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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)

ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025

FINANCIAL HIGHLIGHTS	Year ended 31 December		% Change
	2025	2024	
	HK\$ million	HK\$ million	
Revenue			
OEM Business	891.0	930.0	(4.2)
Fashion Retail Business	649.1	579.0	12.1
Property Investment Business	95.6	96.4	(0.8)
	<u>1,635.7</u>	<u>1,605.4</u>	
Operating loss	(182.4)	(434.6)	
Significant items:			
Government grants	(69.6)	(8.1)	
Fair value losses on investment properties	11.5	113.4	
(Reversal of)/Provision for impairment loss of financial assets, net	6.2	(9.9)	
Provision for impairment loss of non-financial assets	74.5	79.2	
Provision for impairment loss of investment in associate	—	8.7	
Operating Loss before the significant items	(159.8)	(251.3)	
Equity attributable to the Company's equity holders	1,513.4	1,559.8	
Equity per share (HK\$)	0.73	0.75	

The board (the “**Board**”) of directors (the “**Directors**”) of China Ting Group Holdings Limited (the “**Company**” or “**China Ting**”) announces the consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2025 (the “**FY2025**”), together with the comparative figures for the year ended 31 December 2024 (the “**FY2024**”), as follows:

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2025

	<i>Note</i>	2025 <i>HK\$’000</i>	2024 <i>HK\$’000</i>
ASSETS			
Non-current assets			
Property, plant and equipment		623,163	729,364
Right-of-use assets		125,940	147,618
Investment properties		1,196,581	1,062,513
Intangible assets		902	2,644
Investments accounted for using the equity method		1,075	224
Deferred income tax assets		32,333	16,540
		<u>1,979,994</u>	<u>1,958,903</u>
Current assets			
Inventories		617,559	688,700
Trade and other receivables	<i>9</i>	452,061	449,391
Financial assets at fair value through profit or loss (“ FVPL ”)		12,792	9,881
Financial assets at fair value through other comprehensive income (“ FVOCI ”)		655	3,114
Assets classified as held for sale		—	5,914
Other tax recoverable		26,133	28,403
Pledged bank deposits		214	131
Cash and cash equivalents		178,937	140,510
		<u>1,288,351</u>	<u>1,326,044</u>
Total assets		<u>3,268,345</u>	<u>3,284,947</u>

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2025

	<i>Note</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
EQUITY			
Equity attributable to equity holders of the Company			
Share capital		209,982	209,982
Reserves		1,303,388	1,349,784
		1,513,370	1,559,766
Non-controlling interests		23,635	11,902
Total equity		1,537,005	1,571,668
LIABILITIES			
Non-current liabilities			
Deferred income tax liabilities		171,802	158,320
Bank borrowings		194,314	185,797
Lease liabilities		17,200	27,764
		383,316	371,881
Current liabilities			
Trade and other payables	<i>10</i>	654,881	744,509
Contract liabilities		59,355	48,345
Lease liabilities		20,419	26,646
Bank borrowings		576,444	413,709
Current income tax liabilities		36,925	108,189
		1,348,024	1,341,398
Total liabilities		1,731,340	1,713,279
Total equity and liabilities		3,268,345	3,284,947

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025

	<i>Note</i>	2025 HK\$'000	2024 <i>HK\$'000</i>
Revenue	3	1,635,653	1,605,353
Cost of sales		(1,320,661)	(1,314,967)
Gross profit		314,992	290,386
Other income, net	4	96,505	16,093
Other gains/(losses), net	5	9,873	(115,398)
(Provision for)/reversal of impairment loss of financial assets, net		(6,205)	9,922
Provision for impairment loss of non-financial assets		(74,503)	(79,233)
Provision for impairment loss of investment in associate		—	(8,657)
Selling, marketing and distribution costs		(270,003)	(303,149)
Administrative expenses		(253,043)	(244,561)
Operating loss		(182,384)	(434,597)
Finance income	6	517	5,009
Finance costs	6	(26,665)	(22,377)
Share of results of investments accounted for using the equity method		834	(110)
Loss before income tax		(207,698)	(452,075)
Income tax credit/(expense)	7	78,346	(32,633)
Loss for the year		(129,352)	(484,708)
Other comprehensive income			
<i>Items that may be reclassified to profit or loss:</i>			
— Currency translation differences		53,935	(44,089)
— Fair value gains on transfers of owner-occupied properties to investment properties, net of tax		43,222	100,938
<i>Item that will not be reclassified subsequently to profit or loss:</i>			
— Fair value losses on FVOCI		(2,468)	(4,703)
Other comprehensive income, net of tax		94,689	52,146
Total comprehensive loss		(34,663)	(432,562)

