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晶苑國際集團有限公司*
CRYSTAL INTERNATIONAL GROUP LIMITED

*(Incorporated in Bermuda with limited liability and
registered by way of continuation in the Cayman Islands)*

(Stock code: 2232)

**ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025**

FINANCIAL HIGHLIGHTS

- Revenue for the year ended 31 December 2025 amounted to US\$2,641 million (2024: US\$2,470 million).
- Net profit for the year ended 31 December 2025 amounted to US\$225 million (2024: US\$201 million).
- Proposed to declare a final dividend of HK24.5 cents (approximately US3.1 cents) per ordinary share. Together with the interim dividend paid, total dividend per ordinary share for the year ended 31 December 2025 would amount to HK40.8 cents (2024: HK38.3 cents).

ANNUAL RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of Crystal International Group Limited (the “**Company**”) is pleased to announce the audited consolidated financial results of the Company and its subsidiaries (together, the “**Group**” or “**Crystal**”) for the year ended 31 December 2025, together with the comparative figures for the year ended 31 December 2024.

* *For identification purposes only*

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**

FOR THE YEAR ENDED 31 DECEMBER 2025

| | <i>NOTES</i> | 2025 <i>US\$'000</i> | 2024 <i>US\$'000</i> |
|--|--------------|--------------------------------|-------------------------|
| Revenue | 3 | 2,641,179 | 2,469,629 |
| Cost of sales | | (2,115,482) | (1,983,406) |
| Gross profit | | 525,697 | 486,223 |
| Other income, gains or losses | | 21,585 | 30,360 |
| Impairment losses reversed (recognised) | | | |
| – under expected credit loss model, net | | 4,742 | (3,255) |
| Selling and distribution expenses | | (43,807) | (39,209) |
| Administrative expenses | | (183,515) | (181,390) |
| Research and development expenses | | (34,560) | (32,441) |
| Finance costs | | (12,477) | (11,238) |
| Share of results of associates | | 854 | (940) |
| Profit before tax | 4 | 278,519 | 248,110 |
| Income tax expense | 5 | (53,684) | (47,282) |
| Profit for the year | | 224,835 | 200,828 |
| Other comprehensive (expense) income | | | |
| <i>Items that may be reclassified subsequently to profit or loss:</i> | | | |
| Exchange difference arising on translation of foreign operations | | (1,848) | (13,667) |
| Fair value changes on trade receivables at fair value through other comprehensive income | | 173 | (978) |
| Impairment loss on trade receivables at fair value through other comprehensive income under expected credit loss model | | 4 | 55 |
| | | (1,671) | (14,590) |
| <i>Items that will not be reclassified subsequently to profit or loss:</i> | | | |
| Surplus on revaluation of properties | | 3,611 | 10,718 |
| Deferred tax expense arising on revaluation of properties | | (773) | (2,586) |
| | | 2,838 | 8,132 |
| Other comprehensive income (expense) for the year | | 1,167 | (6,458) |
| Total comprehensive income for the year | | 226,002 | 194,370 |

| | <i>NOTE</i> | 2025 <i>US\$'000</i> | 2024 <i>US\$'000</i> |
|---|-------------|--------------------------------|-------------------------|
| Profit for the year attributable to: | | | |
| Owners of the Company | | 224,658 | 200,498 |
| Non-controlling interests | | 177 | 330 |
| | | <u>224,835</u> | <u>200,828</u> |
| Total comprehensive income for the year attributable to: | | | |
| Owners of the Company | | 225,825 | 194,040 |
| Non-controlling interests | | 177 | 330 |
| | | <u>226,002</u> | <u>194,370</u> |
| Basic earnings per share for profit attributable to the owners of the Company (US cents) | 6 | <u>7.87</u> | <u>7.03</u> |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 31 DECEMBER 2025

| | <i>NOTES</i> | 2025 <i>US\$'000</i> | 2024 <i>US\$'000</i> |
|---|--------------|--------------------------------|-------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | | 686,315 | 599,409 |
| Right-of-use assets | | 118,083 | 115,174 |
| Deposits paid for acquisition of property, plant and equipment | | 19,910 | 22,295 |
| Goodwill | | 74,941 | 74,941 |
| Intangible assets | | 61,274 | 66,191 |
| Interests in associates | | 12,339 | 11,793 |
| Loan receivables | | 485 | 686 |
| Deferred taxation assets | | 2,513 | 3,627 |
| | | 975,860 | 894,116 |
| Current assets | | | |
| Inventories | | 321,605 | 281,434 |
| Right-of-use assets | | 3,042 | 1,465 |
| Trade, bills and other receivables | 8 | 142,882 | 206,086 |
| Trade receivables at fair value through other comprehensive income | 9 | 355,792 | 294,586 |
| Amounts due from related companies | | 217 | 218 |
| Loan receivables | | 954 | 227 |
| Tax recoverable | | 2,305 | 2,862 |
| Short-term bank deposits | | – | 146,744 |
| Bank balances and cash | | 382,310 | 426,715 |
| | | 1,209,107 | 1,360,337 |
| Total assets | | 2,184,967 | 2,254,453 |

