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JUSTIN ALLEN HOLDINGS LIMITED

捷隆控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 01425)

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

The board (the “**Board**”) of directors (the “**Directors**”) of Justin Allen Holdings Limited (the “**Company**”) is pleased to announce the audited consolidated annual results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2025, together with comparative figures for the year ended 31 December 2024 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

	<i>Notes</i>	2025 HK\$'000	2024 HK\$'000
Revenue	3	1,098,569	1,067,830
Cost of sales		<u>(762,622)</u>	<u>(746,240)</u>
Gross profit		335,947	321,590
Other income	4	21,693	21,103
Other gains and losses, net	5	7,746	3,654
Selling and distribution expenses		(57,202)	(52,227)
Administrative expenses		(86,435)	(69,111)
Finance costs	6	<u>(18,319)</u>	<u>(19,234)</u>
Profit before tax		203,430	205,775
Income tax expense	7	<u>(36,742)</u>	<u>(35,402)</u>
Profit for the year	8	<u>166,688</u>	<u>170,373</u>

	<i>Notes</i>	2025 HK\$'000	2024 HK\$'000
Other comprehensive income/(expenses)			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		<u>8,284</u>	<u>(5,755)</u>
Other comprehensive income/(expenses) for the year		<u>8,284</u>	<u>(5,755)</u>
Total comprehensive income for the year		<u>174,972</u>	<u>164,618</u>
Profit/(loss) for the year attributable to:			
Owners of the Company		166,749	170,373
Non-controlling interests		<u>(61)</u>	<u>-</u>
		<u>166,688</u>	<u>170,373</u>
Total comprehensive income/(expenses) for the year attributable to:			
Owners of the Company		175,043	164,618
Non-controlling interests		<u>(71)</u>	<u>-</u>
		<u>174,972</u>	<u>164,618</u>
Earnings per share, basic and diluted (HK cents)	<i>10</i>	<u>13.34</u>	<u>13.63</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	Notes	2025 HK\$'000	2024 HK\$'000
Non-current assets			
Property, plant and equipment		148,858	128,849
Right-of-use assets		75,881	75,385
Rental deposits		5,918	5,608
Deferred tax assets		4,245	3,465
		<u>234,902</u>	<u>213,307</u>
Current assets			
Inventories		137,139	133,457
Trade and other receivables	11	91,021	105,205
Financial assets at fair value through other comprehensive income		52,254	74,873
Financial assets at fair value through profit or loss		373,248	111,110
Tax recoverable		2,184	-
Bank balances and cash		236,302	418,507
		<u>892,148</u>	<u>843,152</u>
Current liabilities			
Trade and other payables	12	153,455	182,633
Lease liabilities		3,137	1,795
Tax liabilities		4,885	14,629
		<u>161,477</u>	<u>199,057</u>
Net current assets		<u>730,671</u>	<u>644,095</u>
Total assets less current liabilities		<u>965,573</u>	<u>857,402</u>
Non-current liabilities			
Deferred tax liabilities		36	12
Lease liabilities		27,378	27,713
		<u>27,414</u>	<u>27,725</u>
Net assets		<u>938,159</u>	<u>829,677</u>
Capital and reserves			
Share capital	13	12,500	12,500
Reserves		922,220	817,177
Equity attributable to owners of the Company		934,720	829,677
Non-controlling interests		3,439	-
Total equity		<u>938,159</u>	<u>829,677</u>

Notes:

1. GENERAL INFORMATION

Justin Allen Holdings Limited (the “**Company**”) is an investment holding company. The Group is principally engaged in the manufacturing and sales of sleepwear products, loungewear products, greige fabric and processing services.

The Company was incorporated in the Cayman Islands on 31 May 2013 as an exempted company with limited liability under the Companies Law of the Cayman Islands. The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 28 November 2019.

The address of the Company’s registered office is Ogier Global (Cayman) Limited, 89 Nexus Way, Camana Bay, Grand Cayman KY1-9009, Cayman Islands, and the Company’s principal place of business is 31/F, Excel Centre, 483A Castle Peak Road, Cheung Sha Wan, Hong Kong.

In the opinion of the Directors, the Company’s parent and ultimate holding company is Strategic King Holdings Limited (“**Strategic King**”), a company incorporated in the British Virgin Islands (“**BVI**”) and wholly-owned by Mr. Tam Kwok Pui, Edmond (“**Mr. Edmond Tam**”) and Ms. Yeung Suk Foon, Paulina (“**Ms. Paulina Yeung**”), the spouse of Mr. Edmond Tam (together, the “**Ultimate Controlling Shareholders**”).

The consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”). The functional currency of the Company is United States dollars (“**USD**”). The Group adopted HK\$ as presentation currency for the convenience of the financial statements users and because the Company’s shares are listed on the Stock Exchange of Hong Kong Limited. All values are rounded to the nearest thousand dollars (HK\$’000) except otherwise indicated.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

Amendments to HKFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) for the first time, which are mandatorily effective for the Group’s annual periods beginning on or after 1 January 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21

Lack of Exchangeability

The application of the amendments to HKFRS Accounting Standards 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.

New and amendments to HKFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective:

Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency ³
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards - Volume 11 ²
HKFRS 18	Presentation and Disclosure in Financial Statements ³

¹ Effective for annual periods beginning on or after a date to be determined.

² Effective for annual periods beginning on or after 1 January 2026.

³ Effective for annual periods beginning on or after 1 January 2027.

Except for the new and amendments to HKFRS Accounting Standards mentioned below, the Directors anticipate that the application of all other new and amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 Presentation and Disclosure in Financial Statements, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 Presentation of Financial Statements. This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (the title of which will be changed to Basis of Preparation of Financial Statements upon effective of HKFRS 18) and HKFRS 7 Financial Instruments: Disclosures. Minor amendments to HKAS 7 Statement of Cash Flows and HKAS 33 Earnings per Share are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

Revenue represents revenue arising from the manufacturing and sales of products, which included sleepwear products, loungewear products, greige fabric and processing services for the years ended 31 December 2025 and 2024.

The Group has one operating segment based on information reported to the chief operating decision maker of the Group (the executive directors of the Company who are also directors of the operating subsidiaries) (the “CODM”) for the purpose of resource allocation and performance assessment, which is the consolidated results of the Group, focuses on the operating result of the Group as a whole as the Group’s resources are integrated and no discrete operating segment financial information is available. Accordingly, no analysis of segment assets or segment liabilities is presented.

Revenue from major products and services

Disaggregation of revenue from contracts with customers

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Sales of products		
- Sleepwear	754,795	726,449
- Loungewear	339,863	326,189
- Greige fabric	2,822	12,493
Processing services	1,089	2,699
	<u>1,098,569</u>	<u>1,067,830</u>

Timing of revenue recognition

At a point in time	1,097,480	1,065,131
Over time	1,089	2,699
	<u>1,098,569</u>	<u>1,067,830</u>

Revenue from sales of products, which included sleepwear products, loungewear products and greige fabric, is recognised when control of the goods has transferred, being when the goods have been shipped to the customer’s specific location (delivery). The normal credit period is 0 to 120 days upon delivery.

For processing services, such services are recognised as a performance obligation satisfied over time as the Group creates or enhances an asset that the customer controls when the Group provides processing services. Revenue is recognised for these processing services based on the stage of completion of the contract using input method. No credit period is granted to the customers.

Revenue arising from sales of products and processing services are under fixed price arrangement with customers. During the years ended 31 December 2025 and 2024, all performance obligations for sales of products, and processing services are for periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to unsatisfied performance obligations as at the end of each reporting period is not disclosed.

Geographical information

The following is an analysis of the Group's revenue from external customers as presented based on the location of customers:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue		
United States of America	812,053	793,227
United Kingdom	104,081	95,126
Ireland	101,703	108,583
Canada	43,044	24,833
Spain	31,403	30,869
The PRC	6,087	15,192
Cambodia	198	-
	<u>1,098,569</u>	<u>1,067,830</u>

The analysis of the Group's non-current assets by location of assets is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Non-current assets		
The PRC	111,589	113,308
Hong Kong	28,455	28,765
Cambodia	51,425	49,377
Vietnam	11,297	11,298
Honduras	4,657	7,094
Kenya	23,234	-
	<u>230,657</u>	<u>209,842</u>

Note: Non-current assets excluded deferred tax assets.

