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長江製衣有限公司
YANGTZEKIANG GARMENT LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code: 00294)

ANNOUNCEMENT OF INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025

The Board of Directors of Yangtzekiang Garment Limited (“**the Company**”) hereby announces the unaudited interim results of the Company and its subsidiaries (together referred to as “**the Group**”) and the Group’s interests in joint ventures for the six months ended 30 September 2025 as follows. The interim results have not been audited, but have been reviewed by the Company’s Audit Committee.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the six months ended 30 September 2025 – unaudited
(Expressed in Hong Kong dollars)

		Six months ended 30 September	
		2025	2024
	<i>Note</i>	\$'000	\$'000
Revenue	3 & 4	85,593	75,301
Cost of sales		<u>(70,504)</u>	<u>(61,790)</u>
Gross profit		15,089	13,511
Other income		7,376	8,836
Selling and distribution expenses		(9,138)	(9,946)
Administrative expenses		(13,503)	(15,223)
Other operating expenses	5(c)	<u>(5,261)</u>	<u>(4,929)</u>
Loss from operations		(5,437)	(7,751)
Finance costs	5(a)	(271)	(345)
Share of losses of joint ventures		(47,737)	(15,127)
Net valuation losses on investment properties	9(c)	<u>(243)</u>	<u>(8,957)</u>
Loss before taxation	5	(53,688)	(32,180)
Income tax credits	6	<u>374</u>	<u>407</u>
Loss for the period		<u><u>(53,314)</u></u>	<u><u>(31,773)</u></u>
Attributable to:			
Equity shareholders of the Company		<u><u>(53,314)</u></u>	<u><u>(31,773)</u></u>
Loss per share			
Basic and diluted	8	<u><u>(\$0.26)</u></u>	<u><u>(\$0.15)</u></u>

Details of dividends payable to equity shareholders of the Company attributable to the period are set out in note 7.

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

For the six months ended 30 September 2025 – unaudited

(Expressed in Hong Kong dollars)

	Six months ended 30 September	
	2025	2024
	\$'000	\$'000
Loss for the period	(53,314)	(31,773)
Other comprehensive income for the period (after tax and reclassification adjustments)		
<i>Item that will not be reclassified subsequently to profit or loss:</i>		
Equity investments at fair value through other comprehensive income: net movement in the investment revaluation reserve (non-recycling)	<u>1,148</u>	<u>30</u>
<i>Items that are or may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of:		
- financial statements of subsidiaries outside Hong Kong	<u>1,379</u>	<u>3,141</u>
- share of joint ventures' net assets	<u>8,057</u>	<u>14,457</u>
	<u>9,436</u>	<u>17,598</u>
Other comprehensive income for the period	<u>10,584</u>	<u>17,628</u>
Total comprehensive income for the period	<u>(42,730)</u>	<u>(14,145)</u>
Attributable to:		
Equity shareholders of the Company	<u>(42,730)</u>	<u>(14,145)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2025 – unaudited

(Expressed in Hong Kong dollars)

		At 30 September 2025 \$'000	At 31 March 2025 \$'000
	<i>Note</i>		
Non-current assets			
Investment properties	9	196,893	197,136
Other property, plant and equipment	9	35,810	36,529
Interest in leasehold land held for own use		869	877
		<u>233,572</u>	<u>234,542</u>
Intangible assets		2,045	2,092
Interests in joint ventures		370,278	409,860
Other financial assets		13,512	12,536
		<u>619,407</u>	<u>659,030</u>
Current assets			
Inventories		17,582	8,734
Trade and other receivables	10	32,145	24,375
Bank deposits		207,777	209,226
Cash and cash equivalents		111,147	122,910
		<u>368,651</u>	<u>365,245</u>
Current liabilities			
Trade and other payables	11	43,391	30,889
Contract liabilities		9,206	7,750
Lease liabilities		14	64
Current tax payable		11,280	11,064
		<u>63,891</u>	<u>49,767</u>
Net current assets		<u>304,760</u>	<u>315,478</u>
Total assets less current liabilities		<u>924,167</u>	<u>974,508</u>
Non-current liabilities			
Provision for employee benefits		5,616	8,815
Deferred tax liabilities		5,134	5,411
		<u>10,750</u>	<u>14,226</u>
NET ASSETS		<u>913,417</u>	<u>960,282</u>
CAPITAL AND RESERVES			
Share capital		208,418	208,418
Reserves		704,999	751,864
TOTAL EQUITY		<u>913,417</u>	<u>960,282</u>

Notes:
(Expressed in Hong Kong dollars)

1. BASIS OF PREPARATION

This interim financial results have been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) (the “Listing Rules”), including compliance with Hong Kong Accounting Standard (“HKAS”) 34 *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). It was authorised for issue on 21 November 2025.