| | <i>NOTE</i> | 2025 <i>US\$'000</i> | 2024 <i>US\$'000</i> |
|--|-------------|--------------------------------|-------------------------|
| EQUITY AND LIABILITIES | | | |
| Capital and reserves | | | |
| Share capital | | 3,654 | 3,654 |
| Reserves | | 1,604,470 | 1,527,002 |
| | | <hr/> | <hr/> |
| Equity attributable to owners of the Company | | 1,608,124 | 1,530,656 |
| Non-controlling interests | | 3,561 | 4,790 |
| | | <hr/> | <hr/> |
| Total equity | | 1,611,685 | 1,535,446 |
| | | <hr/> | <hr/> |
| Non-current liabilities | | | |
| Other payables | 10 | – | 352 |
| Lease liabilities | | 22,388 | 17,415 |
| Deferred taxation liabilities | | 35,241 | 36,308 |
| | | <hr/> | <hr/> |
| | | 57,629 | 54,075 |
| | | <hr/> | <hr/> |
| Current liabilities | | | |
| Trade and other payables | 10 | 469,087 | 477,694 |
| Lease liabilities | | 13,253 | 10,313 |
| Amounts due to associates | | 10,859 | 6,663 |
| Tax liabilities | | 22,454 | 23,291 |
| Bank borrowings | | – | 146,971 |
| | | <hr/> | <hr/> |
| | | 515,653 | 664,932 |
| | | <hr/> | <hr/> |
| Total equity and liabilities | | 2,184,967 | 2,254,453 |
| | | <hr/> <hr/> | <hr/> <hr/> |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025

1. GENERAL INFORMATION

The Company was previously incorporated in Bermuda as an exempted company with limited liability and registered by way of continuation in the Cayman Islands as an exempted company with limited liability. The Company is directly held by its controlling shareholders, Mr. LO Lok Fung Kenneth and Mrs. LO CHOY Yuk Ching Yvonne, both executive directors of the Company. The address of the registered office of the Company is Ugland House, P.O. Box 309, Grand Cayman, KY1-1104, Cayman Islands and the principal place of business of the Company is 5-7/F., AXA Tower, Landmark East, No. 100 How Ming Street, Kowloon, Hong Kong.

The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 3 November 2017.

The consolidated financial statements are presented in United States dollars (“**US\$**”), which is also the functional currency of the Company.

2. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS

Amendments to an IFRS Accounting Standard that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to an IFRS Accounting Standard as issued by the International Accounting Standards Board (“**IASB**”), for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2025 for the preparation of the Group’s consolidated financial statements:

| | |
|----------------------|-------------------------|
| Amendments to IAS 21 | Lack of Exchangeability |
|----------------------|-------------------------|

The application of the amendments to an IFRS Accounting Standard in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

(a) Revenue

The Group is principally engaged in the manufacturing and trading of garments. All revenue generated by the Group is recognised at the point when control of the goods has transferred to the customers, being when the goods have arrived at the specific location (delivery).

(b) Segment information

Information reported to the chief executive officer of the Group, being the chief operating decision maker (“CODM”), for the purposes of resource allocation and assessment of segment performances, focuses on types of products.

- (i) Lifestyle wear
- (ii) Sportswear and outdoor apparel
- (iii) Denim
- (iv) Intimate
- (v) Sweater

These operating segments also represent the Group’s reportable segments. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

Segment revenue and results

The following is an analysis of the Group’s revenue and results by operating segments:

Year ended 31 December 2025

| | Lifestyle wear <i>US\$'000</i> | Sportswear and outdoor apparel <i>US\$'000</i> | Denim <i>US\$'000</i> | Intimate <i>US\$'000</i> | Sweater <i>US\$'000</i> | Total <i>US\$'000</i> |
|---|--------------------------------------|--|--------------------------|-----------------------------|----------------------------|--------------------------|
| SEGMENT REVENUE | | | | | | |
| External sales | <u>743,895</u> | <u>598,963</u> | <u>539,964</u> | <u>466,260</u> | <u>292,097</u> | <u>2,641,179</u> |
| Segment profit | <u>151,390</u> | <u>125,176</u> | <u>90,311</u> | <u>94,416</u> | <u>64,404</u> | <u>525,697</u> |
| Other income, gains or losses | | | | | | 21,585 |
| Impairment losses reversed under expected credit loss model, net | | | | | | 4,742 |
| Selling and distribution expenses | | | | | | (43,807) |
| Administrative expenses | | | | | | (183,515) |
| Research and development expenses | | | | | | (34,560) |
| Finance costs | | | | | | (12,477) |
| Share of results of associates | | | | | | 854 |
| Profit before tax | | | | | | <u>278,519</u> |

