



2025 Interim Report

Goodbaby International Holdings Limited
(Incorporated in the Cayman Islands with limited liability)
www.gbinternational.com.hk
Stock Code: 1086



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Corporate Information

Corporate Information

Directors

Executive Directors

Mr. Song Zhenghuan (Chairman)
Mr. Liu Tongyou (Chief Executive Officer)
Mr. Martin Pos

Non-Executive Directors

Ms. Fu Jingqiu
Mr. Ho Kwok Yin, Eric

Independent Non-Executive Directors

Ms. Chiang Yun (Lead independent non-executive Director, as designated on 25 August 2025) ^(Note 1)
Mr. Wong Shun Tak (Appointed on 26 March 2025)
Mr. Shi Xiaoguang (Retired on 27 May 2025)
Mr. Jin Peng
Mr. So Tak Young (Retired on 27 May 2025)

Audit Committee ^(Note 2)

Mr. Wong Shun Tak (Chairman) (Appointed on 26 March 2025)
Ms. Chiang Yun
Mr. Ho Kwok Yin, Eric (Appointed on 26 March 2025)
Mr. Shi Xiaoguang (Retired on 27 May 2025)
Mr. So Tak Young (Retired on 27 May 2025)

Nomination Committee

Ms. Chiang Yun (Chairlady)
Mr. Wong Shun Tak (Appointed on 26 March 2025)
Mr. Ho Kwok Yin, Eric (Appointed on 26 March 2025)
Mr. Shi Xiaoguang (Retired on 27 May 2025)
Mr. So Tak Young (Retired on 27 May 2025)

Remuneration Committee

Ms. Chiang Yun (Chairlady)
Mr. Wong Shun Tak (Appointed on 26 March 2025)
Mr. Ho Kwok Yin, Eric (Appointed on 26 March 2025)
Mr. Shi Xiaoguang (Retired on 27 May 2025)
Mr. So Tak Young (Retired on 27 May 2025)

Environmental, Social and Governance Committee ^(Note 3)

Ms. Chiang Yun (Chairlady) (Appointed on 26 March 2025)
Mr. Wong Shun Tak (Appointed on 26 March 2025)
Mr. Ho Kwok Yin, Eric (Appointed on 26 March 2025)

Registered Office

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

Auditors

Ernst & Young
Certified Public Accountants
Registered Public Interest Entity Auditor
27/F, One Taikoo Place
979 King's Road
Quarry Bay
Hong Kong

Notes:

- On 25 August 2025, the board (the “**Board**”) of directors (the “**Directors**”, each a “**Director**”) of Goodbaby International Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) has designated Ms. Chiang Yun (“**Ms. Chiang**”), an independent non-executive Director, to assume the position of the lead independent non-executive Director (the “**Lead INED**”).
- Ms. Chiang ceased to act as the chairlady of the audit committee of the Company following the appointment of Mr. Wong Shun Tak as an independent non-executive director of the Company and the chairman of the audit committee of the Company, which took effect after close of the board meeting of the Company held on 26 March 2025.
- The environmental, social and governance committee of the Company was established on 26 March 2025 and its respective chairlady and members were appointed on the same day.

Principal Share Registrar

Suntera (Cayman) Limited
Suite 3204, Unit 2A, Block 3, Building D
P.O. Box 1586, Gardenia Court
Camana Bay, Grand Cayman, KY1-1100
Cayman Islands

Hong Kong Branch Share Registrar

Computershare Hong Kong
Investor Services Limited
Shops 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wan Chai
Hong Kong

Authorized Representatives

Mr. Song Zhenghuan
Ms. Ho Wing Tsz, Wendy

Website

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Stock Code

1086

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Company Secretary

Ms. Ho Wing Tsz, Wendy

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Management Discussion and Analysis

Management Discussion and Analysis

Overview

Heightened Macroeconomic Turbulences and Uncertainties Weighed on Business Performance

During the Period (the six months ended 30 June 2025, hereinafter as “**the Period**”), global macroeconomic prospects continued to weaken amidst heightened turbulence and uncertainties. Tariff policies initiated by the US government, together with sweeping policy uncertainties, triggered a structural shock to the world economy and generated broad-based downshift in global consumer demands, market confidence and business sentiment, limiting business speed and flexibility to make timely adjustments. Incremental tariff-related costs added pressure on business profitability. In addition, prolonged regional geopolitical conflicts further undermined consumer confidence.