The interim financial results have been prepared in accordance with the same accounting policies adopted in the annual financial statements of the Group for the year ended 31 March 2025, except for the accounting policy changes that are expected to be reflected in the annual financial statements of the Group for the year ending 31 March 2026. Details of these changes in accounting policies are set out in note 2.

The preparation of interim financial results in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

The interim financial results contain consolidated statement of financial position as at 30 September 2025 and the related consolidated statement of profit or loss and consolidated statement of profit or loss and other comprehensive income for the six months period then ended and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the annual financial statements of the Group for the year ended 31 March 2025. This interim financial results do not include all of the information required for a full set of financial statements prepared in accordance with HKFRS Accounting Standards, which collective term includes all applicable individual Hong Kong Financial Reporting Standards (“HKFRS”), HKASs and Interpretations issued by HKICPA and the requirements of the Hong Kong Companies Ordinance.

The interim financial results are unaudited, but have been reviewed by the Company’s Audit Committee.

The financial information relating to the financial year ended 31 March 2025 that is included in the interim financial results as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Further information relating to these statutory financial statements disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the financial statements for the year ended 31 March 2025 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance.

The Company’s auditor has reported on these financial statements for the year ended 31 March 2025. The auditor’s report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under section 406(2), 407(2) or (3) of the Companies Ordinance.

2. CHANGES IN ACCOUNTING POLICIES

The Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA to this interim financial results for the current accounting period:

- Amendments to HKAS 21, *The effects of changes in foreign exchange rates – Lack of exchangeability*

The amendments do not have a material impact on how the Group’s results and financial position for the current or prior periods have been prepared or presented in this interim financial result announcement as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3. REVENUE

The principal activities of the Group are the manufacture and sale of garments and textiles, provision of processing services and rental of properties.

Revenue represents the invoiced value of goods supplied to customers, processing service income and rental income. Disaggregation of revenue by category is analysed as follows:

	Six months ended 30 September	
	2025	2024
	\$'000	\$'000
Under the scope of HKFRS 15,		
<i>Revenue from contracts with customers:</i>		
- Manufacture and sale of garments	84,064	73,088
- Manufacture and sale of textiles	22	21
- Processing service income	-	356
	<u>84,086</u>	<u>73,465</u>
Under the scope of HKFRS 16, Leases:		
Gross rentals from investments properties	<u>1,507</u>	<u>1,836</u>
	<u>85,593</u>	<u>75,301</u>

Disaggregation of revenue from contracts with customers by geographic markets is disclosed in note 4(c).

4. SEGMENT REPORTING

The Group manages its business by divisions. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following three reportable segments. No operating segments have been aggregated to form the following reportable segments:

- Manufacture and sale of garments and textiles: this segment covers the manufacture and sale of garment and textile products, and provision of garment processing services.
- Interests in joint ventures: the Group's joint ventures engage in the manufacture and sale of textile yarn products.
- Property leasing: this segment leases commercial and industrial premises to generate rental income.

(a) Information about profit or loss, assets and liabilities

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the period is set out below:

	Manufacture and sale of garments and textiles		Interests in joint ventures		Property leasing		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
For the six months ended 30 September								
Revenue from external customers	84,086	73,465	-	-	1,507	1,836	85,593	75,301
Inter-segment revenue	-	-	-	-	383	383	383	383
Reportable segment revenue	84,086	73,465	-	-	1,890	2,219	85,976	75,684
Reportable segment (loss)/profit (adjusted EBITDA)	(9,241)	(12,981)	(47,737)	(15,127)	1,570	1,938	(55,408)	(26,170)
	30 September 2025	31 March 2025	30 September 2025	31 March 2025	30 September 2025	31 March 2025	30 September 2025	31 March 2025
Reportable segment assets	404,917	402,361	370,278	409,860	236,401	237,349	1,011,596	1,049,570
Additions to non-current segment assets during the period	-	615	-	-	-	-	-	615
Reportable segment liabilities	57,501	46,938	-	-	-	-	57,501	46,938