Year ended 31 December 2024

| | Lifestyle wear <i>US\$'000</i> | Sportswear and outdoor apparel <i>US\$'000</i> | Denim <i>US\$'000</i> | Intimate <i>US\$'000</i> | Sweater <i>US\$'000</i> | Total <i>US\$'000</i> |
|---|--------------------------------------|--|--------------------------|-----------------------------|----------------------------|--------------------------|
| SEGMENT REVENUE | | | | | | |
| External sales | <u>694,237</u> | <u>554,603</u> | <u>518,920</u> | <u>434,782</u> | <u>267,087</u> | <u>2,469,629</u> |
| Segment profit | <u>134,591</u> | <u>114,490</u> | <u>85,047</u> | <u>90,473</u> | <u>61,622</u> | 486,223 |
| Other income, gains or losses | | | | | | 30,360 |
| Impairment losses recognised under expected credit loss model, net | | | | | | (3,255) |
| Selling and distribution expenses | | | | | | (39,209) |
| Administrative expenses | | | | | | (181,390) |
| Research and development expenses | | | | | | (32,441) |
| Finance costs | | | | | | (11,238) |
| Share of results of associates | | | | | | (940) |
| Profit before tax | | | | | | <u>248,110</u> |

Segment profit represents the profit earned by each segment without allocation of other income, gains or losses, impairment losses reversed (recognised) under expected credit loss model, net, selling and distribution expenses, administrative expenses, research and development expenses, finance costs and share of results of associates. This is the measure reported to the CODM of the Group for the purposes of resource allocation and performance assessment.

Certain amounts of depreciation of property, plant and equipment and right-of-use assets are included in the measure of segment results in each segment. No further analysis is presented for certain items included or excluded in the measure of segment results as such information is not regularly provided to the CODM.

Segment assets and liabilities

No analysis of segment assets or segment liabilities is presented as such information is not regularly provided to the CODM.

Revenue from major customers

Revenue from a customer individually contributing over 10% of the Group's revenue is as follows:

| Segment | 2025 <i>US\$'000</i> | 2024 <i>US\$'000</i> |
|--|-------------------------|-------------------------|
| Customer A Lifestyle wear, Sportswear and outdoor apparel, Denim, Intimate and Sweater | <u>973,848</u> | <u>898,614</u> |

Geographical information

Information about the Group's revenue is presented below by geographical location based on port of discharge:

| | 2025 <i>US\$'000</i> | 2024 <i>US\$'000</i> |
|--------------------------------|--------------------------------|-------------------------|
| Asia Pacific (<i>note a</i>) | 1,060,193 | 982,088 |
| North America | 988,109 | 942,461 |
| Europe (<i>note b</i>) | 511,744 | 480,265 |
| Other countries/regions | 81,133 | 64,815 |
| | <u>2,641,179</u> | <u>2,469,629</u> |

Notes:

- (a) Asia Pacific primarily includes Japan, the People's Republic of China (the "PRC") and South Korea.
- (b) Europe primarily includes the United Kingdom (the "U.K."), France, Germany and the Netherlands.

Information about the Group's non-current assets other than deferred taxation, and financial instruments is presented below by geographical location of the assets:

| | 2025 <i>US\$'000</i> | 2024 <i>US\$'000</i> |
|--------------------------------|--------------------------------|-------------------------|
| Asia Pacific (<i>note a</i>) | 959,883 | 876,766 |
| Europe (<i>note b</i>) | 79 | 137 |
| | <u>959,962</u> | <u>876,903</u> |

Notes:

- (a) Asia Pacific primarily includes Bangladesh, Cambodia, Hong Kong, the PRC, Singapore, Sri Lanka and Vietnam.
- (b) Europe primarily includes the U.K..

4. PROFIT BEFORE TAX

| | 2025 US\$'000 | 2024 US\$'000 |
|---|-----------------------|-----------------------|
| Profit before tax has been arrived at after charging (crediting): | | |
| Directors' emoluments | 5,898 | 6,460 |
| Other staff costs | 584,257 | 530,846 |
| Retirement benefit schemes contributions for other staff | <u>66,380</u> | <u>57,692</u> |
| Total staff costs (<i>note a</i>) | <u><u>656,535</u></u> | <u><u>594,998</u></u> |
| Auditors' remuneration: | | |
| – audit services | 864 | 824 |
| – non-audit services | 460 | 214 |
| Cost of inventories recognised as expenses (including write-down of inventories amounting to US\$17,359,000 (2024: US\$15,244,000)) (<i>note a</i>) | 2,117,609 | 1,983,406 |
| Depreciation of property, plant and equipment (<i>note a</i>) | 60,231 | 63,065 |
| Depreciation of right-of-use assets (<i>note a</i>) | 21,007 | 16,439 |
| Amortisation of intangible asset (included in selling and distribution expenses) | 4,917 | 4,917 |
| Impairment loss on interest in an associate | – | 125 |
| Impairment loss reversed in respect of property, plant and equipment (included in cost of sales) | (2,127) | – |
| Gain on disposals of property, plant and equipment | (43) | (515) |
| Loss on termination of leases | 13 | – |
| Net loss arising from changes in fair value of derivative financial instruments | – | 154 |
| Interest income | (15,846) | (23,020) |
| Net foreign exchange loss | 8,453 | 7,022 |
| Government grants (<i>note b</i>) | (4,578) | (5,913) |
| Finance costs: | | |
| – interest expense on lease liabilities | 1,501 | 1,364 |
| – interest on bank borrowings | 3,733 | 3,131 |
| – interest on factoring arrangement | <u>7,243</u> | <u>6,743</u> |

Notes:

- (a) Cost of inventories recognised as expenses include staff costs, depreciation of property, plant and equipment and depreciation of right-of-use assets used for production, which amounts are also included in the respective total amounts disclosed separately above.
- (b) During the year ended 31 December 2025, the Group recognised government grants of US\$4,578,000 (2024: US\$5,913,000) from government authorities in different countries to support the operations of subsidiaries of the Company.