Information about major customers

Revenue from customers for the years ended 31 December 2025 and 2024 contributing over 10% of the Group's revenue are as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Customer A	802,212	784,911
Customer B	<u>245,139</u>	<u>240,999</u>

4. OTHER INCOME

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Government grants	581	609
Interest income		
- Bank deposit	14,767	13,024
- Financial assets at fair value through profit or loss	2,451	1,508
Dividend income	1,659	1,686
Sales of raw materials and samples	684	3,906
Others	1,551	370
	<u>21,693</u>	<u>21,103</u>

5. OTHER GAINS AND LOSSES, NET

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Gain on disposal/written off of property, plant and equipment	96	17
Gain on early termination of leases	-	828
Net foreign exchange gain	3,542	3,413
Reversal of / (allowance for) expected credit loss recognised on trade and other receivables, net	186	(926)
Fair value change on financial assets at fair value through profit or loss, net:		
- Realised gain	579	45
- Unrealised gain	3,343	277
	<u>7,746</u>	<u>3,654</u>

6. FINANCE COSTS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interest on trade financing	13,364	14,777
Interest on bank borrowings	348	-
Interest on lease liabilities	4,607	4,457
	<u>18,319</u>	<u>19,234</u>

7. INCOME TAX EXPENSE

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
The income tax expense comprises:		
Current tax:		
Hong Kong Profits Tax	34,027	36,275
PRC Enterprise Income Tax	1,660	127
Cambodia Corporate Income Tax	670	674
Vietnam Corporate Income Tax	19	-
United States Corporate Income Tax	4	-
	<u>36,380</u>	<u>37,076</u>
Underprovision in prior years:		
Hong Kong Profits Tax	1,122	-
Deferred tax credit	<u>(760)</u>	<u>(1,674)</u>
	<u><u>36,742</u></u>	<u><u>35,402</u></u>

(a) Hong Kong Profits Tax

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million.

(b) PRC Enterprise Income Tax

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% during the years ended 31 December 2025 and 2024.

Pursuant to the EIT Law of PRC and the Detailed Implementation Rules, distribution of the profits earned by the PRC subsidiaries since 1 January 2008 to holding companies incorporated in Hong Kong is subject to the PRC withholding tax at tax rate of 5%.

(c) Cambodia Corporate Income Tax

Pursuant to the relevant laws and regulations in Cambodia, the tax rate of the Cambodian subsidiary is 20% during the years ended 31 December 2025 and 2024.

(d) Vietnam Corporate Income Tax

Pursuant to the relevant laws and regulations in Vietnam, the tax rate of the Vietnamese subsidiary is 20% during the years ended 31 December 2025 and 2024.

(e) Honduras Corporate Income Tax

Pursuant to the relevant laws and regulations in Honduras, the tax rate of the Honduran subsidiary is 25% during the years ended 31 December 2025 and 2024.

(f) United States Corporate Income Tax

Pursuant to the relevant laws and regulations in United States, the tax rate of the United States subsidiary is 21% during the year ended 31 December 2025.

(g) Kenya Corporate Income Tax

Pursuant to the relevant laws and regulations in Kenya, the tax rate of the Kenya subsidiary is 30% during the year ended 31 December 2025. The Kenya subsidiary is qualified as an Export Processing Zone Enterprise from 27 August 2025 and enjoy Kenya Corporate Income Tax rate of 0%.

8. PROFIT FOR THE YEAR

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Profit for the year has been arrived at after charging/ (crediting):		
Directors' remuneration	9,738	7,100
Other staff costs	137,469	110,859
Auditors' remuneration	1,680	1,600
Depreciation of property, plant and equipment	16,312	14,840
Depreciation of right-of-use assets	5,297	4,686
Cost of inventories recognised as an expenses	589,497	669,956
Expenses related to short-term leases	2,528	2,744
(Reversal of) /allowance for expected credit loss recognised on trade and other receivables, net	<u>(186)</u>	<u>926</u>

9. DIVIDEND

(i) Dividends payable to equity shareholders of the Company attributable to the year

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Final dividend proposed after the end of reporting period of HK\$0.048 per share (2024: HK\$0.056 per share)	<u>60,000</u>	<u>70,000</u>

(ii) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Final dividend in respect of the previous financial year, approved and paid during the year, of HK\$0.056 per share (2024: HK\$0.0485 per share)	<u>70,000</u>	<u>60,625</u>

10. 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>HK\$'000</i>	2024 <i>HK\$'000</i>
Earnings		
Earnings for the purpose of calculating basic earnings per share (Profit for the year attributable to the owners of the Company)	<u>166,749</u>	<u>170,373</u>
	<i>'000</i>	<i>'000</i>
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	<u>1,250,000</u>	<u>1,250,000</u>

Basic and diluted earnings per share for the years ended 31 December 2025 and 2024 were the same as there were no potential ordinary shares in issue during the years ended 31 December 2025 and 2024.