The measure used for reporting segment profit/loss is "adjusted EBITDA" i.e. "adjusted earnings before interest, taxes, depreciation and amortisation", where "interest" is regarded as including investment income and finance cost and "depreciation and amortisation" is regarded as including impairment losses on non-current assets, depreciation and amortisation. To arrive at adjusted EBITDA, the Group's earnings are further adjusted for items not specifically attributed to individual segments, such as net valuation gains/losses on investment properties, auditors' remuneration and other head office or corporate administration costs.

(b) Reconciliations of reportable segment profit or loss

	Six months ended 30 September	
	2025	2024
	\$'000	\$'000
Reportable segment loss derived from Group's external customers (adjusted EBITDA)	(55,408)	(26,170)
Finance costs	(271)	(345)
Interest income	4,912	6,315
Depreciation and amortisation	(832)	(1,442)
Net valuation losses on investment properties	(243)	(8,957)
Unallocated head office and corporate expenses	(1,846)	(1,581)
Consolidated loss before taxation	<u>(53,688)</u>	<u>(32,180)</u>

(c) Geographic information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's investment properties, other property, plant and equipment and interest in leasehold land held for own use, intangible assets and interests in joint ventures ("specified non-current assets"). The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of the specified non-current assets is based on the physical location of the asset, in the case of investment properties, other property, plant and equipment and interest in leasehold land held for own use, the location of the operation to which they are allocated, in the case of intangible assets, and the location of operations, in the case of interests in joint ventures.

	Revenue from external customers		Specified non-current assets	
	Six months ended 30 September		30 September	31 March
	2025	2024	2025	2025
	\$'000	\$'000	\$'000	\$'000
Hong Kong (place of domicile)	2,620	2,977	224,923	225,838
Europe				
- United Kingdom	26,242	29,672	-	-
- Italy	640	341	-	-
- Spain	7,935	10,095	-	-
- Germany	12,408	6,010	-	-
- Other European countries	12,977	4,999	-	-
Mainland China	343	1,094	380,973	420,656
North America				
- United States	9,778	5,595	-	-
- Canada	273	990	-	-
Others	12,377	13,528	-	-
	<u>82,973</u>	<u>72,324</u>	<u>380,973</u>	<u>420,656</u>
	<u>85,593</u>	<u>75,301</u>	<u>605,896</u>	<u>646,494</u>

5. LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging/(crediting):

		Six months ended 30 September	
		2025	2024
		\$'000	\$'000
(a) Finance costs			
Interest on bank advances (including bank charges)		270	342
Interest on lease liabilities		1	3
		<u>271</u>	<u>345</u>
(b) Other items			
Depreciation charges			
- owned property, plant and equipment		310	291
- right-of-use assets		475	1,104
Dividends income and interest income		(5,477)	(6,862)
Loss on disposal of other property, plant and equipment		<u>121</u>	<u>1</u>
(c) Other operating expenses			
Legal and professional fee		808	584
Security fee		788	744
Auditors' remuneration		767	805
Repair and maintenance fee		537	365
Insurance		516	605
Other taxes and surcharges		431	347
Consultancy fee		428	421
Motor vehicle expenses		262	294
Amortisation of intangible assets		47	47
Sundry expenses		<u>677</u>	<u>717</u>
		<u>5,261</u>	<u>4,929</u>

6. INCOME TAX

Income tax in the consolidated statement of profit or loss represents:

		Six months ended 30 September	
		2025	2024
		\$'000	\$'000
Current tax - Hong Kong Profits Tax		-	-
Current tax – Outside Hong Kong		-	-
Deferred tax relating to the origination and reversal of temporary differences		<u>(374)</u>	<u>(407)</u>
		<u>(374)</u>	<u>(407)</u>

No provision for Hong Kong Profits Tax has been made for the six months ended 30 September 2025 and 30 September 2024 as the Company and its Hong Kong subsidiaries sustained losses for taxation purpose during the period.

Taxation for subsidiaries outside Hong Kong is charged at the appropriate current rates of taxation ruling in the relevant countries.