5. INCOME TAX EXPENSE

| | 2025 <i>US\$'000</i> | 2024 <i>US\$'000</i> |
|--|--------------------------------|-------------------------|
| The income tax expense comprises: | | |
| Hong Kong Profits Tax | | |
| – current year | 25,204 | 24,593 |
| – over-provision in prior years | (190) | (121) |
| Overseas taxation | | |
| – current year | 28,142 | 25,094 |
| – (over)under-provision in prior years | (160) | 112 |
| Income tax under Pillar Two Rules | 1,664 | – |
| | 54,660 | 49,678 |
| Deferred taxation | (976) | (2,396) |
| | 53,684 | 47,282 |

Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity are taxed at 8.25%, and profits above HK\$2 million are taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime continue to be taxed at a flat rate of 16.5%.

The directors of the Company consider the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the consolidated financial statements. Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

Certain subsidiaries incorporated in Cambodia are exempted from tax on profit in both years while they fulfil certain requirements pursuant to the relevant laws and regulations in Cambodia.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

The Group is subject to the global minimum top-up tax Pillar Two Rules. Pillar Two Rules have become effective in certain jurisdictions, where the annual effective income tax rate is also estimated to be below 15%. Therefore, a top-up tax is accrued in the current period using the tax rate based on the estimated adjusted covered taxes and net globe income for the year. The Group has recognised a current tax expense of US\$1,664,000 related to the top-up tax for the year ended 31 December 2025 which is expected to be levied on the Company.

6. EARNINGS PER SHARE

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

| | 2025 <i>US\$'000</i> | 2024 <i>US\$'000</i> |
|---|--------------------------------|-------------------------|
| Earnings: | | |
| Profit for the year attributable to the owners of the Company for the purpose of calculating basic earnings per share | <u>224,658</u> | <u>200,498</u> |
| | <i>'000</i> | <i>'000</i> |
| Number of shares: | | |
| Number of ordinary shares for the purpose of calculating basic earnings per share | <u>2,852,822</u> | <u>2,852,822</u> |

No diluted earnings per share was presented for the years ended 31 December 2025 and 2024 as there were no potential dilutive ordinary shares in issue during both years.

7. DIVIDENDS

| | 2025 <i>US\$'000</i> | 2024 <i>US\$'000</i> |
|--|--------------------------------|-------------------------|
| Final, paid – HK19.0 cents per ordinary share for 2024 (2024: HK13.0 cents per ordinary share for 2023) | 69,055 | 47,434 |
| Interim, paid – HK16.3 cents per ordinary share for 2025 (2024: HK13.8 cents per ordinary share for 2024) | 59,312 | 50,392 |
| Special, paid – HK5.5 cents per ordinary share for 2024 (2024: nil for 2023) | <u>19,990</u> | <u>–</u> |
| | <u>148,357</u> | <u>97,826</u> |

A final dividend of HK24.5 cents (2024: HK19.0 cents) per ordinary share in total of HK\$698,941,000 (equivalent to US\$89,814,000) (2024: HK\$542,036,000 (equivalent to US\$69,055,000)), in respect of the year ended 31 December 2025 has been proposed by the directors of the Company and is subject to approval by the shareholders of the Company in the forthcoming annual general meeting.

8. TRADE, BILLS AND OTHER RECEIVABLES

| | 2025 <i>US\$'000</i> | 2024 <i>US\$'000</i> |
|--|--------------------------------|-------------------------|
| Trade receivables – contracts with customers | 86,325 | 159,209 |
| Less: allowance for expected credit losses | (517) | (4,801) |
| | 85,808 | 154,408 |
| Bills receivable | 7,758 | 1,473 |
| Temporary payments to suppliers | 10,817 | 13,988 |
| Other receivables, deposits and prepayments | 38,499 | 36,217 |
| | 142,882 | 206,086 |

The following is an aged analysis of trade receivables, net of allowance for credit losses, based on invoice dates.

| | 2025 <i>US\$'000</i> | 2024 <i>US\$'000</i> |
|----------------|--------------------------------|-------------------------|
| Within 60 days | 78,497 | 121,978 |
| 61 to 90 days | 5,907 | 31,242 |
| 91 to 120 days | 780 | 1,077 |
| Over 120 days | 624 | 111 |
| | 85,808 | 154,408 |

9. TRADE RECEIVABLES AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

As part of the Group's cash flow management, the Group factors certain trade receivables to financial institutions before the receivables are due for payment. The factored trade receivables are derecognised on the basis that the Group has transferred substantially all the risks and rewards to the relevant counterparties. Such trade receivables that are held for the collection of contractual cash flows and sale of financial assets, have been classified as trade receivables at fair value through other comprehensive income ("FVTOCI").