	<i>Note</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Loss attributable to:			
Equity holders of the Company		(140,594)	(481,425)
Non-controlling interests		11,242	(3,283)
		<u>(129,352)</u>	<u>(484,708)</u>
Total comprehensive loss attributable to:			
Equity holders of the Company		(46,396)	(430,382)
Non-controlling interests		11,733	(2,180)
		<u>(34,663)</u>	<u>(432,562)</u>
Loss per share for loss attributable to equity holders of the Company during the year (expressed in HK cents per share)			
— basic	<i>8</i>	<u>6.70</u>	<u>22.93</u>
— diluted	<i>8</i>	<u>6.70</u>	<u>22.93</u>

1. GENERAL INFORMATION

China Ting Group Holdings Limited (the “Company”) was incorporated in the Cayman Islands on 31 May 2005 as an exempted company with limited liability under the Companies Law (Cap. 22, Law 3 of 1961, as combined and revised) of the Cayman Islands. The address of the Company’s registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, George Town, Grand Cayman KY1-1111, Cayman Islands. The Company and its subsidiaries (together, the “Group”) are engaged in manufacturing and sales of garments and property investment. The Company’s shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 15 December 2005 (the “Listing”).

The Company’s parent is Longerview Investment Limited (incorporated in British Virgin Islands) and the directors consider its ultimate parent is also Longerview Investment Limited.

These consolidated financial statements are presented in Hong Kong dollars (“HK\$”), unless otherwise stated.

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES

2.1 Basis of preparation

- (i) The Group incurred a net loss of HK\$129,352,000 for the year ended 31 December 2025, and as of that date, the Group had net current liabilities of HK\$59,673,000. As at 31 December 2025, the Group had current bank borrowings of HK\$576,444,000, while its cash and cash equivalents amounted to HK\$178,937,000. These events or conditions may cast significant doubt on the Group’s ability to continue as a going concern.

In view of these circumstances, 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 to meet its liabilities as and when they fall due in the foreseeable future, after taking into account the following:

- (a) the Group is actively exploring new financing from banks including loans and facilities to meet its operation needs and the repayment of existing loans upon their maturities;
- (b) the Group has implemented cost-saving measures to maintain sufficient cash flows to support its ongoing operation;
- (c) the Group will implement various operational control measures, including the streamlining and restructuring operating units, and to adjust the pace of business expansion in response to prevailing market conditions and the Group’s cash flow requirements; and
- (d) the Group is considering the disposal of certain property assets, including investment properties, to generate funds and improve its liquidity position.

The directors of the Company have prepared a cash flow forecast for the Group covering a period of up to 30 June 2027. In the opinion of the directors, taking into account the abovementioned plans and measures, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due. Accordingly, the directors of the Company consider that it is appropriate to prepare the consolidated financial statements on a going concern basis.

Notwithstanding the above, the use of the going concern basis depends on successful implementation of the plans and measures described above. There are uncertainties inherently associated with their future outcomes, including the timely and successful securing of new financing from banks as and when needed, the effective implementation of cost-saving and operational control measures to enable the Group to generate sufficient operating cash flows, the timely and successful disposal of its property assets to generate additional funds should the need arise.

These indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern, and therefore the Group may not be able to realise its assets and 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 values 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 consolidated financial statement.

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ('HKASs') and Interpretations (hereinafter collectively referred to as the 'HKFRS Accounting Standards') issued by the Hong Kong Institute of Certified Public Accountant ('HKICPA'). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The preparation of consolidated financial statements in accordance with HKFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires the Company's management to exercise judgement in applying the accounting policies.

(ii) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following (refer to individual accounting policies for details):

- certain financial assets, certain classes of property, plant and equipment, and investment property — measured at fair value or revalued amount
- assets held for sale — measured at the lower of carrying amount and fair value less costs to sell

(iii) New and amended standards adopted by the Group

The following new and amended standards have been adopted by the Group for the first time for the financial year beginning on or after 1 January 2025:

HKAS 21 and HKFRS 1 (Amendments) Lack of Exchangeability

Adoption of these amendments to HKFRS Accounting Standards had no material impact on the Group's consolidated financial statements.

