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## CHINA TING GROUP HOLDINGS LIMITED

### 華鼎集團控股有限公司

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

**(Stock code: 3398)**

### INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Six months ended 30 June		
	2025	2024	
	(Unaudited)	(Unaudited)	
	HK\$ million	HK\$ million	% Change
Revenue			
OEM Business	477.6	474.5	0.7
Fashion Retail Business	351.8	288.7	21.9
Property Investment Business	69.6	26.7	160.7
	<u>899.0</u>	<u>789.9</u>	13.8
Operating loss	(38.6)	(180.3)	
Loss for the period	(64.4)	(142.5)	
Significant items:			
Fair value losses on investment properties	<u>8.5</u>	<u>56.3</u>	
Loss for the period before significant item	<u>(55.9)</u>	<u>(86.2)</u>	
Equity per share (HK\$)	0.73	0.87	

The board (the “**Board**”) of directors (the “**Directors**”) of China Ting Group Holdings Limited (the “**Company**” or “**China Ting**”) hereby announces the condensed consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2025 (the “**1H2025**”), together with the comparative figures for the six months ended 30 June 2024 (the “**1H2024**”), as follows:

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2025**

		<b>Six months ended 30 June</b>	
		<b>2025</b>	<b>2024</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<i>Note</i>	<b>HK\$'000</b>	<b>HK\$'000</b>
Revenue	3	899,007	789,940
Cost of sales		<u>(736,219)</u>	<u>(645,914)</u>
<b>Gross profit</b>		<b>162,788</b>	<b>144,026</b>
Other income		82,076	9,289
Other (losses)/gains, net		(3,766)	1,364
Fair value losses on investment properties		(8,542)	(56,322)
(Provision for)/reversal of impairment loss for financial assets, net		(21,932)	2,504
Selling, marketing and distribution costs		(124,880)	(159,692)
Administrative expenses		<u>(124,309)</u>	<u>(121,510)</u>
<b>Operating loss</b>		<b>(38,565)</b>	<b>(180,341)</b>
Finance income	4	279	975
Finance costs	4	(20,218)	(10,087)
Share of results of investments accounted for using the equity method	8	<u>(110)</u>	<u>(91)</u>
<b>Loss before income tax</b>		<b>(58,614)</b>	<b>(189,544)</b>
Income tax (expense)/credit	5	<u>(5,826)</u>	<u>47,064</u>
<b>Loss for the period</b>		<u><b>(64,440)</b></u>	<u><b>(142,480)</b></u>

		Six months ended 30 June 2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
	Note		
<b>Other comprehensive income/(loss) for the period:</b>			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
— Currency translation differences		28,127	(20,620)
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
— Fair value gains on transfers of owner-occupied properties to investment properties, net of tax		26,758	—
— Fair value gains/(losses) on financial asset at fair value through other comprehensive income		7,937	(4,257)
Other comprehensive income/(loss) for the period, net of tax		62,822	(24,877)
<b>Total comprehensive loss for the period</b>		<b>(1,618)</b>	<b>(167,357)</b>
<b>Loss attributable to:</b>			
Equity holders of the Company		(85,080)	(141,189)
Non-controlling interests		20,640	(1,291)
		<b>(64,440)</b>	<b>(142,480)</b>
<b>Total comprehensive loss attributable to:</b>			
Equity holders of the Company		(18,553)	(165,569)
Non-controlling interests		16,935	(1,788)
		<b>(1,618)</b>	<b>(167,357)</b>
<b>Loss per share for loss attributable to equity holders of the Company (expressed in HK cents per share)</b>			
— basic and diluted	6	<b>(4.05)</b>	<b>(6.72)</b>