Amidst turbulence and uncertainties, the Group (Goodbaby International Holdings Limited, together with its subsidiaries, hereinafter as “**the Group**”) managed to maintain revenue growth of 2.7% compared with the same period of last year. The Group’s profit contracted mainly due to the profit decrease of its business in the US market during the Period, which was largely attributable to additional tariff-related costs, increased cost in car seat products to comply with new regulatory standards, increase in corresponding costs for new products display in retailers’ stores, heavier promotions and marketing expenses incurred for old product models. During the Period, the Group continued to generate solid operating cash flow and lower its financing cost, and it expects the trend to persist.

During the Period, we further leveraged the Group’s full value chain advantages and integrated them with sustainability through deepened practices in environment, social and corporate governance, striving to build a sustainable global parenting ecosystem and create positive impact on the environment and society. Our competitiveness in sustainability won recognition. During the Period, the Group was included in the S&P Global “Sustainability Yearbook (China Edition) 2025” as the only Chinese company selected in the Leisure Equipment & Products and Consumer Electronics Industry. We were also honored with the “2025 Forbes China ESG Benchmarks in Industry Development”, becoming the only company in the industry to have received the honor.

The Group’s global competitive edge as described below continued to support its navigation through macro turbulence and uncertainties:

1. The one-dragon vertically integrated platform of own diversified brands, globally balanced omni-channel distribution platforms, own manufacturing and operational services, which enabled the Group to minimize risks in any single territory and supported its agile and flexible reactions to market volatilities;
2. Continuing dedicated and strategic investments in brand building, product innovation, global omni-channel infrastructure and digital.

Our revenue for the Period increased by 2.7% to approximately HK\$4,300.9 million from approximately HK\$4,187.6 million for the corresponding period in 2024. Foreign exchange rates fluctuated between the Period and the corresponding period in 2024, particularly between RMB and HKD, and between EUR and HKD. Such fluctuations led to the difference between the Group’s overall revenue growth in the original currencies and the growth in the Group’s reporting currency in HKD after currency translation. On a constant currency basis, our revenue for the Period recorded a 2.8% increase as compared to the corresponding period in 2024. Reported gross profit decreased by 3.0% to approximately HK\$2,134.8 million for the Period from approximately HK\$2,201.5 million for the corresponding period in 2024. Reported operating profit decreased by 27.7% to approximately HK\$202.0 million for the Period from approximately HK\$279.4 million for the corresponding period in 2024. On a non-GAAP basis, our operating profit decreased by 24.5% to approximately HK\$225.9 million for the Period from approximately HK\$299.2 million for the corresponding period in 2024. Reported net profit decreased by 43.7% to approximately HK\$105.5 million for the Period from approximately HK\$187.3 million for the corresponding period in 2024. On a non-GAAP basis, our net profit decreased by 38.4% to approximately HK\$124.6 million for the Period from approximately HK\$202.2 million for the corresponding period in 2024.

Summary of the Group's revenue:

(HK\$ million)	For the six months ended 30 June				Change (%)	Change on a constant currency basis (%)
	2025 (unaudited)		2024 (unaudited)			
Group Revenue	4,300.9		4,187.6		2.7%	2.8%

By Brand	Amount	% of Revenue	Amount	% of Revenue	Change (%)	Change on a constant currency basis (%)
Strategic brands	3,922.5	91.2%	3,792.3	90.6%	3.4%	3.4%
CYBEX	2,452.4	57.0%	2,158.2	51.5%	13.6%	12.6%
Eventflo	1,075.3	25.0%	1,133.8	27.1%	-5.2%	-2.5%
gb	394.8	9.2%	500.3	12.0%	-21.1%	-23.0%
Blue Chip and other business	378.4	8.8%	395.3	9.4%	-4.3%	-2.4%

Executive Summary

During the Period, the Group's strategic brands performed as follows:

