,013)	63,339	375,180	3,742,222	55,268	4,843,127	3,777	4,846,904
At 1 April 2024	69,085	703,365	1,695	3,986	(163,353)	63,339	375,180	3,707,262	27,634	4,788,193	4,372	4,792,565
Profit/(loss) for the period	—	—	—	—	—	—	—	101,542	—	101,542	(113)	101,429
Other comprehensive income for the period:												
Exchange differences on translation of foreign operations	—	—	—	—	79,749	—	—	—	—	79,749	191	79,940
Total comprehensive income for the period	—	—	—	—	79,749	—	—	101,542	—	181,291	78	181,369
2023/2024 proposed final dividend declared	—	—	—	—	—	—	—	—	(27,634)	(27,634)	—	(27,634)
2024/2025 interim and special dividends declared	—	—	—	—	—	—	—	(55,268)	55,268	—	—	—
At 30 September 2024	69,085	703,365	1,695	3,986	(83,604)	63,339	375,180	3,753,536	55,268	4,941,850	4,450	4,946,300

# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Six months ended 30 September 2025 (Unaudited) HK\$'000		2024 (Unaudited) HK\$'000	
<b>Operating activities</b>				
Cash generated from operations		467,728		157,030
Tax refunded/(paid)		519		(9,120)
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>		<b>468,247</b>		<b>147,910</b>
<b>Investing activities</b>				
Increase in non-pledged time deposits with original maturity over three months when acquired		(925,232)		(285,762)
Other cash flows used in investing activities		(19,646)		(58,129)
<b>NET CASH FLOWS USED IN INVESTING ACTIVITIES</b>		<b>(944,878)</b>		<b>(343,891)</b>
<b>Financing activities</b>				
Net (decrease)/increase in interest-bearing bank borrowings		(332,611)		997,895
Principal portion of lease payments		(83,951)		(86,906)
Other cash flows used in financing activities		(20,833)		(41,981)
<b>NET CASH FLOWS (USED IN)/FROM FINANCING ACTIVITIES</b>		<b>(437,395)</b>		<b>869,008</b>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(914,026)</b>		<b>673,027</b>
Cash and cash equivalents at beginning of period		1,631,182		857,732
Foreign exchange adjustments		(37,490)		33,983
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>		<b>679,666</b>		<b>1,564,742</b>
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>				
Cash at bank and in hand		405,757		443,627
Non-pledged time deposits		1,201,366		2,104,248
Cash and bank balances in the condensed consolidated statement of financial position		1,607,123		2,547,875
Non-pledged time deposits with original maturity over three months when acquired		(927,457)		(983,133)
Cash and cash equivalents in the condensed consolidated statement of cash flows		679,666		1,564,742

## Notes:

### 1. BASIS OF PREPARATION

The condensed interim financial information included in this preliminary announcement of interim results for the six months ended 30 September 2025 does not constitute the Group's interim report but is derived from that interim report.

The condensed interim financial information has been prepared in accordance with Hong Kong Accounting Standard 34 *Interim Financial Reporting* as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The condensed interim financial information contains interim financial statements and selected explanatory notes. The condensed interim financial information does not include all of the notes of the type normally included in the annual financial report. Certain comparative figures have been reclassified to conform with current period's presentation.

The HKICPA has issued a number of amendments to HKFRS Accounting Standards that became applicable for the current reporting period. None of the amendments to HKFRS Accounting Standards have had a material effect on the Group's results and financial position for the current and prior periods. The Group has not applied any new standards, amendments or interpretations that is not yet effective for the current accounting period.

Save as described above, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 March 2025. Accordingly, readers should read the interim results in conjunction with the annual financial statements for the year ended 31 March 2025, prepared in accordance with HKFRS Accounting Standards.

The judgments and estimates adopted in the preparation of the interim condensed consolidated financial statements are the same as those used in the Group's annual financial statements for the year ended 31 March 2025.

### 2. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has three reportable operating segments as follows:

- (a) Textile and garment segment represents the production and sale of knitted fabric, yarn and garments;
- (b) Retailing and distribution segment represents the retailing and distribution of casual apparel and accessories; and
- (c) Other segment represents the "others" segment comprises, principally, the provision of franchise services and property investment.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss) which is a measure of adjusted profit/(loss) before tax. The adjusted profit/(loss) before tax is measured consistently with the Group's profit before tax except interest income, gain from resumption of land and buildings and non-lease related finance costs, are excluded from such measurement.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.