**CONDENSED CONSOLIDATED BALANCE SHEET**  
**AS AT 30 JUNE 2025**

		As at <b>30 June 2025</b> (Unaudited) <i>HK\$'000</i>	As at 31 December 2024 (Audited) <i>HK\$'000</i>
	<i>Note</i>		
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		724,098	729,364
Right-of-use assets		143,608	147,618
Investment properties		1,127,145	1,062,513
Intangible assets		2,715	2,644
Investments accounted for using the equity method	8	114	224
Deferred income tax assets		21,753	16,540
		<u>2,019,433</u>	<u>1,958,903</u>
<b>Current assets</b>			
Inventories		614,459	688,700
Trade and other receivables	9	496,323	449,391
Financial assets at fair value through profit or loss ("FVPL")		9,558	9,881
Financial assets at fair value through other comprehensive income ("FVOCI")		11,051	3,114
Asset classified as held for sale		—	5,914
Tax recoverable		26,089	28,403
Pledged bank deposits		837	131
Cash and cash equivalents		195,664	140,510
		<u>1,353,981</u>	<u>1,326,044</u>
<b>Total assets</b>		<u><u>3,373,414</u></u>	<u><u>3,284,947</u></u>

		As at 30 June 2025 (Unaudited) HK\$'000	As at 31 December 2024 (Audited) HK\$'000
	Note		
<b>EQUITY</b>			
<b>Equity attributable to equity holders of the Company</b>			
Share capital		209,982	209,982
Reserves		1,331,231	1,349,784
		<u>1,541,213</u>	<u>1,559,766</u>
Non-controlling interests		28,837	11,902
		<u>28,837</u>	<u>11,902</u>
<b>Total equity</b>		<u>1,570,050</u>	<u>1,571,668</u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Deferred income tax liabilities		172,692	158,320
Bank borrowings		193,602	185,797
Lease liabilities		25,807	27,764
		<u>392,101</u>	<u>371,881</u>
<b>Current liabilities</b>			
Trade and other payables	10	677,264	744,509
Contract liabilities		39,655	48,345
Lease liabilities		21,173	26,646
Bank borrowings		561,918	413,709
Current income tax liabilities		111,253	108,189
		<u>1,411,263</u>	<u>1,341,398</u>
<b>Total liabilities</b>		<u>1,803,364</u>	<u>1,713,279</u>
<b>Total equity and liabilities</b>		<u>3,373,414</u>	<u>3,284,947</u>

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

## 1 BASIS OF PREPARATION

This condensed consolidated interim financial information for the six months ended 30 June 2025 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The condensed consolidated interim financial information should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2024, which have been prepared in accordance with HKFRS Accounting Standards.

The Group has prepared the condensed consolidated interim financial information on a going concern basis. The Group incurred a net loss of HK\$64,440,000 for the six months ended 30 June 2025 and as of that date, the Group had net current liabilities of HK\$57,282,000. In addition, the Group is exposed to liquidity pressure as there was a breach of a loan covenant in the banking facilities that related to the current ratio of the Group as at 30 June 2025. The bank loans drawn down under the related facilities with outstanding amount of HK\$63,194,000 as at 30 June 2025 were repayable immediately upon demand by the bank.

In view of the Group’s net current liabilities position and financial performance, the directors of the Company have given careful consideration to the future liquidity and performance of the Group and its available sources of finance when assessing whether the Group will have sufficient financial resources to continue as a going concern and meet its liabilities as and when they fall due in the foreseeable future after considering the following:

- (a) As at 30 June 2025, the Group had unutilised banking facilities in an aggregate principal amount of up to HK\$11,939,000 expiring beyond one year. The Group is actively seeking new financing or additional capital inflows through various channels, including but not limited to new financing from banks.
- (b) The Group has implemented cost-saving measures to maintain adequate cash flow for the Group’s operation.
- (c) The Group will implement various control measures, including streamlining and restructuring the operating units.
- (d) The management will adjust the pace of its operation expansion to changes in market conditions and the Group’s cash flow needs.

The directors of the Company have prepared a cash flow forecast for the Group covering a period of twelve months from the end of the reporting period. In the opinion of the directors, taking into account the above plans and measures, the Group will have sufficient working capital to finance its operations and meet its financial obligations as and when they fall due. Accordingly, the directors of the Company consider that it is appropriate to prepare the condensed consolidated interim financial information on a going concern basis.

Notwithstanding the above, the use of the going concern basis depends on successful implementation of the above plans and measures. There are uncertainties inherently associated with their future outcomes, including the timely and successful obtaining additional credit facilities and sources of finance, as and when needed, the successful implementation of the cost-saving and other control measures to enable the Group to generate sufficient cash flows from its business, and the ability of the management to adjust the pace of the Group's operation expansion.

These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern, and therefore, that it may be unable to realise its assets or discharge its liabilities in the normal course of business.