- CYBEX** achieved another record first half revenue and profit, celebrating its 20th anniversary in an adverse business environment marked by negative consumer sentiment, weak European economy, declining birthrates and worsening geopolitical conflicts. This demonstrated CYBEX's strong brand resilience and market influence. Backed by strong market demand for its products, CYBEX recorded robust revenue growth of 13.6% (a 12.6% increase on a constant currency basis) in the Period to approximately HK\$2,452.4 million from approximately HK\$2,158.2 million for the corresponding period of 2024. Such positive performance was recorded across CYBEX's categories, channels and markets. With the strong revenue momentum, CYBEX continued to outperform competitors and gained market share globally. During the Period, CYBEX continued to improve its profitability, with its operating profit growth outpacing its revenue growth. The sustained outstanding performance was a result of CYBEX's very strong and continuously enhanced brand position, innovative and improved product portfolio, supported by strong operational infrastructure and supply chain and further expansion and fortification of global omni-channel distribution network with industry leading self-owned wholesale, e-commerce and own offline flagship stores infrastructure. During the Period, CYBEX made solid progress in the strategic North American market, forging ahead with strong momentum despite tariffs and corresponding price increases. An embodiment of its powerful brand positioning, CYBEX's new flagship store located in central Paris continued to enhance its leadership in "Strategic Key Cities" and enrich its omni-channel distribution network. During the Period, CYBEX continued to proudly receive awards from prominent international organizations for its product fashion design, safety and functionality. The brand continued to reinforce its global leading position as the premium "technical-lifestyle" brand.

Management Discussion and Analysis

- **Evenflo** brand recorded revenue decrease of 5.2% (a 2.5% decrease on a constant currency basis) in the Period to approximately HK\$1,075.3 million from approximately HK\$1,133.8 million for the corresponding period of 2024, due to sales decrease in the first quarter. The Period witnessed the highest number of new product launches in the brand's history. Underpinned by new product launches, Evenflo's stroller segment achieved robust growth. In addition, the brand continued to successfully implement digital strategy and strongly grew its D2C channel. During the Period, the brand encountered major challenges in profitability, including higher input cost caused by US's new tariff policies, increased cost in car seat products to comply with new regulatory standards, increase in corresponding costs for new products display in retailers' stores, heavier promotions and marketing expenses incurred for old product models. Meanwhile, during the Period, the brand continued to strategically invest in new product development and digital strategy.
- **gb** brand recorded a revenue decline of 21.1% (a 23.0% decrease on a constant currency basis) in the Period to approximately HK\$394.8 million from approximately HK\$500.3 million for the corresponding period of 2024. Such revenue decline was mainly attributable to revenue decline of wholesale channels as gb continued its brand transformation focusing on self-owned retail channels during the Period. The brand streamlined wholesale channels both online and offline in the brand's shift from B2B model to D2C model, which resulted in sales decline of wholesale channels but in the process gb optimized its channel mix. By optimizing channel mix to strengthen self-control on channels, the brand effectively eliminated price chaos across channels and stabilized prices, and thus achieved a solid uplift in gross margin. The brand recorded positive growth in self-owned offline retail channels and continued adjustments in its online retail channels, for example, gb recorded strong growth in Douyin livestreaming channel, and some of its key durables SKUs ranked top in respective categories. During the Period, the brand continued new product development to improve and strengthen its product portfolio.

During the Period, our Blue Chip and other business recorded revenue decreased by 4.3% (a 2.4% decrease on a constant currency basis) to approximately HK\$378.4 million as compared to approximately HK\$395.3 million for the corresponding period of 2024. The revenue decrease was primarily because Blue Chip business declined in the second quarter as major customers delayed their shipment after the announcement of high tariffs by the US government in April. The decline in Blue Chip sales was partially offset by sales increase of the Group's other business. The Group's relationship with its Blue Chip customers remained healthy and stable, and it continued to provide efficient product and service delivery for its customers during the Period.

Outlook

Looking towards the rest of 2025, a rebound in effective tariff rates could lead to weaker global economic growth. In addition, continued geopolitical conflicts and tensions in Europe and the Middle East may lead to logistics disruptions, which would not only impose direct cost pressures but also cause product availability issues for us, and continue to undermine consumer sentiment. Besides, global climate change could cause business discontinuity and logistics disruptions. That said, the Group stands ready to grasp and take advantage of any opportunities derived from the challenges and restructurings they cause.