	Textile and garment		Retailing and distribution		Others		Eliminations		Consolidated	
	Six months ended 30 September		Six months ended 30 September		Six months ended 30 September		Six months ended 30 September		Six months ended 30 September	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Segment revenue:</b>										
Sales to external customers	2,265,919	2,476,315	445,693	523,893	202	1,152	—	—	2,711,814	3,001,360
Intersegment sales	21,846	29,485	—	—	—	—	(21,846)	(29,485)	—	—
Other revenue	41,405	34,965	7,776	34,022	9,386	10,058	(5,824)	(1,200)	52,743	77,845
	<b>2,329,170</b>	<b>2,540,765</b>	<b>453,469</b>	<b>557,915</b>	<b>9,588</b>	<b>11,210</b>	<b>(27,670)</b>	<b>(30,685)</b>	<b>2,764,557</b>	<b>3,079,205</b>
<b>Segment results</b>	<b>167,519</b>	<b>128,427</b>	<b>(42,512)</b>	<b>(100,334)</b>	<b>7,691</b>	<b>6,208</b>	<b>203</b>	<b>(1,632)</b>	<b>132,901</b>	<b>32,669</b>
<i>Reconciliation:</i>										
Interest income									27,253	45,478
Gain from resumption of land and buildings									—	88,807
Finance costs (other than interest on lease liabilities)									(12,445)	(32,264)
Profit before tax									147,709	134,690
Income tax									(36,465)	(33,261)
Profit for the period									111,244	101,429
	30 September 2025	31 March 2025	30 September 2025	31 March 2025	30 September 2025	31 March 2025	30 September 2025	31 March 2025	30 September 2025	31 March 2025
	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Segment assets</b>	<b>4,704,077</b>	<b>4,856,739</b>	<b>1,661,992</b>	<b>1,841,803</b>	<b>530,026</b>	<b>534,925</b>	<b>(1,437,115)</b>	<b>(1,413,578)</b>	<b>5,458,980</b>	<b>5,819,889</b>
Unallocated									1,229,706	1,067,762
									<b>6,688,686</b>	<b>6,887,651</b>
<b>Segment liabilities</b>	<b>775,290</b>	<b>699,062</b>	<b>1,787,850</b>	<b>1,888,654</b>	<b>31,937</b>	<b>37,265</b>	<b>(1,438,581)</b>	<b>(1,412,774)</b>	<b>1,156,496</b>	<b>1,212,207</b>
Unallocated									685,286	906,275
									<b>1,841,782</b>	<b>2,118,482</b>

### 3. REVENUE, OTHER INCOME AND GAINS

	Six months ended 30 September	
	2025	2024
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
<b>Revenue from contracts with customers</b>		
<i>Disaggregation of revenue by products or service lines is as follows:</i>		
Sales of goods	2,709,372	2,996,267
Rendering of yarn dyeing services and garment processing services	2,240	3,941
Franchise and royalty income	202	1,152
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	2,711,814	3,001,360
	<hr/>	<hr/>
<i>Timing of revenue recognition:</i>		
At a point in time	2,711,612	3,000,208
Over time	202	1,152
	<hr/>	<hr/>
	2,711,814	3,001,360
	<hr/>	<hr/>
<b>Other income and gains</b>		
Interest income	27,253	45,478
Sales of scrap materials	11,594	14,040
Sales of steam	8,755	4,760
Gross rental income from investment property operating leases	7,629	8,034
Waiver of trade and other payables	6,692	13,602
Value-added tax concession	4,090	—
Gain on disposal of items of property, plant and equipment	4,026	180
Compensation from suppliers for defective goods	2,769	4,871
Rental income from suppliers and others	1,855	3,055
Government subsidies	1,811	633
Technical service income	—	2,712
Fair value gains on foreign exchange derivative financial instruments	—	2,347
Fair value gain on financial assets at fair value through profit or loss	—	1,106
Sundry income	3,522	9,553
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	79,996	110,371

#### 4. PROFIT BEFORE TAX

Profit before tax is arrived at after charging:

	<b>Six months ended</b>	
	<b>30 September</b>	
	<b>2025</b>	<b>2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Depreciation of property, plant and equipment	<b>123,623</b>	118,264
Depreciation of right-of-use assets	<b>67,488</b>	84,139
Write-down of inventories	<b>22,636</b>	7,334
Impairment of property, plant and equipment ( <i>note</i> )	<b>3,688</b>	—
Impairment of right-of-use assets ( <i>note</i> )	<b>4,986</b>	—
Impairment of trade receivables	<b>13,889</b>	—

*Note:*

Given the persistently competitive retail market which might adversely impact the recoverable amounts of the assets used within the retail stores, an asset impairment assessment has been carried out against the underperforming retail stores of retail and distribution business, and impairment loss of HK\$3,688,000 and HK\$4,986,000 for property, plant and equipment and right-of-use assets are recognised respectively and the amounts have been included in “selling and distribution expenses” in the condensed consolidated statement of profit or loss for the six months ended 30 September 2025 (six months ended 30 September 2024: nil).

#### 5. INCOME TAX

Taxation in the condensed consolidated statement of profit or loss represents:

	<b>Six months ended</b>	
	<b>30 September</b>	
	<b>2025</b>	<b>2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Current tax	<b>26,023</b>	29,753
Deferred tax	<b>10,442</b>	3,508
	<b>36,465</b>	33,261

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

Hong Kong profits tax has been provided at the rate of 16.5% (six months ended 30 September 2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the six months ended 30 September 2025, except for one subsidiary of the Group which is a 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%. The provision for Hong Kong profits tax for this subsidiary was calculated at the same basis in 2024.

Pursuant to the Enterprise Income Tax Law of the People's Republic of China and the respective regulations, companies of the Group which operate in Mainland China are subject to Corporate Income Tax (“CIT”) at the rate of 25% (six months ended 30 September 2024: 25%) on the taxable profit for the six months ended 30 September 2025. Certain companies of the Group which operate in Mainland China are subject to CIT at the rate of 15% (six months ended 30 September 2024: 15%) as qualified high and new technology enterprises and entitled to deduct qualifying research and development expense from taxable profit during the six months ended 30 September 2025.