Should the Group fail to achieve the intended effects resulting from the above-mentioned plans and measures, it might not be able to continue as a going concern, and adjustments would have to be made to write down the carrying value of the Group's assets to their realisable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in this condensed consolidated interim financial information.

## **2 ACCOUNTING POLICIES**

The accounting policies applied in the interim condensed consolidated financial information are consistent with those of the annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of amended standards as set out below.

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

### **(a) New amendments to standards adopted by the Group**

The following amendments to HKFRS Accounting Standards have been adopted by the Group for the first time for the current period's financial information:

Amendments to HKAS 21	Lack of Exchangeability
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The amendments have had no material impact on the interim condensed consolidated financial information.

- (b) The following new standard and amendments to existing standards have been issued, but are not effective for the financial year beginning on 1 January 2025 and have not been early adopted:

		Effective for annual periods beginning on or after
HKFRS 9 and HKFRS 7 (Amendments)	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to HKFRS Accounting Standards — Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2026
HKFRS 19	Subsidiaries without Public Accountability: Disclosure	1 January 2027
Amendments to HK Interpretation 5	Presentation of Financial Statements — Classification by Borrower of a Term Loan that Contains a Repayment on Demand Clause (reference have been updated to reflect the requirement in HKFRS 18)	1 January 2027
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

None of the above new standard and amendments to existing standards is expected to have a significant effect on the Group's accounting policies.

### 3. SEGMENT INFORMATION

The chief operating decision-maker has been identified as the executive directors. The executive directors review the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The executive directors assess the performance of the operating segments based on profit before income tax, which is consistent with that in the financial statements. Other information, as noted below, is also provided to the executive directors. The executive directors consider the Group has three reportable segments: (1) manufacturing and sale of garments on an original equipment manufacturer basis ("OEM"); (2) manufacturing and retailing of branded fashion apparel ("Retail"); and (3) property investment in the Mainland China ("Property investment").



Total segment assets exclude certain investment properties located in Hong Kong, corporate assets and investments measured at financial assets at FVPL and financial assets at FVOCI, all of which are managed on a central basis.

Turnover represents sale of goods and rental income. Sales between segments are carried out based on agreed terms similar to terms offered to third parties. The revenue from external parties reported to the executive directors is measured in a manner consistent with that in the condensed consolidated statement of comprehensive income.

	(Unaudited)			
	OEM HK\$'000	Retail HK\$'000	Property investment HK\$'000	Total HK\$'000
<b>Six months ended 30 June 2025</b>				
Total revenue	676,807	351,767	71,163	1,099,737
Inter-segment revenue	(199,208)	—	(1,522)	(200,730)
<b>Revenue (from external customers)</b>	<b>477,599</b>	<b>351,767</b>	<b>69,641</b>	<b>899,007</b>
Timing of revenue recognition				
At a point in time	477,599	351,767	—	829,366
Over time	—	—	69,641	69,641
	<b>477,599</b>	<b>351,767</b>	<b>69,641</b>	<b>899,007</b>
<b>Segment (loss)/profit before income tax</b>	<b>(25,548)</b>	<b>(64,307)</b>	<b>37,309</b>	<b>(52,546)</b>
Fair value losses on investment properties	(5,070)	(53)	(3,419)	(8,542)
Amortisation and depreciation	(27,607)	(12,881)	(7,362)	(47,850)
Finance income (Note 4)	206	66	7	279
Finance costs (Note 4)	(12,850)	(7,366)	(2)	(20,218)
Share of results of investments accounted for using the equity method (Note 8)	(110)	—	—	(110)
Income tax (expense)/credit (Note 5)	(5,838)	2,822	(2,810)	(5,826)