Overall, we remain very confident of and will continue our vertically integrated one-dragon, brand-driven development strategy through sustained strategic investments to maintain and consolidate our global competitiveness, which will continue to inject momentum into the Group's business and enhance its resilience in the face of uncertainties. Under the strategy, focus will continue to be given to our strategic brands of CYBEX, Evenflo and gb and the ongoing development of our Blue Chip business:

- **CYBEX** will continue to leverage its powerful brand momentum and omni-channel infrastructure to grow globally with full speed ahead. The strong momentum will enable the brand to consequently continue to gain market shares across the globe among fierce competitions;
- **Evenflo** will focus on recovering sales growth and profitability in the second half of 2025. The brand will optimize costs and adjust its pricing strategy. At the same time, Evenflo will continue to strategically invest in brand, products, digital strategy and talents to further consolidate its business foundation;

- **gb** will continue the brand transformation in the China market: focus will be given in product development and upgrade, refined operations in online and offline self-owned retail channels and continued price control; and
- **Blue Chip** business is expected to face downward pressure as our Blue Chip customers' business is expected to decline due to tariff-related impacts. That said, our relationship with our Blue Chip customers remains healthy and stable, and we continue to receive customer orders of new products and have successfully developed new customers. The Group continues to deliver services that meet demands of both our existing and new customers.

On a global basis, we will continue to expand and deepen brand building and omni-channel distribution network and infrastructure in existing and new markets to ensure that we maintain a direct relationship with our fans and consumers and provide them with a world-class omni-channel experience. We will continue to optimize and consolidate our global supply chain strategies as we embrace supplier partnerships and broaden our global footprint to ensure we are quicker to market and leverage regional capabilities through mother market operations.

Brand-driven strategy supported by world-class technology, manufacturing, supply chain excellence and agility, innovation, mother market operations, digital and cost optimization will remain the core of our vision of becoming an outstanding enterprise with global and future-ready competitiveness and achieving sustained profitable growth.

Management Discussion and Analysis

Financial Review

Revenue

For the Period, the total revenue of the Group increased by 2.7% to approximately HK\$4,300.9 million from approximately HK\$4,187.6 million for the corresponding period in 2024. Foreign exchange rates fluctuated between the Period and the corresponding period in 2024, particularly between RMB and HKD, and between EUR and HKD. Such fluctuations led to the difference between the Group's overall revenue growth in the original currencies and the growth in the Group's reporting currency in HKD after currency translation. On a constant currency basis, our revenue for the Period recorded a 2.8% increase compared to the corresponding period in 2024.

For the revenue breakdown analysis, please refer to the section headed "Management Discussion and Analysis – Overview" in this report.

Cost of Sales, Gross Profit and Gross Profit Margin

Cost of sales increased by 9.1% to approximately HK\$2,166.1 million for the Period from approximately HK\$1,986.1 million for the corresponding period in 2024. Gross profit of the Group decreased to approximately HK\$2,134.8 million for the Period from approximately HK\$2,201.5 million for the corresponding period in 2024, and the gross profit margin decreased by 3.0 percentage points to 49.6% for the Period from approximately 52.6% for the corresponding period in 2024. The decrease in gross profit was primarily attributable to decrease in gross profit from the Group's business in the US market, partially offset by improvement in gross profit from its business in other regions. The decrease in gross profit from the Group's US business was largely attributable to additional tariff-related costs, increased costs in car seat products to comply with new regulatory standards and heavier promotional discounts for new products display in retailers' stores.

Other Income and Gains

Other income and gains of the Group increased by approximately HK\$67.1 million to approximately HK\$77.8 million for the Period as compared to approximately HK\$10.7 million for the corresponding period in 2024, which was mainly attributable to the increase in foreign exchange gain.

Selling and Distribution Expenses

The Group's selling and distribution expenses primarily consist of marketing expenses, personnel costs, rental and commission and logistics costs. The selling and distribution expenses increased by approximately HK\$47.8 million to approximately HK\$1,253.0 million for the Period from approximately HK\$1,205.2 million for the corresponding period in 2024. The increase was mainly attributable to the increase in logistics costs and personnel costs, which was the result of increased revenue.

Administrative Expenses

The Group's administrative expenses primarily consist of personnel costs, R&D costs, professional service expenses, depreciation and amortization cost and other office expenses. The administrative expenses increased by approximately HK\$29.8 million to approximately HK\$756.8 million for the Period from approximately HK\$727.0 million for the corresponding period in 2024. The increase was mainly resulting from the increase in R&D costs and professional service expenses.

Other Expenses

Other expenses of the Group increased slightly by approximately HK\$0.2 million to approximately HK\$0.8 million for the Period from approximately HK\$0.6 million for the corresponding period in 2024, which was mainly attributable to the increase in the donation expenses to charities and the increase in the loss on the disposal of property, plant and equipment, partially offset by the decrease in the fair value loss from derivative financial instruments.