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

## 6. DIVIDENDS

	<b>Six months ended</b>	
	<b>30 September</b>	<b>2024</b>
	<b>2025</b>	
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Declared and payable after the interim period:		
Interim dividend per ordinary share – HK4.0 cents (six months ended 30 September 2024: HK1.0 cent)	<b>55,268</b>	13,817
Special interim dividend per ordinary share – nil (six months ended 30 September 2024: HK3.0 cents)	<b>—</b>	41,451
	<b>55,268</b>	<b>55,268</b>

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

The calculation of the basic earnings per share is based on the profit attributable to ordinary equity holders of the Company, and the weighted average number of 1,381,696,104 ordinary shares (six months ended 30 September 2024: 1,381,696,104 ordinary shares) in issue during the six months ended 30 September 2025.

The diluted earnings per share is the same as the basic earnings per share as the Company had no potentially dilutive ordinary shares in issue during the six months ended 30 September 2025 and 2024.

## 8. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2025, the Group acquired items of property, plant and equipment with a cost of HK\$55,547,000 (six months ended 30 September 2024: HK\$285,386,000) and disposed of items with a net book value of HK\$1,342,000 (six months ended 30 September 2024: HK\$12,570,000).

## 9. TRADE RECEIVABLES

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 September</b>	<b>31 March</b>
	<b>2025</b>	<b>2025</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Within 90 days	<b>795,832</b>	573,419
Over 90 days	<b>23,307</b>	89,371
	<b>819,139</b>	<b>662,790</b>

Payment terms of the Group's customers mainly range from "cash before delivery" to "90 days from the date of invoice". A significant portion of the customers trades with the Group under documentary credit terms. The Group seeks to maintain strict credit control on its outstanding receivables and has a policy to manage its credit risk. Since the Group's trade receivables relate to a large number of customers, there is no significant concentration of credit risk. The Group does not hold any collateral over its trade receivable balances. Certain trade receivable balances are covered by trade insurance policy arranged by the Group for minimising the credit risk. Trade receivables are non-interest-bearing.

## 10. TRADE PAYABLES

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

	<b>30 September 2025 (Unaudited) HK\$'000</b>	<b>31 March 2025 (Audited) HK\$'000</b>
Within 90 days	<b>442,591</b>	461,516
Over 90 days	<b>86,028</b>	41,920
	<b>528,619</b>	<b>503,436</b>

Trade payables are non-interest-bearing and are normally settled on 90-day terms.

## 11. CONTINGENT LIABILITIES

Contingent liabilities at the end of the reporting period not provided for, are as follows:

	<b>30 September 2025 (Unaudited) HK\$'000</b>	<b>31 March 2025 (Audited) HK\$'000</b>
Bank guarantees given in lieu of property rental deposits	<b>4,284</b>	5,128

## 12. CAPITAL COMMITMENTS

Capital expenditure contracted for at the end of the reporting period but not yet provided for, is as follows:

	<b>30 September 2025 (Unaudited) HK\$'000</b>	<b>31 March 2025 (Audited) HK\$'000</b>
Property, plant and equipment	<b>71,687</b>	32,823

### 13. MATERIAL RELATED PARTY TRANSACTIONS

(a) Rental expenses:

	Six months ended 30 September 2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Rental expenses paid to related companies	<u>5,974</u>	<u>5,964</u>

On 28 March 2024, the Group entered into certain lease agreements with related companies, of which certain directors of the Company are also the directors and beneficial shareholders, for the provision of directors' quarters, retail outlets, a training centre and a car parking space for certain subsidiaries in Hong Kong and Mainland China. During the six months ended 30 September 2025, rental expenses were paid to the related companies amounting to HK\$2,400,000, HK\$3,239,000 and HK\$335,000 respectively (six months ended 30 September 2024: HK\$2,400,000, HK\$3,229,000 and HK\$335,000 respectively). The directors considered that the monthly rentals were charged based on the prevailing market rates at the dates of entering into the lease agreements.

(b) Compensation of key management personnel:

	Six months ended 30 September 2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Short term employee benefits	24,052	25,399
Post-employment benefits	<u>21</u>	<u>18</u>
	<u>24,073</u>	<u>25,417</u>

(c) At the end of the reporting period, the directors consider the immediate holding company and the ultimate holding company of the Group to be Farrow Star Limited and Poon's Holdings Limited respectively, both of which are incorporated in the British Virgin Islands.

### 14. FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

All assets and liabilities for which fair value is measured or disclosed in the interim condensed consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
- Level 3 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The Group's finance department headed by the chief financial officer is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance department directly reports to the Board. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the Board.

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

Category		Carrying amounts and fair values	
		30 September 2025 (Unaudited) HK\$'000	31 March 2025 (Audited) HK\$'000
<b>Financial assets</b>			
Derivative financial instruments	Level 2	1,024	6,222
Financial assets at fair value through profit or loss	Level 2	23,842	29,654
		<b>24,866</b>	<b>35,876</b>
<b>Financial liabilities</b>			
Derivative financial instruments	Level 2	266	3,830

As at 30 September and 31 March 2025, the Group had no financial instruments measured at fair value under Level 1 or Level 3. During the six months ended 30 September 2025, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (six months ended 30 September 2024: nil).

Management has assessed that the fair values of cash and bank balances, trade receivables, bills receivable, debt instruments at amortised cost, financial assets included in prepayments, deposits and other receivables, trade payables, dividend payable, interest-bearing bank borrowings, and financial liabilities included in other payables and accrued liabilities approximate to their carrying amounts largely due to the short term maturities of these instruments.

The fair values of the financial assets and liabilities are included as the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of debt instruments at amortised cost are estimated based on quoted prices.