	(Unaudited)			
	OEM <i>HK\$'000</i>	Retail <i>HK\$'000</i>	Property investment <i>HK\$'000</i>	Total <i>HK\$'000</i>
<b>Six months ended 30 June 2024</b>				
Total revenue	511,901	288,766	28,488	829,155
Inter-segment revenue	(37,401)	—	(1,814)	(39,215)
<b>Revenue (from external customers)</b>	<b>474,500</b>	<b>288,766</b>	<b>26,674</b>	<b>789,940</b>
Timing of revenue recognition				
At a point in time	474,500	288,766	—	763,266
Over time	—	—	26,674	26,674
	<b>474,500</b>	<b>288,766</b>	<b>26,674</b>	<b>789,940</b>
<b>Segment loss before income tax</b>	<b>(83,261)</b>	<b>(74,681)</b>	<b>(26,989)</b>	<b>(184,931)</b>
Fair value losses on investment properties	(7,500)	—	(48,822)	(56,322)
Amortisation and depreciation	(21,683)	(17,251)	(10,059)	(48,993)
Finance income ( <i>Note 4</i> )	897	44	34	975
Finance costs ( <i>Note 4</i> )	(4,600)	(5,487)	—	(10,087)
Share of results of investments accounted for using the equity method ( <i>Note 8</i> )	(91)	—	—	(91)
Income tax credit ( <i>Note 5</i> )	34,899	975	11,190	47,064

	(Unaudited)			
	OEM HK\$'000	Retail HK\$'000	Property investment HK\$'000	Total HK\$'000
<b>As at 30 June 2025</b>				
Total segment assets	<u>2,095,246</u>	<u>749,993</u>	<u>485,668</u>	<u>3,330,907</u>
Total segment assets include:				
Investments accounted for using the equity method	114	—	—	114
Additions to non-current assets (other than financial instruments and deferred income tax assets)	36,809	12,821	27	49,657
Tax recoverable	23,811	1,510	768	26,089
Deferred income tax assets/(liabilities)	<u>16,610</u>	<u>7,447</u>	<u>(2,305)</u>	<u>21,752</u>
	(Audited)			
	OEM HK\$'000	Retail HK\$'000	Property investment HK\$'000	Total HK\$'000
<b>As at 31 December 2024</b>				
Total segment assets	<u>2,028,102</u>	<u>752,208</u>	<u>468,863</u>	<u>3,249,173</u>
Total segment assets include:				
Investments accounted for using the equity method	224	—	—	224
Additions to non-current assets (other than financial instruments and deferred income tax assets)	226,190	90,714	36	316,940
Tax recoverable	25,859	2,544	—	28,403
Deferred income tax assets	<u>14,394</u>	<u>2,146</u>	<u>—</u>	<u>16,540</u>

A reconciliation of reportable segments' loss before income tax to total loss before income tax is provided as follows:

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
<b>Total segment loss before income tax</b>	<b>(52,546)</b>	<b>(184,931)</b>
Net fair value (losses)/gains of financial assets at FVPL	(617)	1,339
Corporate overhead	<u>(5,451)</u>	<u>(5,952)</u>
<b>Loss before income tax per condensed consolidated statement of comprehensive income</b>	<b><u>(58,614)</u></b>	<b><u>(189,544)</u></b>

A reconciliation of reportable segments' assets to total assets is provided as follows:

	<b>As at 30 June 2025 (Unaudited) HK\$'000</b>	<b>As at 31 December 2024 (Audited) HK\$'000</b>
<b>Total segment assets</b>	<b>3,330,907</b>	<b>3,249,173</b>
Financial assets at FVPL	9,558	9,881
Financial assets at FVOCI	11,051	3,114
Corporate assets	<u>21,898</u>	<u>22,779</u>
<b>Total assets per condensed consolidated balance sheet</b>	<b><u>3,373,414</u></b>	<b><u>3,284,947</u></b>

The Company is domiciled in the Cayman Islands. The results of the Group's revenue from external customers located in the following geographical areas are as follows:

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Mainland China	625,381	574,861
North America	191,688	135,724
European Union	54,506	50,161
Hong Kong	26,162	22,326
Other countries	<u>1,270</u>	<u>6,868</u>
	<b><u>899,007</u></b>	<b><u>789,940</u></b>

For the six months ended 30 June 2025 and 2024, there is no customer individually accounted for more than 10% of the Group's total revenue.