The following is an aged analysis of trade receivables at FVTOCI based on invoice dates.

| | 2025 <i>US\$'000</i> | 2024 <i>US\$'000</i> |
|----------------|--------------------------------|-------------------------|
| Within 60 days | 240,205 | 236,485 |
| 61 to 90 days | 107,253 | 45,972 |
| 91 to 120 days | 7,237 | 9,834 |
| Over 120 days | 1,097 | 2,295 |
| | 355,792 | 294,586 |

10. TRADE AND OTHER PAYABLES

| | 2025 <i>US\$'000</i> | 2024 <i>US\$'000</i> |
|--------------------|-------------------------|-------------------------|
| Trade payables | 198,612 | 176,404 |
| Bills payable | 4,295 | 3,476 |
| | <u>202,907</u> | <u>179,880</u> |
| Accrued staff cost | 111,815 | 122,280 |
| Other payables | 58,639 | 66,348 |
| Other accruals | 95,726 | 109,538 |
| | <u>469,087</u> | <u>478,046</u> |

Analysed for reporting purposes as:

| | 2025 <i>US\$'000</i> | 2024 <i>US\$'000</i> |
|-------------|-------------------------|-------------------------|
| Current | 469,087 | 477,694 |
| Non-current | – | 352 |
| | <u>469,087</u> | <u>478,046</u> |

The following is an aged analysis of trade and bills payables based on invoice dates.

| | 2025 <i>US\$'000</i> | 2024 <i>US\$'000</i> |
|----------------|-------------------------|-------------------------|
| Within 60 days | 162,810 | 160,336 |
| 61 to 90 days | 26,284 | 17,689 |
| 91 to 120 days | 12,254 | 1,140 |
| Over 120 days | 1,559 | 715 |
| | <u>202,907</u> | <u>179,880</u> |

11. PLEDGE OF ASSETS

At the end of the reporting period, the Group had the following assets pledged to banks as security for general banking facilities granted to the Group:

| | 2025 <i>US\$'000</i> | 2024 <i>US\$'000</i> |
|-------------------------------|-------------------------|-------------------------|
| Property, plant and equipment | 1,559 | 1,574 |
| Inventories | 3,270 | 3,333 |
| | <u>4,829</u> | <u>4,907</u> |

MANAGEMENT DISCUSSION AND ANALYSIS

MARKET OVERVIEW

In 2025, the global apparel industry continued the growth momentum of the previous year, although performance varied among apparel brands. End-customer demand remained resilient, characterised by a focus on product differentiation and price sensitivity. Apparel brands that adapted swiftly to market changes and continued product development were better positioned to capture consumer preferences.

During the reporting period, the reciprocal tariff policy implemented by the United States of America (“USA”) presented the most prominent challenge for the garment industry. Particularly in the initial phase of its implementation, policy fluctuation created uncertainty within the global apparel supply chain. However, with the rollout of the final tariff scheme, the differential tariff rates across key garment-exporting countries proved less severe than the initial concerns. Additionally, cost pressures stemming from tariffs were gradually passed on to consumers. Consequently, the overall operational impact on garment manufacturers remained manageable. Brand customers refocused their purchasing priorities on core elements, such as overall supply chain efficiency and response speed.

Meanwhile, Vietnam further strengthened its position as a preferred destination for labour-intensive manufacturing. In particular, following the implementation of USA tariffs, an increasing number of Chinese companies relocated their production lines to Vietnam. Strong growth in labour demand intensified competition in the local labour market. Rising employment costs and shortages of skilled workers posed new challenges for business expansion in Vietnam.

BUSINESS REVIEW

Leveraging its co-creation business model and diversified multi-category product portfolio, the Group deepened collaboration with brand customers, supporting them to respond quickly to evolving consumer needs for differentiation and value. This strategy enabled the Group to gain market share among key brand customers and achieve revenue growth across all five business segments.

In response to the uncertainties stemming from the USA reciprocal tariff policy, the Group relied on its global production network and strong brand customer partnerships to effectively mitigate tariff-related disruptions. Continued investment in automation upgrades and production optimisation further offset the pricing pressures from tariffs, contributing to improved operating returns.

Vietnam, currently the Group’s largest production base, faced intensifying labour market competition, which imposed constraints on the Group’s growth. Some enterprises raised recruitment packages to attract skilled workers to accelerate shipments during tariff window periods. Such workforce mobility adversely affected the Group’s overall productivity. To address labour market dynamics in Vietnam, the Group initiated satellite factories towards the end of 2025 to broaden access to labour pools and improve recruitment flexibility.

The Group's revenue for the year ended 31 December 2025 increased by 6.9% to US\$2,641 million (2024: US\$2,470 million).

The gross profit margin increased to 19.9% in 2025 from 19.7% in 2024. The net profit margin expanded to 8.5% in 2025 from 8.1% in 2024.

The Group's net profit for the year ended 31 December 2025 increased by 12.0% to US\$225 million (2024: US\$201 million).

Consistent with practice of sharing its operation results with shareholders, the Board has proposed a final dividend of HK24.5 cents per ordinary share. Together with the interim dividend declared and paid, the total dividend per ordinary share for the year ended 31 December 2025 will amount to HK40.8 cents.