11. TRADE AND OTHER RECEIVABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade receivables, net	57,954	42,572
Deposits, prepayments and other receivables, net	<u>33,067</u>	<u>62,633</u>
	<u>91,021</u>	<u>105,205</u>

The Group allows a credit period of 0 to 120 days to its customers.

The following is an aged analysis of trade receivables net of allowance for expected credit losses, presented based on the delivery dates at the end of each reporting period:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
0-30 days	31,961	24,346
31-60 days	16,469	15,321
61-90 days	6,990	2,531
Over 90 days	<u>2,534</u>	<u>374</u>
	<u>57,954</u>	<u>42,572</u>

12. TRADE AND OTHER PAYABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade payables	65,337	80,485
Accruals and other payables	<u>88,118</u>	<u>102,148</u>
	<u>153,455</u>	<u>182,633</u>

The following is an aged analysis of trade payables presented based on the invoice dates of goods at the end of each reporting period:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
0-30 days	63,599	73,435
31-60 days	596	6,648
61-90 days	13	137
Over 90 days	<u>1,129</u>	<u>265</u>
	<u>65,337</u>	<u>80,485</u>

The credit period on purchases of goods is 0 to 90 days upon the issue of invoices.

13. SHARE CAPITAL

	Number of shares	Amount <i>HK\$'000</i>
	<hr/>	<hr/>
Authorised:		
At 1 January 2024, 31 December 2024, 1 January 2025 and 31 December 2025	<u>50,000,000,000</u>	<u>500,000</u>
Issued and fully paid:		
At 1 January 2024, 31 December 2024, 1 January 2025 and 31 December 2025	<u>1,250,000,000</u>	<u>12,500</u>

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

The Group primarily engages in the business of ODM garment manufacturing, specialising in the production of sleepwear and loungewear products. It has operated its own brand. It has a vertically integrated business operation, which is comprised of (1) raw materials sourcing and greige fabric production, (2) raw materials and fabric development, (3) garment design, (4) customer consultation on product design and fabric use, (5) conducting key garment production processes with our production facilities, and (6) carrying out quality control at various key production stages and on finished garment products. As such, in addition to the individual services listed above, the Group offers our customers a one-stop solution, from apparel inception to finalised production and shipment. The Group owns production facilities in Henan Province, the People's Republic of China ("PRC"), Phnom Penh, Cambodia and Honduras. The factory in Central America has started operation in 2023. In Vietnam, the Group currently operates production through subcontractors with long-term relationships.

In addition to the design center in Spain, the Group established a subsidiary in the United States to strengthen its design and pre/post sales operations and to enhance communication with customers. Through this establishment in proximity to the customers, the Group aims to enhance communication with customers, improve our understanding of customers' needs, foster closer relationships and embodying the belief that "sales involve not only products but also services". This subsidiary will also facilitate the expansion into new markets and bring about new opportunities in the United States for the Group.

The global economic environment continues to be affected by numerous uncertainties, including a high-interest-rate environment, changes in international trade policies, supply chain restructuring trends, and volatile geopolitical situations, making the overall operating environment challenging. Although inflationary pressures have eased in some major economies, global economic growth remains moderate, with divergent market performance and related uncertainties not yet fully resolved. In this context, the Group has consistently adopted a prudent operating approach, focusing on diversifying its production bases, strengthening vertical integration, and maintaining stable customer relationships. While strictly controlling costs, the Group is committed to ensuring product quality and operational efficiency. Furthermore, the Group continues to diversify its customer base and the geographical sources of customer demand to reduce reliance on a single market or individual customer, thereby enhancing its overall resilience. Faced with a complex and volatile external environment, the Group will continue to closely monitor market and macroeconomic trends and adjust its operational and resource allocation strategies as needed to support the stable operation and sustainable development of its business.

Sales of sleepwear products increased by approximately 3.9% to approximately HK\$754.8 million while the sales of loungewear products increased by approximately 4.2% to approximately HK\$339.9 million during the year ended 31 December 2025 (the "Year"). The increase in sales of loungewear products was due to the change of product mix, and also reflected the initial effect of the diversification of customer base and geographic spread of customers' demand. For the year ended 31 December 2025, the Group recorded a slight increase in gross profit ratio by 0.5% and a slight decrease in net profit ratio by 0.8% respectively. The Group has persevered in cost awareness by adopting a proactive cost control strategy and enlarging the benefits from our vertical integration.