Operating Profit

As a result of the foregoing, the Group's operating profit decreased by approximately 27.7%, or HK\$77.4 million, to approximately HK\$202.0 million for the Period from approximately HK\$279.4 million for the corresponding period in 2024.

Finance Income

For the Period, the Group's finance income decreased to approximately HK\$8.0 million from approximately HK\$18.6 million for the corresponding period in 2024. The Group's finance income mainly represents interest income from bank deposits.

Finance Costs

For the Period, the Group's finance costs decreased to approximately HK\$56.7 million from approximately HK\$87.7 million for the corresponding period in 2024. The net finance costs decrease aligned with the decrease in the balance of interest-bearing bank loans and other borrowings.

Profit Before Tax

As a result of the foregoing, the profit before tax of the Group decreased by 29.5% to approximately HK\$153.6 million for the Period from a profit before tax of approximately HK\$217.9 million for the corresponding period in 2024.

Income Tax Expense

The Group's income tax expense was approximately HK\$48.1 million for the Period (corresponding period in 2024: approximately HK\$30.6 million). The changes in income tax expenses were mainly attributable to the profit contributions from different legal entities with different effective tax rates.

Profit for the Period

Profit of the Group for the Period decreased by approximately HK\$81.8 million to approximately HK\$105.5 million from approximately HK\$187.3 million for the corresponding period in 2024.

The non-GAAP profit of the Group decreased by approximately 38.4% to approximately HK\$124.6 million for the Period from approximately HK\$202.2 million for the corresponding period in 2024.

Non-GAAP Financial Measures

To supplement the consolidated results of the Group prepared in accordance with IFRS, certain non-GAAP financial measures, including non-GAAP operating profit, non-GAAP operating margin, non-GAAP profit before tax, non-GAAP profit for the Period and non-GAAP net margin, are presented. The Company's management believes that the non-GAAP financial measures provide investors with a more meaningful view on the Group's financial results, and with useful supplementary information to assess the performance of the Group's strategic operations by excluding certain non-cash items, certain impact of merger and acquisition transactions and certain one-off bad debt provision and operating loss. Nevertheless, the use of these non-GAAP financial measures has limitations as an analytical tool. These unaudited non-GAAP financial measures should be considered in addition to, not as a substitute for, analysis of the Company's financial performance prepared in accordance with IFRS. In addition, these non-GAAP financial measures may be defined differently from similar terms used by other companies.

Management Discussion and Analysis

The following tables set forth the reconciliations of the Company's non-GAAP financial measures for the six months ended 30 June 2025 and 2024 to the nearest measures prepared in accordance with IFRS:

	Six months ended 30 June 2025			
	As reported	Adjustments		Non-GAAP
		Equity-settled share option expenses	Amortization of intangible assets (Note)	
		(HK\$ million)		
	Operating profit	202.0	5.0	18.9
Profit before tax	153.6	5.0	18.9	177.5
Profit for the period	105.5	5.0	14.1	124.6
Operating margin	4.7%			5.3%
Net margin	2.5%			2.9%

	Six months ended 30 June 2024			
	As reported	Adjustments		Non-GAAP
		Equity-settled share option expenses	Amortization of intangible assets (Note)	
		(HK\$ million)		
	Operating profit	279.4	0.2	19.6
Profit before tax	217.9	0.2	19.6	237.7
Profit for the period	187.3	0.2	14.7	202.2
Operating margin	6.7%			7.1%
Net margin	4.5%			4.8%

Note: Amortization of intangible assets arising from acquisitions, net of related deferred tax.

Working Capital and Financial Resources

	As at 30 June 2025	As at 31 December 2024
	(HK\$ million)	
Trade and notes receivables (including trade receivables due from related parties)	1,085.9	1,085.0
Trade and notes payables (including trade payables due to related parties)	1,282.1	1,459.5
Inventories	1,623.3	1,712.4

	Six months ended 30 June 2025	Six months ended 30 June 2024
Trade and notes receivables turnover days ⁽¹⁾	45	52
Trade and notes payables turnover days ⁽²⁾	114	119
Inventories turnover days ⁽³⁾	139	138

Notes:

- (1) Trade and notes receivables turnover days = Number of days in the reporting period x (average balance of trade and notes receivables at the beginning and at the end of the period)/revenue in the reporting period.
- (2) Trade and notes payables turnover days = Number of days in the reporting period x (average balance of the trade and notes payables at the beginning and at the end of the period)/cost of sales in the reporting period.
- (3) Inventories turnover days = Number of days in the reporting period x (average balance of inventories at the beginning and at the end of the period)/cost of sales in the reporting period.