The fair values of the unlisted financial assets at fair value through profit or loss are derived from the latest transaction prices, market prices or net asset value of the investee which approximates to its fair value.

The fair values of the long-term rental deposits have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. Their carrying amounts approximately to their fair values. The Group's own non-performance risk for interest-bearing bank borrowings as at 30 September and 31 March 2025 was assessed to be insignificant.

The Group enters into derivative financial instruments with various counterparties, principally financial institutions. Derivative financial instruments, including forward currency contracts, are measured using valuation techniques similar to forward pricing, using present value calculations. The models incorporate various market observable inputs including the credit quality of counterparties, foreign exchange spot and forward rates and interest rate curves. The carrying amounts of forward currency contracts are the same as their fair values.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

### **INTERIM DIVIDEND**

The Board has resolved to declare an interim dividend of HK4.0 cents (six months ended 30 September 2024: HK1.0 cent) per ordinary share for the six months ended 30 September 2025. The interim dividend will be payable on Wednesday, 7 January 2026 to the shareholders whose names appear on the Register of Members of the Company on Wednesday, 17 December 2025.

### **CLOSURE OF REGISTER OF MEMBERS**

The Register of Members of the Company will be closed from Monday, 15 December 2025 to Wednesday, 17 December 2025 (both days inclusive) for the purpose of determining the entitlement to the interim dividend for the six months ended 30 September 2025. During which period no transfer of shares of the Company will be registered and no share will be allotted and issued. In order to qualify for entitlement to the interim dividend for the six months ended 30 September 2025, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrar and Transfer Office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Friday, 12 December 2025.

### **REVIEW OF BUSINESS AND FUTURE DEVELOPMENT**

For the six months ended 30 September 2025, the global economy faced persistent macroeconomic headwinds that weighed heavily on international trade and consumer sentiment. In particular, the implementation of elevated and volatile tariff policies by the United States since April 2025 has intensified trade tensions with key global partners, contributing to heightened uncertainties across supply chains. This subdued economic environment, coupled with growing concerns over a potential recession, prompted a more conservative approach to procurement stance among buyers. Consequently, the Group recorded a decline in total revenue of 9.6% to HK\$2,711.8 million (six months ended 30 September 2024: HK\$3,001.4 million).

Despite these challenges, the Group's proactive cost management and continued focus on production efficiency has yielded positive results, leading to an improved gross profit margin of 27.6% (six months ended 30 September 2024: 24.0%). The Group's textile and garment business demonstrated notable resilience during the six months ended 30 September 2025 resulting an improved cost structure and better alignment with customer demand. In parallel, the Group continued to optimise its retail and distribution business in response to challenging market dynamics, thereby reinforcing overall performance.

As a result, combining the continued efforts in cost control and operational efficiency enhancements, the Group recorded a profit attributable to the Company's ordinary equity holders of HK\$112.3 million for the six months ended 30 September 2025 (six months ended 30 September 2024: HK\$101.5 million), representing a 10.6% increase. Excluding the non-operating gain of HK\$88.8 million and the corresponding tax effect arising from the resumption of the Guangzhou warehouses in the corresponding period in 2024, the year-on-year growth of the Group's profit attributable to the Company's ordinary equity holders was 447.8%.

The Board has resolved to declare an interim dividend of HK4.0 cents per ordinary share (six months ended 30 September 2024: HK1.0 cent) for the six months ended 30 September 2025, representing a dividend payout ratio of 49.2% for the core profit.



## Textile and garment business

Revenue from the textile and garment business decreased by 8.5% to HK\$2,265.9 million (six months ended 30 September 2024: HK\$2,476.3 million), accounting for 83.6% (six months ended 30 September 2024: 82.5%) of the Group's total revenue. The gross profit margin of the textile and garment business increased by 3.6 percentage points to 21.2% (six months ended 30 September 2024: 17.6%), while segment profit rose by 30.5% to HK\$167.5 million (six months ended 30 September 2024: HK\$128.4 million).

Shadowed by the protracted trade negotiations, the market generally adopted a cautious stance in evaluating potential consumer-level impacts. This led retailers to be more conservative in inventory replenishment, placing smaller orders and thereby softening overall demand for textile products. In response to the growing need for resilient supply chains, the Group's strategic "China + Vietnam" dual-location manufacturing model has proven instrumental in helping customers mitigate regional risks and reduce dependency on single-location production.

During the six months ended 30 September 2025, the influx of new overseas customers attracted by the Group's flexible and adaptive solutions largely offset the reduced orders and price pressures from existing customers. Concurrently, the Group continued to optimise its supply chain for raw material sourcing strategy, strengthen cost controls and enhance working capital management. Furthermore, the ongoing ramp-up and production upgrades at the Group's Vietnam facility contributed to a more efficient operation and a better diversified production mix. These initiatives strengthened the Group's performance and positively impacted profitability.

In August 2025, the groundbreaking ceremony for the Group's Phase II expansion project at the Vietnam facility was successfully held. Since 2023, the "China + Vietnam" dual-location manufacturing strategy has provided customers with more comprehensive and flexible solutions, successfully securing new orders from overseas markets. With global trade risks gradually stabilising, the Group has prudently decided to initiate the capacity expansion for the Vietnam facility in phases, aiming to increase its knitted fabric production capacity, with expanded production set to commence in 2026.