(iv) New and amended standards and interpretations not yet adopted

Certain amendments to accounting standards and interpretation have been published that are not mandatory for the financial year beginning on 1 January 2025 and have not been early adopted by the Group. These amendments are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Standards	Subject of amendment	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
HKFRS 9 and HKFRS 7 (Amendments)	Contracts Referencing Nature-dependent Electricity	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 2027
HKFRS 19 and its amendments	Subsidiaries without Public Accountability: Disclosure	1 January 2027
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency	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

The directors of the Company are in the process of assessing the potential impact of the above, other than HKFRS 18 and amendments to HKFRS 9 and HKFRS 7 “Amendments to the Classification and Measurement of Financial Instruments”, the directors do not anticipate that the application of all new and amendments to HKFRS Accounting Standards will have material impact on the consolidated financial statements in the foreseeable future.

3. SEGMENT INFORMATION

	OEM <i>HK\$'000</i>	Retail <i>HK\$'000</i>	Property investment <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 31 December 2025				
Total revenue	1,245,791	650,223	100,976	1,996,990
Inter-segment revenue	<u>(354,819)</u>	<u>(1,108)</u>	<u>(5,410)</u>	<u>(361,337)</u>
Revenue (from external customers)	<u>890,972</u>	<u>649,115</u>	<u>95,566</u>	<u>1,635,653</u>
Timing of revenue recognition				
At a point in time	890,972	649,115	—	1,540,087
Over time	<u>—</u>	<u>—</u>	<u>95,566</u>	<u>95,566</u>
	<u>890,972</u>	<u>649,115</u>	<u>95,566</u>	<u>1,635,653</u>
Segment (loss)/profit before income tax	<u>(88,875)</u>	<u>(126,895)</u>	<u>24,418</u>	<u>(191,352)</u>
Fair value losses on investment properties	—	—	(11,998)	(11,998)
Depreciation of property, plant and equipment	65,424	15,864	13,770	95,058
Depreciation of right-of-use assets	9,579	7,907	646	18,132
Provision for impairment loss of non-financial assets	(57,048)	(17,455)	—	(74,503)
Amortisation of intangible assets	1,024	268	—	1,292
Finance income	423	79	15	517
Finance costs	(14,534)	(11,930)	(201)	(26,665)
Share of results of investments accounted for using the equity method	834	—	—	834
Income tax credit/(expense)	<u>72,173</u>	<u>7,523</u>	<u>(1,350)</u>	<u>78,346</u>
At 31 December 2024				
Total revenue	1,260,280	584,597	102,375	1,947,252
Inter-segment revenue	<u>(330,311)</u>	<u>(5,644)</u>	<u>(5,944)</u>	<u>(341,899)</u>
Revenue (from external customers)	<u>929,969</u>	<u>578,953</u>	<u>96,431</u>	<u>1,605,353</u>
Timing of revenue recognition				
At a point in time	929,969	578,953	—	1,508,922
Over time	<u>—</u>	<u>—</u>	<u>96,431</u>	<u>96,431</u>
	<u>929,969</u>	<u>578,953</u>	<u>96,431</u>	<u>1,605,353</u>
Segment (loss)/profit before income tax	<u>(290,540)</u>	<u>(118,474)</u>	<u>(34,677)</u>	<u>(443,691)</u>

	OEM <i>HK\$'000</i>	Retail <i>HK\$'000</i>	Property investment <i>HK\$'000</i>	Total <i>HK\$'000</i>
Fair value losses on investment properties	—	—	(113,369)	(113,369)
Depreciation of property, plant and equipment	(42,458)	(19,206)	(13,682)	(75,346)
Depreciation of right-of-use assets	(12,514)	(21,114)	(17)	(33,645)
Provision for impairment loss of non-financial assets	(41,437)	(37,796)	—	(79,233)
Amortisation of intangible assets	(933)	(270)	—	(1,203)
Finance income	4,885	70	54	5,009
Finance costs	(9,901)	(12,476)	—	(22,377)
Share of results of investments accounted for using the equity method	(110)	—	—	(110)
Provision for impairment loss of investment in an associate	(8,657)	—	—	(8,657)
Income tax expense	(13,108)	(31,966)	12,549	(32,525)
	<u>2,010,539</u>	<u>728,173</u>	<u>493,361</u>	<u>3,232,073</u>
At 31 December 2025				
Total segment assets	<u>2,010,539</u>	<u>728,173</u>	<u>493,361</u>	<u>3,232,073</u>
Total segment assets include:				
Investments accounted for using the equity method	1,075	—	—	1,075
Additions to non-current assets (other than financial instruments and deferred income tax assets)	79,121	20,052	60,817	159,990
Other tax recoverable	21,837	4,153	143	26,133
Deferred income tax assets	26,844	5,294	195	32,333
	<u>2,028,102</u>	<u>752,208</u>	<u>468,863</u>	<u>3,249,173</u>
At 31 December 2024				
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
Other tax recoverable	25,859	2,544	—	28,403
Deferred income tax assets	14,394	2,146	—	16,540