The trade and notes receivables and the turnover days of trade and notes receivables continued to maintain at a stable and healthy level, which was in line with the overall business operation status of the Group.

The decrease in trade and notes payables was primarily attributable to decrease in procurement amount by the end of the Period compared with the procurement amount by the end of last year. The turnover days of trade and notes payables continued to maintain at a stable and healthy level, which was in line with the overall business operation status of the Group.

The decrease in inventories was mainly attributable to reduced in-transit inventory levels and Group's proactive scaling back of the safety stock reserves that were deliberately built up at the end of the previous year to mitigate potential logistics disruptions arising from the Red Sea crisis and potential supply chain shortages during the period of Chinese New Year. The inventory turnover days remained stable.

Management Discussion and Analysis

Liquidity and Financial Resources

As at 30 June 2025, the Group's monetary assets, including cash and cash equivalents, time deposits, pledged deposits and financial assets designated at fair value through profit or loss, were approximately HK\$1,067.1 million (31 December 2024: approximately HK\$1,126.0 million).

As at 30 June 2025, the Group's interest-bearing bank loans and other borrowings were approximately HK\$1,460.6 million (31 December 2024: approximately HK\$1,455.1 million), including short-term bank loans and other borrowings of approximately HK\$523.4 million (31 December 2024: approximately HK\$475.9 million) and long-term bank loans and other borrowings with repayment terms ranging from two to three years of approximately HK\$937.2 million (31 December 2024: approximately HK\$979.2 million). Among the Group's interest-bearing bank loans and other borrowings, approximately HK\$186.3 million were at fixed interest rates (31 December 2024: approximately HK\$178.9 million) and approximately HK\$1,274.3 million were at variable interest rates (31 December 2024: approximately HK\$1,276.2 million).

As a result, as at 30 June 2025, the Group's net debt position was approximately HK\$393.5 million (31 December 2024: approximately HK\$329.1 million).

Contingent Liabilities

In the ordinary course of business, the Group may from time to time be involved in legal proceedings and litigations. The Group records a liability when the Group believes that it is both probable that a loss has been incurred by the Group and the amount can be reasonably estimated. With respect to the Group's outstanding legal matters, notwithstanding that the outcome of such legal matters is inherently unpredictable and subject to uncertainties, the Group believes that, based on its current knowledge, the amount or range of reasonably possible loss will not, either individually or in the aggregate, have a material adverse effect on the Group's business, financial position, results of operations, or cash flows.

As at 30 June 2025, the Group had no material contingent liabilities (as at 31 December 2024: nil).

Exchange Rate Fluctuations

The Group is a multinational enterprise with operations in different countries and the money that it uses to conduct its business and transaction is denominated in various currencies, and the Group uses Hong Kong dollar ("HK\$") as its reporting currency, which is pegged to US\$. The Group's revenue is mainly denominated in US\$, RMB and EUR. The Group's procurement and operating expenses are mainly denominated in RMB, US\$ and EUR. The net exposures to foreign currency risks of the Group's operating results mainly stem from the US\$ and EUR revenue against the primarily RMB-denominated procurement and operating expenses. The Group would benefit from the appreciation of US\$ and EUR against RMB but would suffer losses if US\$ or EUR depreciates against RMB. The Group uses forward foreign-exchange contracts to mitigate the potential effects of the Group's foreign currency exposures.

Pledge of Assets

Bank deposits of approximately HK\$24.7 million (31 December 2024: HK\$24.5 million) were pledged for interest reserve for a certain bank borrowing.

Gearing Ratio

As at 30 June 2025, the Group's gearing ratio (calculated by net debt divided by the sum of adjusted capital and net debt; the amount of net debt is calculated by the sum of trade and bills payables, other payables and accruals, payables due to related parties and interest-bearing bank loan and other borrowings (current and non-current) less monetary assets, including cash and cash equivalents, time deposits, pledged deposits and financial assets designated at fair value through profit or loss; the amount of adjusted capital is calculated by equity attributable to owner of the parent minus hedging reserve) was approximately 30.6% (31 December 2024: approximately 32.8%) or 32.6% after taking into consideration the lease liabilities (current and non-current) impact of IFRS Accounting Standards 16 (as at 31 December 2024: approximately 34.8%).