For the year ended 31 December 2025, the Board proposed a final dividend of HK\$0.048 per share, representing a dividend ratio of approximately 36.0% out of the profit attributable to the owners of the Company. The Group continued to demonstrate commendable performance, despite operating in a challenging environment. On the other hand, the Group is reserving resources to further establish production bases in Africa, Central America and Vietnam to capitalise on the upcoming demand recovery. In light of these factors, the Board decided to declare a dividend at a moderate dividend ratio to shareholders of the Company for sharing fruitful returns to them and as an appreciation for their support.

Finance Review

Revenue

For the year ended 31 December 2025, the revenue of the Group recorded approximately HK\$1,099 million, representing an increase of approximately 2.9% as compared with the same period of last year. The sales of sleepwear products increased by approximately 3.9% to approximately HK\$754.8 million while the sales of loungewear products increased by approximately 4.2% to approximately HK\$339.9 million. The increase in sales of loungewear products was due to the change of product mix, and also reflected the initial effect of the diversification of customer base and geographic spread of customers' demand.

Gross profit

The gross profit of the Group in 2025 was approximately HK\$335.9 million with gross profit margin of approximately 30.6%, while it was approximately HK\$321.6 million in 2024 with margin of approximately 30.1%. Due to the change of product mix and the diversification of customer base, the gross profit margin has increased by 0.5%. The Group suffered the pressure of the increment of staff cost, especially in Central America. The Group has implemented pro-active cost control strategy and diversification of production bases to allocate production among different bases to save on raw material and production costs.

Other income

For the year ended 31 December 2025, the Group recorded other income of approximately HK\$21.7 million, which was approximately the same as the amount of HK\$21.1 million recorded during 2024.

Other gains and losses

For the year ended 31 December 2025, the Group recorded net other gains of approximately HK\$7.7 million, while the Group recorded net other gains of approximately HK\$3.7 million during 2024. The Group recorded unrealized gain from investments in bonds and funds of approximately HK\$4.9 million in 2025, while the Group recorded unrealized gains from investments in bonds and funds of approximately HK\$0.3 million during 2024. The investments in market-tradeable bonds and funds were recorded in market value as at the reporting date. The Group intended to hold these investments on a long-term basis till maturity. In addition, the Group recorded net foreign exchange gain of approximately HK\$3.5 million during 2025, while the Group recorded net foreign exchange gain of approximately HK\$3.4 million during 2024.

Selling and distribution expenses

For the year ended 31 December 2025, the selling and distribution expenses of the Group were approximately HK\$57.2 million, representing an increase of approximately 9.5% from approximately HK\$52.2 million recorded in 2024. The Group implemented cost control and aimed to utilize our resources in a more effective way. The selling expenses over turnover ratio slightly increased from approximately 4.9% in 2024 to approximately 5.2% in 2025.

Administrative expenses

The administrative expenses of the Group for the year ended 31 December 2025 were approximately HK\$86.5 million, representing an increase of approximately 25.1% from approximately HK\$69.1 million recorded in 2024. The increase mainly resulted from the expansion of the Group's operation scale, including commencement of the trial-run of the new factory in Cambodia, the continuing operation of Honduras factory and commitment in the Vietnam and Kenya production base. As some of the plants have not yet commenced production, the ratio of administrative expenses to sales revenue increased from approximately 6.5% last year to approximately 7.9% this year. The Group expects that the ratio of administrative expenses to sales revenue will decrease accordingly once the plants are officially put into production and revenue increases.

Finance costs

The finance costs of the Group were approximately HK\$18.3 million during 2025, while it was approximately HK\$19.2 million in 2024. In addition, the United States Federal Reserve System cut the Federal Funds Rate from 5.5% to 3.75% in September 2024, which has positive impact in lowering the interest rate of the Group's trade financing.

Profit attributable to the owners of the Company

The profit attributable to the owners of the Company slightly decreased by approximately 2.1% from approximately HK\$170.4 million for the year ended 31 December 2024 to approximately HK\$166.7 million for the year ended 31 December 2025. The decrement of net profit was mainly due to the above mentioned increment of administrative expenses.

Outlook and Future Prospects

Looking ahead to 2026, the Company remains cautious on the global economic growth outlook, with the pace of recovery constrained by a high-interest-rate environment, a conservative pace of monetary policy adjustments by major central banks, and uncertainties related to international trade and geopolitics. Ongoing regional conflicts have also introduced volatility into global commodity and raw material markets, adding cost pressures across the apparel supply chain. Market performance in different regions is likely to continue to diverge. In this context, the Group will prioritise sound operations, focusing on consolidating its existing business foundation while prudently advancing future development plans to seize potential business opportunities as global and domestic demand gradually recovers its resilience.