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

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Total segment loss before income tax	(191,352)	(443,691)
Net fair value gains on FVPL	3,079	965
Corporate overhead	(19,425)	(9,349)
	<u>(207,698)</u>	<u>(452,075)</u>

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

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Total segment assets	3,232,073	3,249,173
FVPL	12,792	9,881
FVOCI	655	3,114
Corporate assets	22,825	22,779
	<u>3,268,345</u>	<u>3,284,947</u>

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

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Chinese Mainland	1,109,886	1,154,137
North America	376,324	323,958
European Union	102,090	84,875
Hong Kong	34,019	36,319
Other countries	13,334	6,064
	<u>1,635,653</u>	<u>1,605,353</u>

The total of non-current assets other than investments accounted for using the equity method and deferred income tax assets are located in the following geographical areas:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Chinese Mainland	1,763,298	1,742,585
Hong Kong	128,225	154,006
North America	55,063	45,548
	<u>1,946,586</u>	<u>1,942,139</u>

For the years ended 31 December 2025 and 2024, there is no customer individually accounted for more than 10% of the Group's total revenue.

The contract liabilities represent the advance payments received from counterparties for goods or services that have not yet been transferred or provided to the counterparties. As at 31 December 2025, the Group has recognised the following liabilities related to contracts with customers:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current contract liabilities	<u>59,355</u>	<u>48,345</u>

Included in the contract liabilities, there was an amount due to a related party amounted to approximately HK\$1,107,000 as at 31 December 2025. The amount is unsecured, interest-free and repayable on demand.

The following table shows the amount of revenue recognised during the year ended 31 December 2025 relating to carried-forward contract liabilities:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	<u>48,345</u>	<u>45,476</u>

The Group expects the performance obligations under the contracts with customers to be satisfied primarily over a period of one year.

4. OTHER INCOME, NET

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Government grants	69,587	8,132
Rental income	19,443	7,083
Write-off of an other payable	7,475	—
Others	—	878
	<u>96,505</u>	<u>16,093</u>

Note:

Government grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchases of property, plant and equipment are deducted from the carrying amount of the relevant assets. Such grant is recognised in the profit or loss over the life of the depreciable asset as a reduced depreciation expense.

5. OTHER GAINS/(LOSSES), NET

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Net exchange gains	6,116	5,056
Net fair value gains on FVPL — realised	935	21
Net fair value gains on FVPL — unrealised	2,144	944
Fair value losses on investment properties	(11,998)	(113,369)
Gain/(loss) on disposal of property, plant and equipment	12,567	(11,773)
Loss on early termination of leases	—	(271)
Loss on disposal of intangible assets	—	(59)
Modification of lease contract	17	3,321
Others	92	732
	<u>9,873</u>	<u>(115,398)</u>

6. FINANCE (COSTS)/INCOME, NET

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Finance income — interest income on — bank deposits	517	5,009
Finance costs — interest expenses on — bank borrowings	(25,194)	(22,070)
— lease liabilities	(1,610)	(2,291)
	<u>(26,804)</u>	<u>(24,361)</u>
— amount capitalised (<i>Note</i>)	139	1,984
	<u>(26,665)</u>	<u>(22,377)</u>
Finance (costs)/income, net	<u>(26,148)</u>	<u>(17,368)</u>

Note: The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the Group's borrowings during the year, in this case 3.27% (2024: 3.73%).