The business performance and the key financial ratios were as follows:

(Amounts expressed in HK\$'million, unless specified)	Six months ended	Year ended	Six months ended	Year ended	Year ended
	30 Sep 2025	31 Mar 2025	30 Sep 2024	31 Mar 2024	31 Mar 2023
Net sales	<b>2,266</b>	4,376	2,476	3,921	4,297
Gross profit margin (%)	<b>21.2</b>	15.3	17.6	16.3	18.1
Business segment profit (note 1)	<b>168</b>	168	128	193	171
EBITDA (note 2)	<b>322</b>	490	286	476	408
Return on total assets (%) (note 3)	<b>5.1</b>	3.0	3.0	3.5	3.0
Return on sales (%)	<b>6.7</b>	4.0	4.6	5.7	4.3
Capital expenditure	<b>52</b>	290	282	166	246

Notes: (1) Exclude interest income, rental income, finance cost, income tax expense, compensation for the loss of inventories due to a fire accident and loss of inventories due to a fire accident.

(2) Exclude rental income, finance cost, income tax expense, depreciation, compensation for the loss of inventories due to a fire accident and loss of inventories due to a fire accident.

(3) Exclude rental income and annualised.

## **Retail and distribution business**

Revenue from the retail and distribution business decreased by 14.9% to HK\$445.7 million (six months ended 30 September 2024: HK\$523.9 million), accounting for 16.4% (six months ended 30 September 2024: 17.5%) of the Group's total revenue. The decline in revenue was primarily attributed to the ongoing streamlining of physical sales networks in Mainland China and Hong Kong, in response to structural challenges in the retail market and evolving consumption patterns.

Despite this, the gross profit margin for the retail and distribution segment improved to 60.1% from 54.6% in the corresponding period last year, driven by a more optimised physical store network and the successful clearance of past-season products. Additionally, robust growth in the e-commerce sector in Mainland China and benefits from last year's warehouse integration contributed to a reduction in segment loss by 57.6% to HK\$42.5 million (six months ended 30 September 2024: HK\$100.3 million).

In Mainland China, the Group continued its strategy to position Baleno as an e-commerce-focused leisure wear brand, emphasising “functionality” and “value for money”. Leveraging a mix of direct sales channels and strategic partnerships with leading e-commerce platforms, the Group achieved a gross merchandise value (GMV) of HK\$350.5 million, reflecting an impressive year-on-year increase of 45.9%. This performance reflects the brand's successful adaptation to evolving consumer preferences and the effectiveness of its “online-first” approach.

In Hong Kong, the Group navigated a challenging retail landscape shaped by “northbound consumption”, increased “outbound tourism”, and the increasing influence of online shopping platforms, despite early signs of stabilisation emerging toward the summer. In response, the Group reinforced its strong brand identity centered on “value for money” through targeted promotional campaigns, better aligning refined product assortments with local demand.

The Group continued to refine its retail strategy across Mainland China and Hong Kong by closing underperforming stores and reallocating resources toward high-potential digital channels aligning product assortments with local demand. A thorough profitability review conducted ahead of rent renewals led to the strategic closures, enhancing operational efficiency. As of 30 September 2025, the number of self-operated physical stores across Mainland China and Hong Kong markets decreased by 244 compared with 30 September 2024, reflecting efforts to rationalise its retail network amid shifting consumption patterns. Although offline sales declined, improved profitability signaled the effectiveness of these initiatives, indicating that the Group is on the right path toward transformation.

As at 30 September 2025, the total number of self-operated stores decreased to 318 (30 September 2024: 562), of which 239 (30 September 2024: 463) stores were in Mainland China, 66 (30 September 2024: 86) stores were in Hong Kong, and 13 (30 September 2024: 13) stores were in Indonesia.

The business performance and the key financial ratios were as follows:

<i>(Amounts expressed in HK\$'million, unless specified)</i>	<b>Six months ended 30 Sep 2025</b>	Year ended 31 Mar 2025	<b>Six months ended 30 Sep 2024</b>	Year ended 31 Mar 2024	Year ended 31 Mar 2023
Net sales	<b>446</b>	1,207	524	1,443	1,761
Gross profit margin (%)	<b>60.1</b>	53.9	54.6	53.3	44.9
Sales growth of comparable stores (%) <i>(note 1)</i>	<b>(2.2)</b>	(7.1)	(12.0)	(5.5)	(17.7)
Business segment loss <i>(note 2)</i>	<b>(43)</b>	(168)	(100)	(114)	(267)
EBITDA <i>(note 3)</i>	<b>29</b>	18	(3)	74	(126)
Return on total assets (%) <i>(note 4)</i>	<b>(5.6)</b>	(8.0)	(10.4)	(6.0)	(12.8)
Return on sales (%)	<b>(10.7)</b>	(12.3)	(20.1)	(8.2)	(15.4)
Capital expenditure	<b>3</b>	15	10	31	18

Notes : (1) Include only offline stores with full period/year operation during the period/year and the preceding period/year.

(2) Exclude interest income, rental income, finance cost, income tax expense and gain from resumption of land and buildings.

(3) Exclude rental income, finance cost, income tax expense, depreciation and gain from resumption of land and buildings.

(4) Exclude rental income and annualised.