During the reporting period, capital expenditure totalled US\$183 million, with approximately 66% allocated to increasing garment production capacity and automation upgrades, and the remainder supporting upstream fabric business development.

As part of the Group's overarching sustainability strategy, it continued to make steadfast progress towards its Crystal Sustainability Vision 2030 and Net Zero 2050 vision to tackle broader environmental, people and community challenges.

To ramp up its decarbonisation efforts, the Group progressively increased its solar photovoltaic ("PV") installations in its operating countries, expanding its total PV capacity to 23MW. Solar electricity generated accounted for approximately 15% of the electricity consumed in factories with solar PV systems. The Group is also conducting a consultancy study on a solar roadmap to maximise its potential solar capacity. Regarding social sustainability, the Group joined Reimagining Industry to Support Equality (RISE), an industry-transforming initiative to promote women's empowerment and accelerate gender equality across global factories.

In recognition of its collective efforts and achievements, the Group was honoured to receive the Sustainable Corporate Leadership Award in the Standard Chartered Corporate Achievement Awards 2025 and the Distinction Award (Large Organisations Category) in the Hong Kong Management Association's Hong Kong Sustainability Award 2025. In addition, the Group was commended for the Best ESG Report – Mid-cap, the Carbon Neutral Award, and the Excellence in Environmental Positive Impact in the Hong Kong ESG Reporting Awards 2025.

FINANCIAL REVIEW

Revenue

The Group's revenue for 2025 compared to 2024, by product category, each expressed as an absolute amount and as a percentage of total revenue was:

| | For the year ended 31 December | | | |
|--------------------------------|--------------------------------|---------------|------------------|---------------|
| | 2025 | | 2024 | |
| | US\$'000 | % | US\$'000 | % |
| Lifestyle wear | 743,895 | 28.2% | 694,237 | 28.1% |
| Sportswear and outdoor apparel | 598,963 | 22.7% | 554,603 | 22.5% |
| Denim | 539,964 | 20.4% | 518,920 | 21.0% |
| Intimate | 466,260 | 17.7% | 434,782 | 17.6% |
| Sweater | 292,097 | 11.0% | 267,087 | 10.8% |
| Total Revenue | 2,641,179 | 100.0% | 2,469,629 | 100.0% |

Despite the impact of tariff headwinds, the Group's revenue increased by 6.9% in 2025, driven by resilient sales order demand.

The Group's sales analysed by geographic region based on port of discharge were:

| | For the year ended 31 December | | | |
|--------------------------------|--------------------------------|---------------|------------------|---------------|
| | 2025 | | 2024 | |
| | US\$'000 | % | US\$'000 | % |
| Asia Pacific (<i>note a</i>) | 1,060,193 | 40.1% | 982,088 | 39.8% |
| North America | 988,109 | 37.4% | 942,461 | 38.2% |
| Europe (<i>note b</i>) | 511,744 | 19.4% | 480,265 | 19.4% |
| Other countries/regions | 81,133 | 3.1% | 64,815 | 2.6% |
| Total Revenue | 2,641,179 | 100.0% | 2,469,629 | 100.0% |

Notes:

- (a) Asia Pacific primarily includes Japan, the PRC and South Korea.
- (b) Europe mainly includes the U.K., France, Germany, and the Netherlands.

Gross Profit and Gross Profit Margin

| | For the year ended 31 December | | | |
|--------------------------------|--------------------------------|--------------------------|--------------------------|--------------------------|
| | 2025 | | 2024 | |
| | Gross Profit US\$'000 | Gross Profit Margin % | Gross Profit US\$'000 | Gross Profit Margin % |
| Lifestyle wear | 151,390 | 20.4% | 134,591 | 19.4% |
| Sportswear and outdoor apparel | 125,176 | 20.9% | 114,490 | 20.6% |
| Denim | 90,311 | 16.7% | 85,047 | 16.4% |
| Intimate | 94,416 | 20.2% | 90,473 | 20.8% |
| Sweater | 64,404 | 22.0% | 61,622 | 23.1% |
| Total Gross Profit | 525,697 | 19.9% | 486,223 | 19.7% |

Gross profit margin increased from 19.7% in 2024 to 19.9% in 2025, reflecting efficiency improvements from automation that partially offset the negative impact of tariffs. For Lifestyle wear, increase in gross profit margin was mainly due to improvement in production efficiency. For Sweater, decrease in gross profit margin was mainly due to more conventional sweaters with lower gross margin.

Other Expenses and Finance Costs

Selling and distribution expenses remained stable at 1.7% in 2025, compared with 1.6% in 2024.

Administrative, research and development expenses, and other income remained stable at 7.4% in both 2025 and 2024.

The effective borrowing rate for the Group in 2025 ranged from 1.52% to 5.67% compared to 4.61% to 6.65% in 2024. The Group had no fixed-rate borrowings at 31 December 2025. Finance costs amounted to 0.5% of revenue for both years.

Net Profit

With improvement in the gross profit margin, the Group achieved a net profit of US\$225 million for the year ended 31 December 2025. Net profit as a percentage of revenue increased from 8.1% in 2024 to 8.5% in 2025.