7. INCOME TAX (CREDIT)/EXPENSE

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current income tax		
— Hong Kong profits tax (<i>Note (a)</i>)	(193)	2,487
— Chinese Mainland enterprise income tax (<i>Note (b)</i>)	(60,893)	21,384
— Withholding tax	2,910	—
Deferred income tax	<u>(20,305)</u>	<u>8,762</u>
	<u>(78,481)</u>	<u>32,633</u>

Notes:

- (a) Hong Kong profits tax has been provided for at the rate of 8.25% on the estimated assessable profit up to HK\$2,000,000 and 16.5% on any part of estimated assessable profit over HK\$2,000,000 for the year ended 31 December 2025 (2024: Same).
- (b) Chinese Mainland enterprise income tax is calculated based on the statutory profits of subsidiaries incorporated in Chinese Mainland in accordance with Chinese Mainland tax laws and regulations. The standard PRC enterprise income tax rate is 25% during the years ended 31 December 2025 and 2024. Certain of the Group's subsidiaries enjoy the preferential income tax treatment for Small and Micro Enterprise with the income tax rate of 20% and are eligible to have their tax calculated based on 12.5% or 25% of their taxable income.

8. 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\$140,594,000 (2024: loss of HK\$481,425,000) and weighted average number of ordinary shares in issue during the year of 2,099,818,000 (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 years ended 31 December 2025 and 2024, there were no dilutive potential ordinary shares deemed to be issued under the share option scheme as there are no outstanding options during the years ended 31 December 2025 and 2024.

9. TRADE AND OTHER RECEIVABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade and bill receivables (<i>Note (a)</i>)	330,889	360,919
Less: Loss allowance	<u>(101,787)</u>	<u>(84,958)</u>
Trade and bill receivables, net	<u>229,102</u>	<u>275,961</u>
Amounts due from related parties	17,308	23,214
Prepayments	65,573	57,441
Deposits and other receivables	141,445	94,079
Less: Loss allowance	<u>(1,367)</u>	<u>(1,304)</u>
	<u>222,959</u>	<u>173,430</u>
	<u><u>452,061</u></u>	<u><u>449,391</u></u>

The amounts due from related parties are unsecured, interest-free and repayable on demand.

Notes:

(a) Trade and bill receivables

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

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
0 to 60 days	177,646	216,877
61 to 120 days	34,815	46,419
121 to 180 days	9,128	31,654
Over 180 days	<u>109,300</u>	<u>65,969</u>
	<u><u>330,889</u></u>	<u><u>360,919</u></u>

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection of trade receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Details about the Group's impairment policies and the calculation of the loss allowance are provided in Note 3.1(b).

For OEM garment sales, the Group's trade receivables from its customers are generally settled by way of letters of credit or telegraphic transfer with credit periods of not more than 90 days.

For sales of branded fashion apparel to franchisees, the Group normally requests payments in advance or deposits from such customers, with the remaining balances settled immediately upon delivery of goods. The Group also grants open account terms of 30 credit days to long-established customers with good repayment history.

Retail sales are settled in cash, by credit cards, through internet payment service providers or collected by department stores/online retailers on behalf of the Group. The agreed credit terms with credit card companies are usually within 14 days. Department stores and online retailers are normally required to settle the proceeds to the Group within 2 months from the date of sale.

Bill receivables are with average maturity within 2 months.

The carrying amounts of trade and other receivables approximate their fair values.

Included in the trade receivables, there were amounts due from related parties amounted to HK\$8,308,000 as at 31 December 2025.

Movements on the allowance for impairment of trade receivables are as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
At 1 January	84,958	187,810
Charged/(credited) to the consolidated profit or loss	14,893	(1,490)
Write-off	—	(101,174)
Exchange differences	1,936	(188)
	<u>101,787</u>	<u>84,958</u>
At 31 December	<u>101,787</u>	<u>84,958</u>

The carrying amounts of the Group's net trade and other receivables (excluding prepayments) are denominated in the following currencies:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
HK\$	411	620
RMB	312,655	161,494
US\$	73,422	229,836
	<u>386,488</u>	<u>391,950</u>

10. TRADE AND OTHER PAYABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade and bill payables	370,878	387,934
Accrued employee benefit expenses	40,489	31,650
Customer deposits	70,747	64,949
VAT and other tax payables	24,704	19,457
Accrued operating expenses	29,700	52,458
Other payables	100,337	181,425
Amounts due to related parties	18,026	6,636
	<u>654,881</u>	<u>744,509</u>

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

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
0 to 30 days	205,311	242,760
31 to 60 days	33,910	25,402
61 to 90 days	24,957	87,469
Over 90 days	106,700	32,303
	<u>370,878</u>	<u>387,934</u>

Bill payables are with average maturity dates of within 2 months.

The amounts due to related parties are unsecured, interest-free and repayable on demand.