The Group's garment production facility in Kenya is progressing on schedule with interior decoration and the installation of machinery and equipment currently underway. It is expected to complete factory inspection and begin trial run in the second half of 2026. The Group anticipates that this will increase our production capacity, reduce costs, and shorten delivery times to customers.

The Group continues construction of its clothing production base in the Thua Thien Hue Province, Vietnam. This production facility has an estimated production capacity of approximately 2 million pieces per month and the Group expects it to increase its production capacity, reduce costs, and enhance product quality. The Group aims to carry out the trial run of this production facility by end of 2026 or early 2027.

The Group's production facility in Honduras continues to shorten delivery times to customers in the United States, mitigate geographical risks, and strength the Group's position as a pioneer in new markets.

In addition, the Group has established subsidiary in the United States and a design centre in Spain to strengthen our design and pre/post-sales operations, enhancing communication with customers. The Group plans further coordinate its design teams across China, Spain and the United States to improve quality and efficiency of product design and development. Beyond expanding our production footprint, the Group is also advancing its transition from a pure OEM model toward an ODM capability, investing in in-house design and product development to offer customers a more complete solution and capture greater value. In parallel, the Group has established the digital infrastructure necessary to support more agile and responsive supply chain models, keeping pace with the evolving expectations of global retail partners.

The Group will also continue its efforts to diversify the customer base and geographic spread of customers' demand. We expect continued growth in purchase orders from our customers in Europe. We trust that our diversification strategy, - spanning production geographies, customer base, and capacity development – will minimize the impact of rising geopolitical tensions and tariff related disruptions globally, and serve as a durable foundation for long term revenue growth.

With these plans in mind, the Group's objective is to expand into existing and new markets by leveraging its solid foundation, market intelligence, technical expertise and stringent quality control processes. By positioning and establishing production bases in Africa, Central America, Cambodia and Vietnam, we aim to capture future opportunities and deliver fruitful returns for the Group and all stakeholders involved.

Financial Resources and Liquidity

As at 31 December 2025, the Group had current assets of approximately HK\$892.1 million (31 December 2024: HK\$843.2 million) and current liabilities of approximately HK\$161.5 million (31 December 2024: HK\$199.1 million). The current ratio was 5.52 as at 31 December 2025 as compared with 4.24 as at 31 December 2024.

The Group's cash and bank balances as at 31 December 2025 amounted to approximately HK\$236.3 million (31 December 2024: HK\$418.5 million), of which approximately 64.2% were denominated in United States dollars, 22.0% in Renminbi, 8.2% in Vietnamese Dong, 5.2% in Hong Kong dollars and 0.4% in other currencies. The decrease in the bank balance mainly due to the subscription of certain wealth management products issued by HSBC and SCB respectively.

As at 31 December 2025 and 31 December 2024, the Group had no outstanding bank loans. As at 31 December 2025, the Group pledged assets of the Group with a net book value of HK\$28.0 million (31 December 2024: HK\$112.7 million) for banking facilities which had not been utilized.

The gearing ratio of the Group, measured by bank borrowings as a percentage of shareholders' equity, was zero as at 31 December 2025 and 31 December 2024.

Since the Group's principal activities are in Hong Kong and PRC and the financial resources available, including cash on hand, are mainly in Hong Kong Dollars, Renminbi and United States Dollars, the exposure to foreign exchange fluctuation is relatively limited. As at 31 December 2025, the Group had not entered into foreign currency forward contracts to offset the exchange risk between Renminbi and United States dollars. The Group will from time to time consider different financial instruments to control the foreign exchange risk at a manageable level.

The Group intends to principally finance its operations and investing activities with its operating revenue, internal resources and bank facilities. The Directors believe that the Group has a healthy financial position and has sufficient resources to satisfy its capital expenditure and working capital requirement. The Group adopted a conservative treasury policy with most of the bank deposits being kept in Hong Kong dollars or United States dollars or in the local currencies of the operating subsidiaries to minimize exposure to foreign exchange risks, and making investment in financial instruments with open market, good credit rating and low market risk to earn stable return. Other than stated above, the Group did not have other interest or currency swaps or other financial derivatives for hedging purposes.