Capital Management

The consolidated financial position of the Group remained sound throughout the year. The positive operating cash flow of US\$266 million (2024: US\$106 million) contributed to cash balances of US\$382 million at 31 December 2025, compared to US\$427 million at 31 December 2024. Cash balances were mainly denominated in HK\$ and US\$. Bank borrowings, mainly denominated in HK\$ and US\$, have decreased from US\$147 million at 31 December 2024 to nil at 31 December 2025.

The Group held a positive net cash position of US\$382 million at 31 December 2025. The gearing ratio (total interest-bearing bank borrowings, less bank balances and cash, divided by total equity) at 31 December 2025 was nil (31 December 2024: nil).

Our conversion cycle has been increased from 71 days in 2024 to 81 days in 2025. With less factoring arrangement for low risk customers, turnover of trade and bills receivables averaged 62 days in 2025, compared with 52 days average turnover throughout 2024. Inventory turnover averaged 52 days in 2025, compared with 48 days throughout 2024. Trade and bills payables turnover averaged 33 days in 2025 compared to 29 days throughout 2024.

Capital expenditure incurred, in the main, for the building, equipping and upgrading of production facilities, has been carefully managed. In 2025, capital expenditure amounted to US\$183 million, compared to US\$160 million in 2024. Capital commitments at 31 December 2025 were US\$80 million compared to US\$52 million at 31 December 2024.

Foreign currency exchange contracts are used to manage foreign currency exposure. The Group's policy is to monitor its foreign currency exposure and use foreign currency exchange contracts, as appropriate, to minimise its foreign currency risks.

Funding and Treasury Policy

The Group has adopted a prudent treasury policy and thus maintained a healthy liquidity position throughout the year. The Group strives to reduce credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. The Group regularly reviews its funding requirements to maintain adequate financial resources in order to support its current business operations as well as its future investments and expansion plans.

Pledge of Assets

At 31 December 2025, pledge of assets of the Group are set out in note 11 to the consolidated financial statements included at the start of this announcement.

Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

For the year ended 31 December 2025, the Group had no material acquisitions and disposals of subsidiaries, associates and joint ventures.

Significant Investment Held

For the year ended 31 December 2025, the Group held no significant investments.

Material Acquisitions and Future Plans for Major Investment

The Group continues to invest in vertical upstream integration. Besides, the Group intends to extend its production facilities into Egypt. The deployment of garment and fabric operational expansion will help disperse geopolitical risks, provide global customers with more flexible and reliable production solutions, and assist the Group in effectively responding to potential changes in trade policies.

Contingent Liabilities

At 31 December 2025, the Group had no material contingent liability (31 December 2024: nil).

Subsequent Events after the Reporting Period

On 18 January 2026 (Egypt time), the Group reserved a land parcel located in Egypt at consideration of US\$30.4 million. The land acquisition is subject to the approval of the Egyptian local government. The land parcel is located in the New October Industrial Zone in New October City, Egypt. It has a total site area of approximately 800,000 sq.m. For details, please refer to the announcement of the Company dated 20 January 2026.

EMPLOYMENT, TRAINING AND DEVELOPMENT

The Group employed around 81,000 people at 31 December 2025. Total staff costs, including administrative and management staff, for the year ended 31 December 2025 equated to 24.9% of revenue, compared with 24.1% in 2024. The Group remunerates its staff according to their performance, qualifications, and industry practices, and conducts regular reviews of its remuneration policy. Employees may receive discretionary bonuses and monetary rewards based on their ratings in the annual performance appraisals. The Group also offers rewards or other incentives to motivate the personal growth and career development of its employees, such as ongoing opportunities for training to enhance their technical and product knowledge, as well as their knowledge of industry quality standards. Each new employee of the Group is required to attend an introductory course, and various types of training courses are available to all employees of the Group.

OUTLOOK AND PROSPECTS

Entering 2026, the Group is placing greater emphasis on improving the capabilities of its unskilled workforce to drive productivity improvement. Consequently, the Group moderated the pace of expansion in Vietnam, prioritising workforce upskilling and efficiency gains.

The Group has developed a systematic approach to address its long-term development needs, including acquiring land in Egypt for future expansion. Leveraging Egypt's geographic advantages, favourable trade policies, and abundant labour resources, the Group aims to accelerate capacity growth and further diversify its production footprint.

The Group will continue to deepen vertical integration. The self-built fabric mill in Vietnam is scheduled to commence operations by the end of 2026. This will improve the Group's fabric supply capabilities for the lifestyle and sports categories, enhancing supply chain responsiveness and creating greater synergy.

Capital expenditure in 2026 will continue to focus on automation upgrades, garment capacity expansion, and fabric development. Total capital expenditure for 2026 is expected to be significantly higher than that in 2025, owing largely to the one-off expenditure related to land acquisition and expansion in Egypt.

Since robust operational cash flow generation is expected to sufficiently cover the increased capital expenditure, and in light of its net cash position, the Group is well-positioned to maintain its longstanding dividend policy and share growth achievements with shareholders.