The carrying amounts of the Group's trade and other payables (excluding accrued employee benefit expenses and VAT and other tax payables) are denominated in the following currencies:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
HK\$	30,279	10,610
RMB	529,585	667,325
Other currencies	29,824	15,467
	<u>589,688</u>	<u>693,402</u>

MANAGEMENT DISCUSSION AND ANALYSIS

(1) Business Review

In 2025, the global apparel industry continued to reshape, with diverging demand in the European and American markets, normalisation of the trade barriers and tariffs and increasing focus on the regional layout of the supply chains. While the domestic apparel consumption showed a moderate recovery driven by the policy support, intensified consumer segmentation and fierce competition continued in the industry. Facing a complex and volatile business environment, the Chinese apparel industry as a whole moved forward under the pressure primarily on the relocation of the production capacity to overseas. These developments squeezed the profit margins, making the industrial transformation and upgrading and refining operation the keys to breaking through these challenges.

Against this backdrop, the Group's foreign trade segment continued to advance the development of its overseas supply chain system, leveraging its established production base in Cambodia to enhance the operational flexibility and the manufacturing capability. During the year, the Group further optimised the coordination between its domestic and overseas teams and continued to upgrade its information management system, with a view to improving order fulfillment efficiency and product quality. At the same time, the Group actively explored opportunities in emerging markets in order to diversify the international trade risks and broaden its customer base.

Nevertheless, amid weaker market demand and intensified competition, the OEM segment recorded sales of HK\$891.0 million, representing a year-on-year decrease of 4.2%. Despite the decline in revenue, the overseas production base remained an important pillar of the Group's foreign trade operations, supporting its ongoing capacity adjustment, supply chain optimisation and long-term strategic cooperation with major international apparel customers. The Directors believe that these will provide a firm foundation for the segment's future development.

The domestic retail business moved beyond a period of stability and ushered in a period of structural quality improvement and growth. Faced with the gradual easing of sluggish domestic consumption and the rise of consumption demand for quality and personalised products, China Ting's retail team spent further efforts on product research and development and innovation, focused on the creation of blockbuster products in niche markets, optimised the multi-channel supply chain system, controlled and improved the inventory turnover efficiency and increased investment in new retail models, such as live-streaming e-commerce and private domain operations, to precisely reach core consumer groups. Through various initiatives for refined operation, the retail business managed to achieve growth in both revenue and profit against the pressure on gross profit margins, recording total domestic retail sales of RMB649.1 in 2025, representing a year-on-year increase of 12.1%, with the core competitiveness of the retail segment continuing to strengthen.

The Group's industrial park on Beisha East Road achieved a breakthrough in investment promotion in 2025, completely overcoming the market downturn last year. With the recovery of the domestic economy, the industrial plant leasing market continued to pick up, and by virtue of the superior infrastructure facilities, comprehensive supporting services, and the continued release of the industrial agglomeration effect in the industrial park, it had seen accelerated tenant recruitment and improved tenant quality. By the end of 2025, the Group had leased out over 390,000 square meters in the industrial park, with an overall occupancy rate of more than 75.0%, indicating that the industrial park had entered into a period of stable operation and become an important pillar for the Group's diversified operation.

(2) Financial Review

Review of operations

During the FY2025, the Group's revenue amounted to HK\$1,635.7 million, representing a slight increase of 1.9%, as compared to the total revenue of the Group of HK\$1,605.4 million for the FY2024. The gross profit for the FY2025 was HK\$315.0 million, representing an increase of 8.5%, as compared to HK\$290.4 million for the FY2024. The loss attributable to the equity holders of the Company for the FY2025 was HK\$140.6 million and the net asset value per share as of 31 December 2025 was HK\$0.73.

OEM business

The revenue derived from the OEM business recorded a decrease of 4.2% from HK\$930.0 million for the FY2024 to HK\$891.0 million for the FY2025. Products made from silk, cotton and synthetic fabrics continued to be the major products which contributed HK\$617.7 million (FY2024: HK\$635.1 million), representing 69.3% (FY2024: 68.3%) of the total revenue of the OEM business for the FY2025.

Sales to the North American countries amounted to HK\$376.3 million for the FY2025 (FY2024: HK\$324.0 million), which accounted for 42.2% (FY2024: 34.8%) of the total revenue of the OEM business. Sales to the European countries and other markets for the FY2025 were HK\$102.1 million (FY2024: HK\$84.9 million) and HK\$412.6 million (FY2024: HK\$521.1 million), respectively.