(a) the analysis of turnover by major brands was as follows:

<i>(HK\$'million)</i>	<b>Six months ended 30 Sep 2025</b>	Year ended 31 Mar 2025	<b>Six months ended 30 Sep 2024</b>	Year ended 31 Mar 2024	Year ended 31 Mar 2023
Baleno	<b>426</b>	1,188	516	1,395	1,711
Others	<b>20</b>	19	8	48	50
Total	<b>446</b>	1,207	524	1,443	1,761

(b) the development in different markets was as follows:

#### **Mainland China**

	<b>Six months ended 30 Sep 2025</b>	Year ended 31 Mar 2025	<b>Six months ended 30 Sep 2024</b>	Year ended 31 Mar 2024	Year ended 31 Mar 2023
Net sales <i>(HK\$'million)</i>	<b>219</b>	604	280	816	1,105
Decrease in net sales (%)	<b>(22)</b>	(26)	(28)	(26)	(43)
Retail floor area <i>(sq. ft.)</i> <sup>*#</sup>	<b>294,827</b>	456,162	555,721	681,420	1,064,905
Number of sales associates <sup>*#</sup>	<b>443</b>	781	1,057	1,243	2,895

**Hong Kong**

	Six months ended 30 Sep 2025	Year ended 31 Mar 2025	Six months ended 30 Sep 2024	Year ended 31 Mar 2024	Year ended 31 Mar 2023
Net sales ( <i>HK\$'million</i> )	<b>210</b>	562	227	594	629
(Decrease)/increase in net sales (%)	<b>(7)</b>	(5)	(12)	(6)	14
Retail floor area ( <i>sq. ft.</i> ) <sup>*#</sup>	<b>88,671</b>	98,139	104,652	103,622	93,274
Number of sales associates <sup>*#</sup>	<b>327</b>	398	434	464	504

**Indonesia**

	Six months ended 30 Sep 2025	Year ended 31 Mar 2025	Six months ended 30 Sep 2024	Year ended 31 Mar 2024	Year ended 31 Mar 2023
Net sales ( <i>HK\$'million</i> )	<b>17</b>	41	17	33	27
Increase in net sales (%)	<b>—</b>	24	—	22	238
Retail floor area ( <i>sq. ft.</i> ) <sup>*#</sup>	<b>34,746</b>	34,746	34,848	34,814	23,636
Number of sales associates <sup>*#</sup>	<b>128</b>	148	148	146	110

\* As at the end of the reporting period

# For self-operated stores

## **FINANCIAL CONDITION**

### **Liquidity and financial resources**

The Group continued to maintain a sound financial position. As at 30 September 2025, the current ratio, the total bank borrowings and the net gearing ratio were 3.2, HK\$535.9 million and -0.2 (31 March 2025: 2.8, HK\$846.2 million and -0.2) respectively. The total bank borrowings decreased mainly due to the repayment of short-term bank borrowings during the six months ended 30 September 2025. The net gearing ratio refers to the ratio of the total interest-bearing debts, net of cash and bank balances, to the total equity.

During the six months ended 30 September 2025, the interest cover, the trade and bills receivables to turnover and the inventories to turnover were 8.1 times, 67 days and 76 days (six months ended 30 September 2024: 4.2 times, 63 days and 83 days) respectively. The Group mainly satisfied its funding requirements with cash generated from operating activities, cash and bank balances and bank borrowings. As at 30 September 2025, the cash and bank balances, the equity attributable to ordinary equity holders of the Company and the unutilised banking facilities were HK\$1,607.1 million, HK\$4,843.1 million and HK\$6,698.6 million (31 March 2025: HK\$1,633.4 million, HK\$4,764.1 million and HK\$6,019.7 million), respectively.

### **Capital expenditure**

The capital expenditure incurred by the Group during the six months ended 30 September 2025 was HK\$55.5 million (six months ended 30 September 2024: HK\$291.8 million), of which HK\$52.4 million (six months ended 30 September 2024: HK\$277.0 million) was mainly incurred for the addition of plant and machinery for the knitting, dyeing and finishing and factories of garment business and HK\$3.1 million (six months ended 30 September 2024: HK\$9.5 million) mainly incurred for the addition of leasehold improvements of the retail stores.

### **Pledge of assets**

No significant assets were pledged as at 30 September 2025 (31 March 2025: nil).

### **Contingent liabilities**

Details of the contingent liabilities as at 30 September and 31 March 2025 have been set out in note 11 to this interim results announcement.

### **Interest rate and foreign exchange risks**

The Group continued to adopt a strict and prudent policy in managing its interest rate and currency exchange risks. The major interest bearing bank borrowings of the Group were HKD and VND floating rate borrowings with maturity due within two years (31 March 2025: within two years). As at 30 September 2025, the cash and bank balances, debt instruments at amortised cost and financial assets at fair value through profit or loss were mainly denominated in HKD, RMB, USD and VND. Time deposits were placed as fixed deposits with well-established financial institutions at fixed interest rate with maturity due within one year (31 March 2025: within one year). The debt instruments at amortised cost and financial assets at fair value through profit or loss were mainly fixed interest rate investments with maturity due within three years or at perpetuity (31 March 2025: with maturity due at perpetuity). The Group will continue to monitor the interest rate risk and arrange appropriate financial instruments to reduce its risk whenever appropriate.

During the six months ended 30 September 2025, the major assets, liabilities, revenue, expenses and procurements of the Group were denominated in HKD, USD, RMB, VND and IDR and the Group had arranged foreign exchange forward contracts to reduce its currency exchange risk.

## **MATERIAL ACQUISITION AND DISPOSAL**

The Group had no material acquisition or disposal during the six months ended 30 September 2025.