OTHER INFORMATION

Final Dividend

The Board has resolved to propose a final dividend of HK24.5 cents (approximately US3.1 cents) per ordinary share for the year ended 31 December 2025.

The proposed final dividend payment is subject to approval by the shareholders of the Company (“**Shareholders**”) at the annual general meeting (the “**AGM**”) to be held on Friday, 29 May 2026. If approved by Shareholders, the proposed final dividend is expected to be paid on Friday, 3 July 2026 to Shareholders whose names appear on the register of members of the Company on Tuesday, 23 June 2026. At the date of this announcement, the Company does not hold any treasury shares (whether in the Central Clearing and Settlement System or otherwise).

Closure of Register of Members for Entitlement to Attend and Vote at AGM and to Receive the Final Dividend and Record Date

The forthcoming AGM will be held on Friday, 29 May 2026. Notice of the AGM will be made available (and sent, where applicable) to Shareholders in due course. For the purpose of determining Shareholders’ eligibility to attend and vote at the AGM, 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 registered. The record date for determining the Shareholders’ eligibility to attend and vote at the AGM is Friday, 29 May 2026. In order to qualify to attend and vote at the AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company’s Hong Kong share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Friday, 22 May 2026.

For the purpose of ascertaining Shareholders’ entitlement to the proposed final dividend, the register of members of the Company will be closed from Thursday, 18 June 2026 to Tuesday, 23 June 2026, both days inclusive, during which period no transfer of shares will be registered. The record date for determining the Shareholders’ entitlement to the final dividend is Tuesday, 23 June 2026. To qualify for the proposed final dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company’s Hong Kong share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Wednesday, 17 June 2026.

Corporate Governance Practices

The Group has complied with the Code Provisions set out in Part 2 of the Corporate Governance Code contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) for the year ended 31 December 2025, including both the version effective up to 30 June 2025 and the latest version effective from 1 July 2025 (the “**Latest Code**”), except for the following deviation:

Code provision B.3.5 of the Latest Code provides that issuers should appoint at least one director of a different gender to the nomination committee.

Although the nomination committee of the Company (the “**Nomination Committee**”) currently comprises members of single gender, the Company has put in place the board diversity policy and the workforce diversity policy to promote greater diversity and inclusion (including gender diversity) in its recruitment, and the Nomination Committee also takes into consideration the board diversity policy when reviewing the Board composition, appointing and re-appointing Directors and making recommendations for succession planning to facilitate the development of a diverse talent pipeline. In addition, the Board is satisfied that its overall composition has already reflected strong diversity, with a balanced mix of professional expertise, industry experience and backgrounds, and the inclusion of two female Directors. All members of the Board bring extensive senior management experience, supporting effective governance and strategic oversight. Therefore, the Board considers that the deviation from code provision B.3.5 of the Latest Code is appropriate. The Board will continue to review the composition of the Nomination Committee, and will consider appointing a director of a different gender to the Nomination Committee at a time when it is appropriate and suitable by taking into account the circumstances of the Company.

Directors’ Securities Transactions

The Group has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix C3 to the Listing Rules as its code of conduct regarding directors’ securities transactions. Upon specific enquiry being made of all Directors, each of them has confirmed their compliance with the required standards set out in the Model Code for the year ended 31 December 2025.

Purchase, Sale or Redemption of Listed Securities of the Company

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities (including sale of treasury shares) for the year ended 31 December 2025.

Scope of Work of Messrs. Deloitte Touche Tohmatsu

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in the preliminary announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the Board on 19 March 2026. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

Audit Committee and Review of the Annual Results

The Audit Committee (the "AC") has reviewed the Group's audited consolidated financial statements and reports relating to the year ended 31 December 2025 together with the external auditor satisfying itself as to the extent of work done by the external auditor, the consistent application of the Group's accounting policies, the appropriateness of financial judgements applied, and compliance with Board approved limits of connected transactions. The AC also reviewed the unaudited condensed consolidated financial statements and reports issued by the Group for the six months ended 30 June 2025. The AC is satisfied with the outcome of its various reviews.

PUBLICATION OF INFORMATION ON THE WEBSITE OF THE STOCK EXCHANGE

This announcement is published on the website of the Stock Exchange at <http://www.hkexnews.hk> and the website of the Company at <http://www.crystalgroup.com>, and the annual report of the Company for the year ended 31 December 2025 will be made available (and dispatched, where applicable) to Shareholders and published on the respective websites of the Stock Exchange and the Company in due course.

By Order of the Board
Crystal International Group Limited
LO Lok Fung Kenneth
Chairman

Hong Kong, 19 March 2026

At the date of this announcement, the Board of Directors of the Company comprises Mr. LO Lok Fung Kenneth, Mrs. LO CHOY Yuk Ching Yvonne, Mr. LO Ching Leung Andrew, Mr. WONG Sing Wah and Mr. LO Howard Ching Ho, as executive Directors; Mr. WONG Chi Fai and Mr. LEE Kean Phi Mark, as non-executive Directors; and Mr. CHANG George Ka Ki, Mr. MAK Wing Sum Alvin, Mr. WONG Siu Kee and Mrs. MAK TANG Pik Yee Agnes, as independent non-executive Directors.