Retail business

During the FY2025, the revenue generated from the retail business of the Group in the PRC amounted to HK\$649.1 million, representing an increase of 12.1%, as compared to HK\$579.0 million for the FY2024. Finity, the major brand of the Group, contributed HK\$199.4 million to the retail business for the FY2025, representing a decrease of 3.6%, as compared to HK\$206.9 million for the FY2024.

In terms of the retail revenue analysis by sales channels, sales from e-commerce amounted to HK\$389.7 million (FY2024: HK\$303.7 million), accounting for 60.1% of total retail revenue for the FY2025. Sales from concessionary counters, self-operated stores and franchisees for the FY2025 amounted to HK\$259.3million (FY2024: HK\$275.3 million).

Property investment business

The Group has changed the usage of part of the industrial complex to the China Ting International Fashion Base (華鼎國際時尚產業基地) since 2019. The China Ting International Fashion Base is designed to facilitate the regional development, pooling of fashion experts and design brands and e-commerce development of the fashion industry. All these provide significant contribution to the fashion industry in Yu Hang District, Hangzhou, while allowing the Group to diversify its business activities and enhance revenue.

During the FY2025, the revenue from the property investment business amounted to HK\$95.6 million, representing a slight decrease of 0.8% as compared to HK\$96.4 million for the FY2024.

Liquidity and financial resources

The Group continues to maintain a solid financial position. During the FY2025, the Group's working capital needs were principally supported by the financial resources generated from its ordinary course of business. As of 31 December 2025, the cash and cash equivalents were HK\$178.9 million, representing an increase of 27.3% from HK\$140.5 million as of 31 December 2024. The Group had bank borrowings of HK\$770.8 million as of 31 December 2025 (31 December 2024: HK\$599.5 million). As of 31 December 2025, the debt to equity ratio (total borrowings as a percentage of total equity) was 51.3% (31 December 2024: 38.1%). The Directors consider that the Group has adequate financial resources to support its working capital requirement and future expansion.

(3) Business outlook

The global economy in 2026 would enter into a critical phase characterised by the “existence of both differentiated recovery and risks”. Major economies have been making policy adjustments at different paces, the lingering effects of the geopolitical conflicts will continue to disrupt the international market, and the trade protectionism has been exhibiting the new characteristics of “precision and regionalisation”. The global apparel supply chain is expected to accelerate its transformation towards “diversification and near-shore trade”. The domestic economy has been on the rise, and the trend of consumption upgrading will further go deep, with the size of the apparel market expected to break RMB4.5 trillion, the proportion of the online channels is likely to reach 65%, and the consumer demand

for “high-quality, personalised and green” products will become the core driver of the market. Against the backdrop of such new industry landscape, the Group will continue to focus on its existing advantages, implement strategic breakthroughs and strive to achieve high-quality development.

In terms of the foreign trade segment, the Group will increase its efforts on the dual growth engines of “base upgrading + research and development (R&D) innovation”. The Group will continuously improve the production capacity, quality control and delivery management of its Cambodian base to effectively get rid of trade barriers and logistical risks. Meanwhile, the Group will increase investment in the R&D of new products, and leverage both “Intelligent Manufacturing in China” and “Quality Manufacturing in China” to jointly ensure the steady growth of the foreign trade business.

In terms of the domestic retail business, the Group will focus on “niche segments + brand penetration”. Adhering to its multi-brand strategy, the Group will prioritise the expansion into the three high-growth segments of outdoor sportswear, smart wearables and green and environmentally friendly products, on the basis of consolidating advantageous brands. The Group will deepen the “online-offline integration” operations by upgrading offline stores to accommodate multi-functional spaces combining “experience + service + social interaction”, while strengthening content marketing and private domain operations online to achieve compound growth both online and offline. Furthermore, by riding on the increasing popularity of domestic brands, the Group will delve into Chinese cultural elements to create blockbuster products with national characteristics, thereby enhancing brand reputation and customer loyalty.

In terms of the industrial park segment, the Group will focus on “ecosystem building + targeted investment promotion”. The Group will target high-quality enterprises across the apparel industry chain, and prioritise the recruitment of supporting service providers in design and R&D, intelligent manufacturing, brand operation and logistics, to create a complete industrial ecosystem with full coverage on “R&D — production — sales — services”. Meanwhile, the Group will optimise the supporting facilities in the industrial park to achieve steady growth in rental income, thus making it a stable source of profit for the Group.

(4) Human resources

As of 31 December 2025, the Group had 4,392 full-time employees. Staff costs for the FY2025 stand at HK\$393.3 million, representing a slight increase of 0.3%, as compared to HK\$392.1 million for the FY2024.