#### 4 FINANCE COSTS, NET

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Finance income — interest income on		
— bank deposits	<u>279</u>	<u>975</u>
	<u>279</u>	<u>975</u>
Finance costs		
— interest expense on bank borrowings	(19,310)	(11,433)
— interest expense on lease liabilities	<u>(1,047)</u>	<u>(1,212)</u>
	(20,357)	(12,645)
— amount capitalised	<u>139</u>	<u>2,558</u>
	<u>(20,218)</u>	<u>(10,087)</u>
Finance costs, net	<u>(19,939)</u>	<u>(9,112)</u>

#### 5 INCOME TAX EXPENSE/(CREDIT)

	Six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Current income tax		
— Hong Kong profits tax	2,873	3,121
— PRC enterprise income tax	1,469	(73,705)
— Withholding tax	1,639	—
Deferred income tax	<u>(155)</u>	<u>23,520</u>
	<u>5,826</u>	<u>(47,064)</u>

## 6 LOSS PER SHARE

The calculation of basic loss per share is based on the Group's loss attributable to equity holders of the Company of approximately HK\$85,080,000 (30 June 2024: HK\$141,189,000) and weighted average number of ordinary shares in issue during the period of approximately 2,099,818,000 (30 June 2024: 2,099,818,000).

Diluted loss per share is calculated by adjusting the weighted average number of shares outstanding to assume conversion of all dilutive potential shares. During the six months ended 30 June 2025 and 2024, there were no dilutive potential ordinary shares under the share option scheme as there are no outstanding options during the six months ended 30 June 2025 and 2024.

## 7 DIVIDEND

The Directors did not recommend the payment of an interim dividend for the six months ended 30 June 2025 and 2024.

## 8 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Movements of investments accounted for using the equity method are as follows:

	<b>As at 30 June 2025 (Unaudited) HK\$'000</b>	<b>As at 31 December 2024 (Audited) HK\$'000</b>
At 1 January	<b>224</b>	9,053
Share of loss, net	<b>(110)</b>	(110)
Impairment	—	(8,657)
Exchange differences	—	(62)
	<b>114</b>	<b>224</b>

## 9 TRADE AND OTHER RECEIVABLES

	As at 30 June 2025 (Unaudited) HK\$'000	As at 31 December 2024 (Audited) HK\$'000
Trade and bill receivables	378,661	360,919
Less: Loss allowance	<u>(109,712)</u>	<u>(84,958)</u>
Trade and bill receivables, net	<u>268,949</u>	<u>275,961</u>
Prepayments	111,986	57,441
Deposits and other receivables, net	<u>115,388</u>	<u>115,989</u>
	<u>227,374</u>	<u>173,430</u>
	<u><b>496,323</b></u>	<u><b>449,391</b></u>

Trade and bill receivables

The ageing analysis of gross trade and bill receivables based on invoice date is as follows:

	As at 30 June 2025 (Unaudited) HK\$'000	As at 31 December 2024 (Audited) HK\$'000
0 to 60 days	180,814	216,877
61 to 120 days	55,223	46,419
121 to 180 days	16,965	31,654
Over 180 days	<u>125,659</u>	<u>65,969</u>
	<u><b>378,661</b></u>	<u><b>360,919</b></u>

## 10 TRADE AND OTHER PAYABLES

	As at 30 June 2025 (Unaudited) HK\$'000	As at 31 December 2024 (Audited) HK\$'000
Trade and bill payables	398,384	387,934
Accrued employee benefit expenses	30,381	31,650
Customer deposits	77,980	64,949
VAT and other tax payables	16,907	19,457
Accrued operating expenses	25,065	52,458
Other payables	128,547	188,061
	<u>677,264</u>	<u>744,509</u>

The ageing analysis of trade and bill payables based on invoice date is as follows:

	As at 30 June 2025 (Unaudited) HK\$'000	As at 31 December 2024 (Audited) HK\$'000
0 to 30 days	222,187	242,760
31 to 60 days	17,968	25,402
61 to 90 days	45,243	87,469
Over 90 days	112,986	32,303
	<u>398,384</u>	<u>387,934</u>



## **BUSINESS REVIEW**

In the 1H2025, the apparel industry in China faced a complex and challenging development environment. Rising global trade risks, heightened uncertainty in the tariff policies of the United States, and tariff costs higher than that of the same period caused material changes to and pressure on the apparel exports. Insufficient effective demand in the domestic market put increasing pressure on corporate operations.