As at 31 December 2025, the Group invested in 7 sets of market-tradable bond instruments with par value between USD0.2 million to USD2.0 million each through a bank via different transactions with the objective to apply unutilized short-term available fund to earn stable return from wide-ranged portfolios. Those bond instruments were issued by 6 different issuers (who are independent third parties) on Stock Exchange or Singapore Stock Exchange and were acquired by the Group on the secondary market, with par value (aggregated according to each issuer) ranging from USD0.2 million to USD2.0 million and coupon rate ranging from 3.75% to 7.875%. The principal business activities of these issuers mainly include banking, airline services, property and real estate development in the PRC, etc.. The aggregation of par value of bond instruments from each issuer represented less than 5% of the total assets of the Group. As at 31 December 2025, the total amount of par value of these bonds was approximately USD5.2 million (equivalent to approximately HK\$40.6 million) and the market value was approximately USD2.3 million (equivalent to approximately HK\$17.9 million). During the year ended 31 December 2025, the Group recognised net unrealised gain from mark-to-market fair value adjustments of approximately HK\$2.1 million.

As at 31 December 2025, the Group also invested in 10 different funds with par value between USD0.25 million and USD4.5 million each through a bank. These funds were issued by 10 different independent financial institutions. The aggregation of par value of funds from each issuer represented less than 5% of the total assets of the Group. As at 31 December 2025, the total amount of par value of these funds was approximately USD12.8 million (equivalent to approximately HK\$99.8 million) and the market value was approximately USD12.8 million (equivalent to approximately HK\$99.8 million). During the year ended 31 December 2025, the Group recognised net unrealised gain from mark-to-market fair value adjustments of approximately HK\$2.8 million. Hence, the net amount of unrealized gain from investments in market-tradable bond instruments and funds was approximately HK\$4.9 million for the year.

The management of the Group made risk assessments and set different criteria before making investment in each bond instrument and fund, including (but not limited to) understanding the business nature of each issuer and characteristics of each bond instrument and fund through related product introduction materials, ensure the risk and reward from each investment is in a reasonable balance and all are tradeable in open market in order to maintain high liquidity. We also review the investment portfolio from time to time, and remain cautious with the volatility in global financial markets due to the geopolitical tensions as well as the fluid outlook of interest rates.

Material Acquisitions and Disposals

The Group did not have material acquisitions and disposals for the year ended 31 December 2025.

Significant Investment

Other than those stated above, the Group did not have other significant investment for the year ended 31 December 2025.

Contingent Liabilities

The Directors were not aware of any material contingent liabilities, as at 31 December 2025.

Events after the Reporting Period

The Group had further subscribed to certain wealth management products with a subscription amount of USD6,000,000 in January 2026.

Capital Structure

The shares of the Company have been listed on the Stock Exchange since 28 November 2019 (the “**Listing Date**”). There has been no change in the capital structure of the Company since the Listing Date. The capital of the Company comprises ordinary shares and other reserves.

Purchase, Sale or Redemption of Shares

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities during the year ended 31 December 2025.

Employees and Remuneration Policy

As at 31 December 2025, the Group employed 2,135 staff and workers in Hong Kong, PRC, Cambodia, Vietnam, Honduras and Kenya (as at 31 December 2024: 2,028). The Group remunerates its employees based on their performance and experience and their remuneration package will be reviewed periodically by the management. Other employee benefits include medical insurance, retirement scheme, appropriate training program and share option scheme.

Competing Interest

None of the Directors or the controlling shareholders (as defined in the Listing Rules) of the Company (“**Controlling Shareholders**”) had an interest in a business which competes or may compete with the business of the Group.

Each of the Controlling Shareholders has provided a written confirmation (each a “**Confirmation**”, and together the “**Confirmations**”) to the Company confirming that he/she/it fully complied with the Deed of Non-Competition (as defined in the Prospectus) during the year ended 31 December 2025 and that they did not conduct any competing business with the Group and were not offered any competing business opportunities with the Group during the year ended 31 December 2025. The independent non-executive Directors have reviewed the Confirmations from the Controlling Shareholders and are satisfied that the Deed of Non-Competition was fully complied with by Controlling Shareholders during the year ended 31 December 2025, and no competing business was reported by the Controlling Shareholders throughout the year ended 31 December 2025.

Directors' Interests in Transaction, Arrangements or Contracts

Save for the service contracts and letters of appointment entered with the respective Directors, no contract of significance to which the Company or any of its subsidiaries was a party and in which a director had a material interest, whether directly or indirectly, subsisted at the end of the year under review or any time during the year.