## **HUMAN RESOURCES**

As at 30 September 2025, the Group had about 8,714 (31 March 2025: 9,799) employees in the Greater China, Vietnam and Indonesia. The remuneration of the employees was largely based on industry practice and the performance of individual employee.

## **CORPORATE SOCIAL RESPONSIBILITY**

As a responsible corporate citizen, the Group has been active in participating in charitable affairs, caring for the needy people and supporting and sponsoring educational and environmental protection activities. In addition, we also encourage our employees, customers and business partners to partake in the aforesaid activities with a view to developing a better future for our community.

During the six months ended 30 September 2025, some of the activities/organisations the Group participated in/donated or sponsored to were:

- (1) Educational Fund in Dongguan City of Guangdong Province;
- (2) Sponsorship for Dongguan Dragon Boat Competition;
- (3) The Community Chest of Hong Kong “Green Low Carbon Day”; and
- (4) The Hong Kong Council of Social Service “Caring Company”.

The Group believes that the development of a better future for our community relies on the participation of people, corporations and the government. Therefore, we will continue to invest resources in major social, educational and environmental protection activities, actively promoting sustainable development and striving to create a better future for society.

## OUTLOOK

Moving on to the second half of the fiscal year, evolving geopolitical dynamics are ushering the global economy into a more complex and multipolar landscape. While strategic initiatives implemented in recent years have significantly strengthened the Group's resilience, management will maintain a cautious stance to navigate potential market turbulence, aiming to sustain market share profitability.

Geopolitical tensions and the tariff policies of major economies, such as the United States, on imported goods remain uncertain. The market anticipates that these tariffs will be adjusted, renegotiated, and expanded in phases, with ongoing volatility likely becoming the new normal. The possibility of customers deferring orders may resurface, prompting the Group to maintain strict inventory control to mitigate risks associated with tariff-induced overstocking or shortages, while also accelerating inventory turnover and reducing working capital commitments. Furthermore, management will continue to implement stringent controls on procurement, labor costs, and energy consumption to minimise waste and enhance operational efficiency and margins. The Group is also committed to expanding its supplier network to secure more cost-effective production solutions and shorten production cycles to meet evolving market demands.

Customer and market diversification within the textile and garment business remains a strategic priority. The Group is actively expanding domestic sales footprint in Mainland China while strengthening its customer bases in Japan, Korea, Europe, and the United States to mitigate regional concentration risks. The Group's "China + Vietnam" dual-location manufacturing strategy enables it to offer differentiated end-to-end products and solutions, catering to customers seeking flexible production capabilities. With an increasing pipeline of new customers and secured orders, the ramp-up of the Vietnam facility is expected to accelerate, contributing greater operational synergy in the foreseeable future.

In the retail market, macroeconomic challenges persist. The Group is focused on reducing segment losses in its offline retail and distribution business through continuous optimisation of its physical store network in Mainland China and Hong Kong. In the short to medium term, the Group will prioritise the expansion of its e-commerce business by leveraging direct sales and strategic partnerships with leading online shopping platforms. Management remains confident in the significant growth potential of the nationwide leisurewear market in Mainland China and is committed to capturing market share through e-commerce with its high-quality, "value for money" product offerings.

In line with our long-term commitment to sustainable development, the Group has established clear environmental targets for 2030/31. The Group is dedicated to minimising its operational impact by aiming to reduce absolute Scope 1 and 2 (i.e. direct and indirect) greenhouse gas emissions by 42.0% from a 2020/21 baseline. This will be achieved through targeted initiatives, including the procurement of municipal electricity, the utilisation of higher-calorific coal, and the implementation of internal energy-saving technological upgrades. Furthermore, the Group is targeting to increase the proportion of renewable energy at Dongguan facility to 20.0% by accelerating photovoltaic projects and procuring green electricity certificates. Concurrently, the Group is committed to water stewardship, targeting to reduce the annual average chemical oxygen demand concentration less than 35mg/L in wastewater effluent through advanced treatment technologies and equipment enhancements.

## OTHER INFORMATION

### DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 September 2025, the interests and short positions of the directors in the shares and underlying shares of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), was as follows:

Long positions in ordinary shares of the Company:

Name of directors	Capacity	Note	Number of ordinary shares held	Percentage of the Company's issued share capital (Note 2)
Poon Bun Chak	Founder of a family trust	1	698,830,104	50.58%
Ho Lai Hong	Beneficial owner		500,000	0.04%
Ng Mo Ping	Beneficial owner		300,000	0.02%

Notes:

1. Mr. Poon Bun Chak is a founder of a family trust and is deemed to be interested in 698,830,104 shares held under the family trust. For details, please refer to the section "Substantial shareholders' and other person's interests in shares and underlying shares" below.
2. The issued share capital of the Company is 1,381,696,104 shares as at 30 September 2025.

Save as disclosed above, as at 30 September 2025, none of the directors had registered an interest or short position in the shares, underlying shares of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

### DIRECTORS' RIGHTS TO ACQUIRE SHARES

At no time during the period were rights to acquire benefits by means of the acquisition of shares in the Company granted to any directors or their respective spouses or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.



## SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSON'S INTERESTS IN SHARES AND UNDERLYING SHARES

As at 30 September 2025, the following interests of 5% or more of the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

Name	Capacity	Note	Number of ordinary shares held	Percentage of the Company's issued share capital (Note 3)
UBS Trustees (B.V.I.) Limited	Trustee	1	698,830,104 (L)	50.58%
Poon's Holdings Limited	Through controlled corporation	1	698,830,104 (L)	50.58%
Farrow Star Limited	Directly owned	1	698,830,104 (L)	50.58%
Pandanus Associates Inc.	Through controlled corporations	2	124,168,000 (L)	8.99%
Pandanus Partners L.P.	Through controlled corporations	2	124,168,000 (L)	8.99%
FIL Limited	Through controlled corporations	2	124,168,000 (L)	8.99%
Fidelity Funds	Beneficial owner		82,852,000 (L)	5.99%

L – Long position

Notes:

1. UBS Trustees (B.V.I.) Limited, as a trustee of a family trust founded by Mr. Poon Bun Chak, holds the entire issued share capital of Poon's Holdings Limited through its nominee, UBS Nominees Limited. Poon's Holdings Limited holds the entire issued share capital of Farrow Star Limited. Farrow Star Limited directly holds 698,830,104 shares of the Company. Therefore, each of Mr. Poon Bun Chak, UBS Trustees (B.V.I.) Limited and Poon's Holdings Limited is deemed to be interested in 698,830,104 shares of the Company.
2. Pandanus Associates Inc. has the entire control of Pandanus Partners L.P. which in turn owns 48.83% in FIL Limited. FIL Limited is deemed to be interested in 124,168,000 shares of the Company through a series of subsidiaries. Therefore, each of Pandanus Associates Inc., Pandanus Partners L.P. and FIL Limited is deemed to be interested in 124,168,000 shares of the Company.
3. The issued share capital of the Company is 1,381,696,104 shares as at 30 September 2025.

Save as disclosed above, as at 30 September 2025, no person, other than the directors of the Company, whose interests are set out in the section "Directors' interests and short positions in shares and underlying shares" above, had registered an interest and short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

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

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities (including sale of treasury shares) during the six months ended 30 September 2025.

As at 30 September 2025, there were no treasury shares held by the Company.

## **AUDIT COMMITTEE**

During the six months ended 30 September 2025, the members of Audit Committee consist of the three independent non-executive directors of the Company namely Mr. Law Brian Chung Nin, Ms. Lin Kit Yee Anna and Dr. Chan Yuk Mau Eddie (Mr. Cheng Shu Wing retired on 21 August 2025). The Audit Committee is chaired by Mr. Law Brian Chung Nin, a qualified accounting professional. The principal duties of the Audit Committee include the review and supervision of the financial reporting process and internal controls of the Group.

For the interim period under review, the Audit Committee has reviewed and discussed with the management the interim report and the risk management and internal controls of the Group and has made recommendations to the Board.

## **CHANGES IN INFORMATION OF DIRECTORS**

Pursuant to Rule 13.51B(1) of the Listing Rules, changes in the information of directors of the Company since the date of 2025 annual report and up to the date of release of this announcement required to be disclosed are shown as follows:

1. Mr. Poon Ho Tak, an executive director of the Company, was appointed as the executive vice chairman of the Company with effect from 1 August 2025, and his annual remuneration as executive vice chairman was adjusted from HK\$3,000,000 to HK\$3,600,000 on the same date.
2. Mr. Wu Chi Hang was appointed as an executive director of the Company with effect from 1 August 2025.
3. Mr. Cheng Shu Wing retired as an independent non-executive director of the Company and ceased to be the chairman of the Nomination Committee of the Company and a member of the Audit Committee and the Remuneration Committee of the Company after the conclusion of the annual general meeting of the Company held on 21 August 2025 ("the AGM").
4. Dr. Chan Yuk Mau Eddie, an independent non-executive director of the Company, was appointed as the chairman of the Nomination Committee of the Company with effect from the conclusion of the AGM.

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

## **CORPORATE GOVERNANCE**

In the opinion of the directors, the Company complied with all the code provisions of the Corporate Governance Code as set out in Part 2 of Appendix C1 of the Listing Rules throughout the accounting period covered by the interim report, except for the deviation from code provision F.1.3 (which has been renumbered from code provision F.2.2 with effect from 1 July 2025) as explained below:

### Code provision F.1.3

The chairman of the Board should attend the annual general meeting of the Company.

Mr. Poon Bun Chak, the chairman of the Board, has delegated the duty of attending the annual general meeting to one of the executive directors of the Company. The chairman considers the executive director a suitable person for taking up such duty as the executive director has good knowledge in each operating segment of the Group.

## **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS**

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as the Company's code of conduct for dealings in securities of the Company by the directors. Based on specific enquiry of the Company's directors, they have all complied with the required standard set out in the Model Code throughout the accounting period covered by the interim report.

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

The Company's interim report for the six months ended 30 September 2025 will be despatched to the shareholders of the Company upon request and available for viewing on the website of Hong Kong Exchanges and Clearing Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) under "Latest Listed Company Information" and on the website of the Company ([www.texwinca.com](http://www.texwinca.com)) under "Investor Relations" in due course.

On behalf of the Board

**Poon Bun Chak**

*Executive Chairman*

Hong Kong, 13 November 2025

*As at the date of this announcement, the executive directors of the Company are Mr. Poon Bun Chak, Mr. Poon Ho Tak, Mr. Ho Lai Hong, Mr. Ng Mo Ping and Mr. Wu Chi Hang; the independent non-executive directors of the Company are Mr. Law Brian Chung Nin, Ms. Lin Kit Yee Anna and Dr. Chan Yuk Mau Eddie.*