Faced with the challenging domestic and international economic situation, the Group implemented optimisation measures in three aspects for the OEM/ODM business segment: (1) optimising the cost structure: focusing resources on core business needs by reducing the marketing, administrative, and research and development expenses for non-core businesses during the 1H2025; (2) optimising the supply chain: further increasing the production capacity and improving the production quality of overseas production bases to mitigate the uncertainties brought about by trade barriers and reduce production costs; (3) optimising the market diversity: reducing the dependence on the market of the United States, actively expanding the market shares in traditional markets such as the European Union, Japan, and the Association of Southeast Asian Nations, and stepping up the efforts on the exploration of emerging markets in countries along the Belt and Road Initiative. Through the combination of a series of prompt and effective countermeasures, China Ting's OEM/ODM business remained generally stable in the 1H2025.

In terms of domestic brand retail business, the Group intensified its efforts to shape its brand image and IP attribute in the 1H2025, and launched a series of fashionable and innovative apparel products to enhance its brand influence. Simultaneous efforts online and offline with multi-channel online presence significantly increased the sales volume and unit prices of the products. Meanwhile, it focused on key consumer sectors such as outdoor sports and exerted efforts precisely on functional apparel as a breakthrough to significantly boost brand sales performance.

Although the industrial park leasing segment, as impacted by the broader international political and economic environment, faced significant pressure in the first four months of 2025, with the situation of the tariff negotiations between China and the United States becoming increasingly clear and the uplifting confidence of the entrepreneurs in China, the leasing market was gradually recovering to the normal level. Despite a decline this year, the leasing prices remained generally stable, and the revenue from leasing business recorded a year-on-year increase.

## **FINANCIAL REVIEW**

### **Review of operations**

During the 1H2025, the Group's revenue amounted to HK\$899.0 million, representing an increase of 13.8%, as compared to HK\$789.9 million during the 1H2024. The gross profit for the 1H2025 was HK\$162.8 million, representing an increase of 13.1%, as compared to HK\$144.0 million for the 1H2024, including a fair value losses on investment properties amounting to HK\$8.5 million. The adjusted loss attributable to equity holders of the Company was HK\$55.9 million. The loss attributable to equity holders of the Company was HK\$85.1 million. Loss per share was 4.05 HK cents and net asset value per share attributable to equity holders of the Company was HK\$0.73.

### **OEM Business**

During the 1H2025, the turnover derived from the OEM business recorded an increase to HK\$477.6 million from HK\$474.5 million during the 1H2024. Apparel in silk, cotton and synthetic fabrics continues to be the major products of the Group, which contributed HK\$348.1 million (1H2024: HK\$299.9 million), representing 72.9% (1H2024: 63.2%) of the total turnover of the OEM business.

Customers from China and the United States continued to be the Group's principal market with sales amounted to HK\$413.8 million (1H2024: HK\$425.2 million), representing 86.6% (1H2024: 89.6%) of the total turnover of the OEM business. Sales to Europe and other countries were HK\$46.4 million (1H2024: HK\$31.1 million) and HK\$17.4 million (1H2024: HK\$18.2 million), respectively.

### **Fashion Retail Business**

During the 1H2025, the retail sales increased to HK\$351.8 million from HK\$288.8 million during the 1H2024. FINITY and Sprayground are the major brands of the Group, contributed HK\$271.1 million to the retail business, representing a slightly increase of 40.2%, as compared to HK\$193.4 million during the 1H2024.

In terms of retail revenue analysis by sales channels, sales from concessions amounted to HK\$88.1 million (1H2024: HK\$102.8 million), accounting for 25.0% of total retail turnover. Sales from free-standing stores, franchisees and e-commerce amounted to HK\$8.6 million (1H2024: HK\$8.0 million), HK\$56.7 million (1H2024: HK\$52.4 million) and HK\$198.4 million (1H2024: HK\$125.6 million), respectively.

## **Property Investment Business**

The Group has started the development of part of the Group's industrial complex into the China Ting International Fashion Base (華鼎國際時尚產業基地) in 2019. The main purpose of the China Ting International Fashion Base is to facilitate the regional development, fashion expert localisation and e-commerce development for the fashion industry. All these provide significant contributions to the fashion industry in Yu Hang District, Hangzhou, while facilitating the development of the Group's diversified business models.

During the 1H2025, the revenue from the property investment business amounted to HK\$69.6 million, representing an increase of 160.7%, as compared to HK\$26.7 million during the 1H2024.