7. DIVIDENDS

(a) Dividends payable to equity shareholders of the Company attributable to the interim period:

No interim dividend declared and paid after the interim period end (2024: nil).

(b) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved during the interim period:

Final dividend of \$0.02 per ordinary share in respect of the year ended 31 March 2025 amounted to \$4,135,000 was approved in the Company's Annual General Meeting on 26 September 2025. The dividends were paid on 22 October 2025.

Final dividend of \$0.02 per ordinary share in respect of the year ended 31 March 2024 amounted to \$4,135,000 was approved during the period ended 30 September 2024 and paid on 23 October 2024.

8. LOSS PER SHARE

(a) Basic loss per share

The calculation of basic loss per share is based on the loss attributable to ordinary equity shareholders of the Company of \$53,314,000 (2024: \$31,773,000) and the weighted average number of 206,748,000 (2024: 206,748,000) ordinary shares in issue during the period.

(b) Diluted loss per share

The diluted loss per share is the same as the basic loss per share as there were no dilutive potential ordinary shares in existence during the periods ended 30 September 2025 and 2024.

9. INVESTMENT PROPERTIES AND OTHER PROPERTY, PLANT AND EQUIPMENT

(a) Right-of-use assets

During the six months ended 30 September 2025 and 2024, the Group did not enter into any lease agreement.

(b) Acquisitions and disposal of owned assets

During the six months ended 30 September 2025, the Group did not acquire any other property, plant and equipment (six months ended 30 September 2024: cost of \$13,000). Items of other property, plant and equipment with a net book value of \$124,000 were disposed of during the six months ended 30 September 2025 (six months ended 30 September 2024: \$1,000), resulting in a net loss on disposal of \$121,000 (six months ended 30 September 2024: net loss on disposal of \$1,000).

(c) Valuation

The valuations of investment properties carried at fair value were updated at 30 September 2025 by the Group's independent valuer using the same valuation techniques as were used by this valuer when carrying out the March 2025 valuations.

The Group has also made reference to, if any, subsequent sales of corresponding investment properties in order to reflect its fair value as at 30 September 2025.

As a result of the update, net valuation losses of \$243,000 (six months ended 30 September 2024: net valuation losses of \$8,957,000) has been recognised in profit or loss for the period in respect of investment properties.

10. TRADE AND OTHER RECEIVABLES

As of the end of the reporting period, the ageing analysis of trade debtors and bills receivable (which are included in trade and other receivables), based on the invoice date and net of loss allowance, is as follows:

	30 September 2025 \$'000	31 March 2025 \$'000
Within 1 month	5,566	5,176
Over 1 month but within 2 months	6,948	4,654
Over 2 months but within 3 months	5,394	3,335
Over 3 months but within 4 months	2,423	2,033
Over 4 months	1,846	1,819
Trade debtors and bills receivable	22,177	17,017
Deposits, prepayments and other debtors	9,830	7,169
Amounts due from related companies	138	132
Derivative financial instruments	-	57
	<u>32,145</u>	<u>24,375</u>

Substantially all of the Group's trade and other receivables are expected to be recovered or recognised as an expense within one year.

Trade debtors and bills receivable are due between 0 to 180 days (2024: 0 to 180 days) from the date of billing.

The amounts due from related companies are unsecured, interest-free and recoverable on demand except for those trade related items under normal trade terms.

11. TRADE AND OTHER PAYABLES

As of the end of the reporting period, the ageing analysis of trade creditors and bills payable (which are included in trade and other payables), based on the invoice date, is as follows:

	30 September 2025 \$'000	31 March 2025 \$'000
Within 1 month	9,965	3,861
Over 1 month but within 2 months	4,362	2,001
Over 2 months but within 3 months	290	520
Over 3 months	1,201	811
Trade creditors and bills payable	15,818	7,193
Accrued charges and other creditors	22,349	23,493
Derivative financial instruments	1,019	-
Dividends payable	4,135	-
Amounts due to related companies	70	190
Amount due to a joint venture	-	13
	43,391	30,889

INTERIM DIVIDEND

The Board has resolved not to declare the payment of interim dividend for the six months ended 30 September 2025 (2024: nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Key Performance Indicators