The Group recognises the importance of good relationships with its employees and has adopted an incentive bonus scheme for them, under which bonuses are determined every year based on the performance of individual employees and with reference to the Group's annual profits and performance. The Directors believe that a competitive remuneration package, 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 administrated by the Chinese government authorities for the Group's employees in 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. There is no mandatory retirement schemes under the applicable laws and regulations in the United States (the "US"). The Group has not implemented retirement schemes for the Group's employees in the US.

CAPITAL EXPENDITURE AND COMMITMENTS

The Group exercised careful control over capital expenditure. The Group incurred capital expenditures of HK\$85.9 million for the FY2025 which was primarily used in the expansion of the China Ting International Fashion Base and the leasehold improvement of the Group's retail outlets and factories. Capital commitments contracted for but not incurred by the Group as of 31 December 2025 amounted to HK\$7.4 million, which were mainly related to the construction of the China Ting International Fashion Base.

FINAL DIVIDEND

The Board does not recommend any final dividend of the Company for the FY2025.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES

The Group did not have any significant investment, material acquisition or disposal during the FY2025.

TREASURY POLICIES AND EXPOSURE TO FLUCTUATION IN EXCHANGE RATE

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 year.

The sales and purchase of raw materials of the Group are mainly denominated in USD and Renminbi (“**RMB**”). During the FY2025, 38.5% and 61.5% of revenue were denominated in USD and RMB, respectively, and 17.3% and 82.7% of purchase of raw materials were denominated in USD and RMB respectively.

As of 31 December 2025, 15.2%, 82.0% and 2.8% of cash and bank balances were denominated in USD, RMB and HK\$, respectively, and 86.2% and 13.8% of bank borrowings were denominated in RMB and HK\$, respectively.

Regarding the trade disputes between China and the US, it is expected that on-going currency fluctuation of RMB against USD is unavoidable. To minimise the impact, we 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.

SUBSEQUENT EVENT

There was no material subsequent event undertaken by the Group after 31 December 2025 and up to the date of this announcement.

CORPORATE GOVERNANCE

The Board is committed to enhancing the corporate governance of the Group in internal control and compliance; adhere to business code of ethics and advocate environmental awareness. The Group periodically reviews, updates and improve all such necessary measures with reference to the latest corporate governance developments in order to promote good corporate governance.

The Company has complied with the 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 FY2025.

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 with the Directors, all the Directors confirmed that they have complied with the required standard as set forth in the Model Code during the FY2025.

AUDIT COMMITTEE

The Company has established the audit committee (the “**Audit Committee**”) of the Board to review the financial reporting procedures and risk management and internal control matters with management and our Group’s auditors and provide guidance thereto. The members of the Audit Committee comprise three independent non-executive Directors namely, Mr. WONG Chi Keung, Mr. LEUNG Man Kit and Ms. LI Yuet Mui, Xera. Mr. WONG Chi Keung is the chairman of the Audit Committee. The Audit Committee has considered and reviewed the annual results of the Group for the FY2025 and the accounting principles and practices adopted by the Group and discussed matters in relation to risk management and internal control and financial reporting with the management and the independent auditor.

SCOPE OF WORK OF BDO LIMITED

The financial figures in respect of the Group’s consolidated statement of comprehensive income, consolidated balance sheet and the related notes thereto for the FY2025 as set forth in this preliminary announcement have been agreed by the Group’s auditor, BDO Limited (“**BDO**”), to the amounts set forth in the Group’s draft consolidated financial statements for the year. The work performed by BDO in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA, and consequently no assurance has been expressed by BDO on this preliminary announcement.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities (including the sale of treasury shares) of the Company during the FY2025.

PUBLICATION OF ANNUAL REPORT

The annual report of the Company for the FY2025 containing all the information required by the Listing Rules and other applicable laws and regulations will be published on the websites of the Company and The Stock Exchange of Hong Kong Limited in due course.

ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS

The annual general meeting (the “AGM”) of the Company will be held on Friday, 29 May 2026. The register of members of the Company will be closed from Tuesday, 26 May 2026 to Friday, 29 May 2026 (both days inclusive), during which period no transfer of shares will be effected. The record date for the entitlement to attend and vote at the AGM is Friday, 29 May 2026. In order to determine the entitlement to attend and vote at the AGM, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Friday, 22 May 2026.

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

Hong Kong, 31 March 2026

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