## **Liquidity and Financial Resources**

During the 1H2025, the Group satisfied its working capital needs primarily from its business operations and external financial resources, including long-term and short-term bank borrowings, if the projected operating cash flow may not be sufficient to meet the requirements of the Group. As of 30 June 2025, the Group had cash and cash equivalents of HK\$195.7 million, representing an increase of HK\$55.2 million, as compared to HK\$140.5 million as of 31 December 2024. The Group's total bank borrowings were HK\$755.5 million (31 December 2024: HK\$599.5 million). The debt-to-equity ratio (total borrowings as a percentage of total equity) was 48.1% (31 December 2024: 38.1%). The increase in the debt-to-equity ratio was primarily due to the amount incurred for the China Ting Industrial Park, which has been completed for leasing/occupation. Additional information on the basis of preparation of the financial statements set forth in note 1 to interim condensed consolidated financial information of the Group. The Directors consider that, after taking into consideration the external banking facilities currently available and expected to be renewed and available and the internal financial resources of the Group, the Group has sufficient financial resources to support its working capital requirement for its business activities and commitments.

## **Contingent Liabilities**

The Group had no material contingent liabilities as of 30 June 2025.

## **BUSINESS OUTLOOK**

In the second half of 2025, the global economy will continue to be fraught with complexity and uncertainty. Geopolitical conflicts, trade protectionism and supply chain restructuring continue to challenge the traditional manufacturing industry, while adjustments in the domestic consumption structure continue to dampen the demand for non-essential consumer goods. Facing such environment, the Group will adhere to the principle of “seeking progress while maintaining stability, and innovating to make changes”, and take the three core strategies of global production capacity deployment, digital retail transformation and diversified industrial ecosystem, to proactively address challenges and capture opportunities, thereby promoting the high-quality and sustainable development of the Group.

In terms of the OEM/ODM business, the Group will accelerate the optimisation of the factory in Cambodia by introducing intelligent and lean production systems to improve production efficiency and product quality, and establish a core base for addressing trade barriers. The Group will deepen the collaboration with strategic customers in North America, Europe and the Regional Comprehensive Economic Partnership regions, focus on high-value-added orders, and strengthen the research and development of functional fabrics and intelligent wearables to establish differentiated advantages.

In terms of the domestic retail business, the Group will deepen omni-channel integration and brand upgrade, optimise offline experience with online social e-commerce and live streaming commerce, and leverage on big data to achieve precise marketing and inventory optimisation. Moreover, it will strengthen brand connotations through cross-industry collaborations and community operation, and promote the quick response for small orders and an agile supply chain to improve market response and operation efficiency.

In terms of the China Ting Industrial Park, the Group implemented precise investment promotion by focusing on introducing high-quality companies from upstream and downstream of the apparel industry chain to foster an industrial clustering effect and enhance the synergy between core businesses. Meanwhile, it was also actively promoting the introduction of leading companies in emerging industries such as biopharmaceuticals and chip computility to explore a diversified development path.

The Group calls on all employees to stay firmly confident, maintain strategic focus, and steadily advance all tasks with a global vision and innovative spirit to ensure the completion of the annual targets and create a future amid changes.

## **INTERIM DIVIDEND**

The Board does not recommend the payment of any interim dividend for the 1H2025.

## **HUMAN RESOURCES**

As of 30 June 2025, the Group employed a total of 4,410 employees in the Mainland China, Hong Kong, Cambodia, and the United States.

The Group recognises the importance of good relationships with its employees and has established an incentive bonus scheme for them, in which the benefits are determined based on the performance of the Group and individual employees, reviewable every year. The Directors believe that a comparative remuneration scheme, a safe and comfortable workplace, and career development opportunities are incentives for employees to excel in their areas of responsibilities.

Pursuant to the applicable laws and regulations, the Group has participated in relevant defined contribution retirement schemes administered by the Chinese government authorities for the Group's employees in the Mainland China. For the Group's employees in Hong Kong, all the arrangements pursuant to the mandatory provident fund requirements set forth under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) are duly implemented. The Group also paid and contributed the mandatory provident fund for its employees in Cambodia. There is no mandatory retirement scheme under the applicable laws and regulations in the United States and the states in which the Group has business presence. The Group has not provided any retirement scheme for its employees in the United States.