Model Code for Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 of the Listing Rules as its own code of conduct for securities transactions by directors. Having made specific enquiry of the Company’s directors, all directors have confirmed their compliance with all the relevant requirements as set out in the Model Code during the year ended 31 December 2025.

Independence of Independent Non-executive Directors

The Company has received from each independent non-executive director an annual confirmation for independence pursuant to Rule 3.13 of the Listing Rules. The independent non-executive directors have confirmed that they are independent.

Code of Corporate Governance Practices

The Company has complied with all of the code provisions of the Corporate Governance Code and Corporate Governance Report (the “**Code**”) as set out in Appendix C1 of the Listing Rules during the year ended 31 December 2025, except for the following deviations:

Pursuant to Code Provision C.2.1 of the Code, the role of chairman and the chief executive should be segregated and should not be performed by the same individual. However, the Company does not have a separate chairman and chief executive and Mr. Tam Kwok Pui currently performs these two roles. The Directors believe that vesting the roles of both chairman and chief executive in the same position has the benefit of ensuring consistent leadership within the Group and enables more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of chairman of the Board and chief executive of the Company at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole.

Audit Committee

The Company has established the audit committee for the purpose of monitoring the integrity of the financial statements and overseeing the financial reporting process and the internal control system of the Group. Currently, the audit committee is chaired by independent non-executive director Mr. Mak King Sau and other members include the two independent non-executive directors Mr. Woo Chun Fai and Ms. Lau Jeny.

The Group’s audited annual financial results for the year ended 31 December 2025 have been reviewed by the audit committee.

Remuneration Committee

The Company has established the remuneration committee to consider the remuneration of all directors and senior management of the Company. Currently, the remuneration committee is chaired by independent non-executive director Ms. Lau Jeny and other members include the executive director Mr. Tam Kwok Pui and the independent non-executive director Mr. Mak King Sau.

Nomination Committee

The Company has established the nomination committee to assist the Board in the overall management of the director nomination practices of the Company. Currently, the nomination committee is chaired by executive director Mr. Tam Kwok Pui and other members include the independent non-executive directors Mr. Woo Chun Fai and Mr. Mak King Sau.

Annual General Meeting

The annual general meeting of the shareholders of the Company will be held at Room 3302, 33/F, West Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong on Friday, 26 June 2026 and the notice of annual general meeting will be published and dispatched to the shareholders in the manner as required by the Listing Rules in due course.

Closure of Register of Members

The register of members of the Company will be closed during the following periods:

- (i) from Tuesday, 23 June 2026 to Friday, 26 June 2026 both days inclusive, for the purpose of ascertaining shareholders' entitlement to attend and vote at the annual general meeting of the Company to be held on Friday, 26 June 2026. In order to be eligible to attend and vote at the annual general meeting of the Company, all share certificates with completed transfer forms either overleaf or separately must be lodged for registration with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30pm on Monday, 22 June 2026; and
- (ii) on Friday, 3 July 2026, for the purpose of ascertaining shareholders' entitlement to the proposed final dividend. In order to establish entitlements to the proposed final dividend, all share certificates with completed transfer forms either overleaf or separately must be lodged for registration with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30pm on Thursday, 2 July 2026. The final dividend will be paid on or about Wednesday, 15 July 2026 to the shareholders whose names appear on the register of members as on Friday, 3 July 2026.

Scope of Work of HLB Hodgson Impey Cheng Limited

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 as set out in this announcement have been agreed by the Group's auditors, HLB Hodgson Impey Cheng Limited ("HLB"), to the amounts set out in the Group's audited consolidated financial statements for the Year. The work performed by HLB in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by HLB on this preliminary announcement.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

The annual results announcement will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.justinallengroup.com) and the Company's 2025 Annual Report will be dispatched to Shareholders who have already provided instructions indicating their preference to receive hard copies in due course and published on the Company's and the Stock Exchange's websites in due course.

By order of the Board
Justin Allen Holdings Limited
Tam Kwok Pui
Chairman

Hong Kong, 31 March 2026

As at the date of this announcement, the Board comprises three executive directors of the Company, namely, Mr. Tam Kwok Pui, Ms. Yeung Suk Foon Paulina and Mr. Lui Ho Ming Paul, and three independent non-executive directors of the Company, namely, Mr. Woo Chun Fai, Mr. Mak King Sau and Ms. Lau Jeny.