	Six months ended 30 September		
	2025 HK\$'000	2024 HK\$'000	+/- Change
Revenue	85,593	75,301	14%
Gross profit	15,089	13,511	12%
Gross profit margin	18%	18%	-
Loss from operations	(5,437)	(7,751)	-30%
Operating margin	-6%	-10%	4pp
Loss attributable to equity shareholders of the Company	(53,314)	(31,773)	68%
Net profit margin	-62.3%	-42.2%	-20pp
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	(57,497)	(36,708)	57%
EBITDA margin	-67%	-49%	-18pp
Loss per share - basic	(\$0.26)	(\$0.15)	73%

Business Review and Prospects

For the period under review, our company recorded a loss of HK\$53,314,000 (2024-25 first six months a loss of HK\$31,773,000). Again, a great majority of these losses was from booking the loss (HK\$47,737,000) of our investment in Wuxi No. 1 Cotton Investment Co., Ltd. in which we have a 49% shareholding. However, such losses do not have negative impact on our cash flow.

Our core garment business for the 6 months under review comparing to last year same period had actually improved, revenue was up and losses were down. However, we expect the garment business would continue to be challenging for the remaining year and our Wuxi investment would continue to bring us huge losses.

Liquidity and Financial Position

During the period under review, the Group's operations continued to be mainly financed by the internal resources.

As at 30 September 2025, the aggregated cash and cash equivalents and bank deposits of the Group were approximately HK\$318,924,000 (as at 31 March 2025: HK\$332,136,000). As at 30 September 2025 and 31 March 2025, the Group did not have any short term and long term borrowings.

The Group adopts a prudent policy to hedge the fluctuation of foreign exchange rates. As most of the Group's sales, purchases, cash and bank balances are denominated in Hong Kong dollars, United States dollars, Euros, Pounds Sterling or Renminbi, the Group may enter into forward foreign exchange contracts to hedge its committed future sales denominated in the above foreign currencies against the exchange rate fluctuation when the exposure is significant. As at 30 September 2025, the Group has forward foreign exchange contracts hedging forecast transactions with net fair value of HK\$1,019,000 (liabilities) (as at 31 March 2025: HK\$57,000 (assets)), recognised as derivative financial instruments.

Pledge of Assets

As at 30 September 2025, none of the assets of the Group was pledged.

Employment and Remuneration Policies

As at 30 September 2025, the Group, including its subsidiaries but excluding joint ventures, employed approximately 133 employees. Remuneration packages are determined by reference to employees' performance and the prevailing salary levels in the market. In addition, the Group provides year end double pay, provident fund scheme, medical insurance and training to staff.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company during the period ended 30 September 2025.

AUDIT COMMITTEE

The Company has an audit committee which was established in compliance with Rule 3.21 of the Listing Rules for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal controls. The audit committee comprises three independent non-executive directors of the Company.

The audit committee of the Company has reviewed with the management the accounting principles and practices adopted by the Group and the unaudited interim financial statements of the Group for the period ended 30 September 2025.

CORPORATE GOVERNANCE PRACTICES

In the opinion of the Board, the Company has complied throughout the period ended 30 September 2025 with the code provisions in the Corporate Governance Code as set out in Appendix C1 of the Listing Rules.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a Securities Dealing Code regarding director's securities transactions on terms no less exacting than required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix C3 of the Listing Rules. All directors have confirmed, upon specific enquiry by the Company, that they have complied with the required standard set out in the Model Code and the Securities Dealing Code throughout the period under review.

PUBLICATION OF RESULTS ANNOUNCEMENT AND INTERIM REPORT

The results announcement is published on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the website of the Company at www.ygm.com.hk under "Results Announcement". The interim report for the six months ended 30 September 2025 will be dispatched to the shareholders and published on the above websites in due course.

By Order of the Board
YangtzeKiang Garment Limited
Chan Wing Fui, Peter
Chairman

Hong Kong, 21 November 2025

As at the date of this announcement, the Board consists of six executive directors, namely Mr. Chan Wing Fui, Peter, Mr. Chan Wing Kee, Mr. Chan Wing To, Madam Chan Suk Man, Mr. Chan Wing Sun, Samuel and Madam Chan Suk Ling, Shirley and three independent non-executive directors, namely Mr. Choi Ting Ki, Mr. So Stephen Hon Cheung and Mr. Li Guangming.