## **CAPITAL EXPENDITURE AND COMMITMENTS**

The Group exercised careful control over capital expenditure. The Group incurred capital expenditures of HK\$39.0 million for the 1H2025 which was primarily used in the expansion of the first phase of China Ting Industrial Park and the leasehold improvement of the Group's retail outlets and factories. Capital commitments contracted for but not incurred by the Group as of 30 June 2025 amounted to HK\$8.9 million, which were mainly related to the construction of the first phase of China Ting Industrial Park.

## **SUBSEQUENT EVENTS**

There were no material subsequent events undertaken by the Group after 30 June 2025 and up to date of this announcement.

## **CAPITAL STRUCTURE**

During the 1H2025, there has been no change in the capital structure of the Company. The capital of the Company comprises only ordinary shares.

## **TREASURY POLICIES AND EXPOSURE TO FLUCTUATION IN FOREIGN EXCHANGE RATES**

The Company uses Hong Kong dollars (“**HK\$**”) as its functional currency and the Group’s presentation currency. Since HK\$ was pegged against United States dollars (“**USD**”), the Directors consider the Group’s foreign currency exchange exposure arising from USD transactions to be minimal during the 1H2025.

The sales and purchase of raw materials of the Group are mainly denominated in USD and Renminbi (“**RMB**”). During the 1H2025, approximately 32.5% and 67.5% of revenue were denominated in USD and RMB, respectively, and approximately 8.3% and 91.7% of purchase of raw materials were denominated in USD and RMB, respectively.

As of 30 June 2025, approximately 30.6%, 67.2% and 2.2% of cash and cash equivalents and pledged bank deposits were denominated in USD, RMB and HK\$, respectively, and approximately 16.5% and 83.5% of bank borrowings were denominated in HK\$ and RMB, respectively.

Regarding the trade disputes between China and the United States, it is expected that on-going currency fluctuation of RMB against USD is unavoidable. To minimise the impact, the Group will monitor the foreign currency risk closely to ensure the net exposure is at an acceptable level. The Directors may consider using financial instruments to reduce the currency risk exposure when necessary. During the 1H2025, the Group did not use any financial instrument for hedging purpose.

## **PURCHASE, SALE AND REDEMPTION OF LISTED SECURITIES**

There was no purchase, sale or redemption by the Company or any of its subsidiaries of the listed securities (including the treasury shares) of the Company during the 1H2025.

## **REVIEW OF INTERIM RESULTS**

The audit committee (the “**Audit Committee**”) of the Company has reviewed with the management of the Company the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters with the management including the review of the unaudited interim financial information. The Audit Committee has reviewed the unaudited interim financial information for the 1H2025.

BDO Limited, the external auditors of the Company, have reviewed the unaudited interim condensed consolidated financial information for the 1H2025 in accordance with Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants.

## CORPORATE GOVERNANCE CODE

The Board is committed to enhancing the corporate governance of the Group, and the Group reviews and updates all such necessary measures in order to promote good corporate governance. The Company has complied with the applicable code provisions of the Corporate Governance Code as set forth in Part 2 of Appendix C1 to The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) during the 1H2025.

## 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 forth in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions by the Directors. Having made specific enquiries to the Directors, all Directors confirmed that they had complied with the required standard of dealings as set forth in the Model Code during the 1H2025.

## PUBLICATION OF THE INTERIM REPORT

An interim report of the Company for the 1H2025 containing all the relevant information required by Appendix D2 to the Listing Rules and other applicable laws and regulations will be published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.chinating.com.hk](http://www.chinating.com.hk)) in due course.

By Order of the Board  
**CHINA TING GROUP HOLDINGS LIMITED**  
**TING Hung Yi**  
*Executive Director and Chief Executive Officer*

Hong Kong, 29 August 2025

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

*Executive Directors:*

Mr. TING Man Yi (*Chairman*)  
Mr. TING Hung Yi (*Chief Executive Officer*)  
Mr. DING Jianer  
Mr. CHEUNG Ting Yin, Peter

*Independent non-executive Directors:*

Mr. WONG Chi Keung  
Mr. LEUNG Man Kit  
Ms. LI Yuet Mui, Xera