# Win Hanverky Holdings Limited
# 永嘉集團控股有限公司

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

**(Stock code: 3322)**

## REDUCTION IN LOSS AND BUSINESS UPDATE

This announcement is made by Win Hanverky Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the "**Board**") of the Company wishes to inform the shareholders of the Company and potential investors that based on the information currently available and the unaudited consolidated management accounts of the Group for the six months ended 30 June 2026 (the "**Current Period**"), the Group is expected to record loss after taxation of approximately HK$9 million for the Current Period as compared to loss after taxation of HK$56 million for the six months ended 30 June 2025 (the "**Corresponding Period**").

The estimated reduction of loss after taxation for the Current Period was mainly attributable to the following reasons:

(i) Fashion Brands and Licensing Business recorded operating profit of approximately HK$35 million for the Current Period (Corresponding Period: operating profit of HK$14 million), representing an increase of HK$21 million. This significant increase was driven by the growth in revenue, effective cost management and the benefits arising from the expansion of the franchise model;

(ii) Sportswear Manufacturing Business recorded operating profit of approximately HK$5 million for the Current Period (Corresponding Period: operating loss of HK$18 million). This successful turnaround was primarily attributable to the Group's successful resolution of the previous raw materials issues at its production facilities in Southeast Asia, which resulted in a significant reduction in related production and transportation costs as compared with the Corresponding Period;

(iii) finance costs for the Current Period decreased by approximately HK$2 million as compared with the Corresponding Period, mainly attributable to savings in interest expenses on bank borrowings as a result of the Group's further effort in treasury management; and

(iv) the above positive impacts were partially offset by operating loss of approximately HK$37 million from High-end Functional Outerwear Manufacturing Business for the Current Period (Corresponding Period: operating loss of HK$17 million). First half of the year is the traditional slack season for High-end Functional Outerwear Manufacturing Business and loss would be incurred normally. The increase in operating loss was primarily attributable to decrease in revenue of approximately HK$70 million, or 28%, to HK$180 million (Corresponding Period: HK$250 million), mainly due to reduced orders from a key customer as a result of lower demand, as well as delay in shipments to certain customers.

## BUSINESS UPDATE

### Manufacturing Business

Our Manufacturing Business comprises "***Sportswear Manufacturing Business***" and "***High-end Functional Outerwear Manufacturing Business***".

#### *Sportswear Manufacturing Business*

Revenue from Sportswear Manufacturing Business increased by approximately HK$59 million to HK$1,251 million (Corresponding Period: HK$1,192 million), representing an increase of 5%.

During the Current Period, the Group successfully resolved the raw materials issues previously encountered at its production facilities in Southeast Asia. This led to a significant reduction in related production and transportation costs. Together with the Group's continued stringent cost control measures, these favourable factors mitigated the adverse impact arising from the tariffs imposed by the United States on the business.

***High-end Functional Outerwear Manufacturing Business***

Revenue from High-end Functional Outerwear Manufacturing Business decreased by approximately HK$70 million to HK$180 million (Corresponding Period: HK$250 million), representing a decrease of 28%. The decrease was largely driven by reduction in orders placed by a key customer as a result of lower demand, as well as delay in shipments to certain customers. Consequently, operating loss further increased to approximately HK$37 million for the Current Period (Corresponding Period: operating loss of HK$18 million). The delayed shipments were subsequently delivered and resolved.

**Fashion Brands and Licensing Business**

Following the Group's strategic introduction of franchise stores alongside its directly operated stores for the "*Barbour*" brand, Fashion Brands and Licensing Business delivered strong performance. Revenue increased by approximately HK$58 million to HK$200 million (Corresponding Period: HK$142 million), representing an increase of 41%.

This revenue growth, combined with effective cost management and the benefits from the franchise model expansion, drove a significant growth in profitability. The business recorded operating profit of approximately HK$35 million for the Current Period (Corresponding Period: operating profit of HK$14 million).

## FINANCIAL POSITION AND LIQUIDITY

In view of the challenges and uncertainties ahead, the Group will continue to proactively monitor the situation and impose strict cost control measures and focus on its cash flow management to ensure that it remains a healthy liquidity position.

Against the backdrop of the challenging environment, the Group's financial and liquidity position remains healthy. As at 30 June 2026, the Group had cash and bank balances of approximately HK$356 million (31 December 2025: HK$264 million) and net borrowings (bank borrowings less cash and bank balances and pledged bank deposit) of approximately HK$67 million (31 December 2025: HK$224 million). The net gearing ratio (being net borrowings divided by total equity) was approximately 6% (31 December 2025: 19%).

The information contained in this announcement is only a preliminary assessment by the management of the Company based on the consolidated management accounts of the Group which have not yet been audited or reviewed by the auditor and audit committee of the Company. The shareholders of the Company and potential investors are advised to refer to the details in the interim results announcement of the Company for the six months ended 30 June 2026, which is expected to be published by the end of August 2026. There may be changes or adjustments following the review of the consolidated management accounts by the auditor and audit committee of the Company.

**The shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By Order of the Board
**Win Hanverky Holdings Limited**
**Li Kwok Tung Roy**
*Chairman*

Hong Kong, 11 August 2026

*As at the date of this announcement, the directors are Li Kwok Tung Roy, Lai Ching Ping, Li Chun Ho Fredrick, Wong Chi Keung, Kwan Kai Cheong#, Chau Pui Lin# and Chan Chee Kooi#.*

\# *Independent non-executive directors*