Employees and Remuneration Policy

As at 30 June 2025, the Group had a total of 6,096 full-time employees (31 December 2024: 6,231). For the Period, costs of employees, excluding Directors' emoluments, amounted to a approximately HK\$935.8 million (for the corresponding period in 2024: approximately HK\$953.8 million). The Group determined the remuneration packages of all employees with reference to their position, competency, performance, value and market salary trend. The Group provides its employees in the PRC and other countries and regions with welfare schemes as required by applicable local laws and regulations.

The Company has adopted share option schemes to incentivize or reward eligible participants for their contribution to the Group for the purpose of motivating the eligible participants to optimize their performance efficiency for the benefit of the Group, and attracting and retaining or otherwise maintaining on-going business relationship with the eligible participants whose contributions are or will be beneficial to the long-term growth of the Group.

The Company adopted a share option scheme on 5 November 2010 (the **"2010 Share Option Scheme"**), which was terminated and replaced by another share option scheme (the **"2020 Share Option Scheme"**) approved and adopted at the annual general meeting of the Company held on 25 May 2020.

In view of the amendments to Chapter 17 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the **"Listing Rules"**) which have taken effect from 1 January 2023 and the intention of the Company to provide more flexibility in its long-term planning of granting of share options (the **"Share Options"**) to incentivize suitable eligible participants, the Company has terminated the 2020 Share Option Scheme and adopted a new share option scheme (the **"2025 Share Option Scheme"**, together with the 2010 Share Option Scheme and 2020 Share Option Scheme (the **"Share Option Schemes"**)), at the extraordinary general meeting of the Company held on 27 May 2025. No further share options could be granted under the 2010 Share Option Scheme or the 2020 Share Option Scheme following their respective termination, but the provisions of the 2010 Share Option Scheme and the 2020 Share Option Scheme would remain in force to the extent necessary to give effect to the exercise of any share option granted prior to their respective termination.

A summary of the principal terms of the 2025 Share Option Scheme is set out in the Appendix to the Company's circular dated 12 May 2025.

As at 30 June 2025, there were an aggregate of 175,668,000 outstanding share options under the 2010 Share Option Scheme and the 2020 Share Option Scheme (31 December 2024: 196,434,500 share options). Since the adoption date of the 2025 Share Option Scheme and up to the date of this report, no share option was granted by the Company under the 2025 Share Option Scheme.

Management Discussion and Analysis

Details of the movements of the Share Options granted under the Share Option Schemes during the Period were as follows:

Name of Director/former Director/associate	Date of grant	Exercise price	Number of Share Options								Closing price of securities immediately before the date of grant
			Outstanding as at 1 January 2025	Granted during the Period	Exercised during the Period	Weighted average closing price immediately before the date of exercise	Cancelled/ Lapsed during the Period	Outstanding as at 30 June 2025	Percentage of total issued share capital ⁽³⁾	Exercise period	
		(HK\$)	(HK\$)								(HK\$)
Mr. Song Zhenghuan	2 July 2024	0.485	1,668,000	–	–	–	–	1,668,000	0.100%	Refer to note ⁽⁸⁾	0.485
Mr. Liu Tongyou	23 May 2019	3.75	6,300,000	–	–	–	–	6,300,000	0.378%	23 May 2019 to 22 May 2029 ⁽⁸⁾	1.94
	19 June 2020	0.96	390,600	–	–	–	–	390,600	0.023%	23 May 2022 to 22 May 2029 ⁽⁸⁾	0.92
			585,900	–	–	–	–	585,900	0.035%	23 May 2023 to 22 May 2029 ⁽⁸⁾	
			976,500	–	–	–	–	976,500	0.059%	23 May 2024 to 22 May 2029 ⁽⁸⁾	
	2 July 2024	0.485	10,000,000	–	–	–	–	10,000,000	0.599%	Refer to note ⁽⁸⁾	0.485
Mr. Martin Pos	27 March 2018	4.54	17,500,000	–	–	–	–	17,500,000	1.049%	27 March 2018 to 27 March 2028 ⁽⁸⁾	4.12
	19 June 2020	0.96	840,000	–	–	–	–	840,000	0.050%	27 September 2020 to 27 March 2028 ⁽⁸⁾	0.92
			1,260,000	–	–	–	–	1,260,000	0.076%	27 September 2021 to 27 March 2028 ⁽⁸⁾	
			2,100,000	–	–	–	–	2,100,000	0.126%	27 September 2022 to 27 March 2028 ⁽⁸⁾	
	2 July 2024	0.485	16,680,000	–	–	–	–	16,680,000	1.000%	Refer to note ⁽⁸⁾	0.485
Ms. Fu Jingqiu	23 May 2019	3.75	600,000	–	–	–	–	600,000	0.036%	23 May 2019 to 22 May 2029 ⁽⁸⁾	1.94
	19 June 2020	0.96	43,400	–	–	–	–	43,400	0.003%	23 May 2022 to 22 May 2029 ⁽⁸⁾	0.92
			65,100	–	–	–	–	65,100	0.004%	23 May 2023 to 22 May 2029 ⁽⁸⁾	
			108,500	–	–	–	–	108,500	0.007%	23 May 2024 to 22 May 2029 ⁽⁸⁾	
	2 July 2024	0.485	1,668,000	–	–	–	–	1,668,000	0.100%	Refer to note ⁽⁸⁾	0.485
Mr. Ho Kwok Yin, Eric	19 June 2020	0.96	19,200	–	–	–	–	19,200	0.001%	27 September 2020 to 27 March 2028 ⁽⁸⁾	0.92
			28,800	–	–	–	–	28,800	0.002%	27 September 2021 to 27 March 2028 ⁽⁸⁾	
			48,000	–	–	–	–	48,000	0.003%	27 September 2022 to 27 March 2028 ⁽⁸⁾	
Ms. Chiang Yun	19 June 2020	0.96	19,200	–	–	–	–	19,200	0.001%	27 September 2020 to 27 March 2028 ⁽⁸⁾	0.92
			28,800	–	–	–	–	28,800	0.002%	27 September 2021 to 27 March 2028 ⁽⁸⁾	
			48,000	–	–	–	–	48,000	0.003%	27 September 2022 to 27 March 2028 ⁽⁸⁾	
Mr. Shi Xiaoguang ⁽¹⁾	19 June 2020	0.96	19,200	–	19,200	–	–	–	0%	27 September 2020 to 27 March 2028 ⁽⁸⁾	0.92
			28,800	–	28,800	–	–	–	0%	27 September 2021 to 27 March 2028 ⁽⁸⁾	
			48,000	–	48,000	–	–	–	0%	27 September 2022 to 27 March 2028 ⁽⁸⁾	

Name of Director/former Director/associate	Date of grant	Exercise price	Number of Share Options								Closing price of securities immediately before the date of grant
			Outstanding as at 1 January 2025	Granted during the Period	Exercised during the Period	Weighted average closing price immediately before the date of exercise	Cancelled/ Lapsed during the Period	Outstanding as at 30 June 2025	Percentage of total issued share capital ⁽¹⁾	Exercise period	
		(HK\$)	(HK\$)								(HK\$)
Mr. Jin Peng	19 June 2020	0.96	19,200	–	–	–	–	19,200	0.001%	27 September 2020 to 27 March 2028 ^(a)	0.92
			28,800	–	–	–	–	28,800	0.002%	27 September 2021 to 27 March 2028 ^(a)	
			48,000	–	–	–	–	48,000	0.003%	27 September 2022 to 27 March 2028 ^(a)	
Ms. Sharon Nan Kobler (associate of Mr. Song Zhenghuan and Ms. Fu Jingliu)	19 June 2020	0.96	124,000	–	–	–	–	124,000	0.007%	23 May 2022 to 22 May 2029 ^(a)	0.92
			186,000	–	–	–	–	186,000	0.011%	23 May 2023 to 22 May 2029 ^(a)	
			310,000	–	–	–	–	310,000	0.019%	23 May 2024 to 22 May 2029 ^(a)	
	2 July 2024	0.485	1,668,000	–	–	–	–	1,668,000	0.100%	Refer to note ^(a)	0.485
Mr. Martin Patrick Pos (associate of Mr. Martin Pos)	11 December 2020	1.01	62,000	–	–	–	–	62,000	0.004%	11 December 2023 to 10 December 2030 ⁽⁷⁾	1.00
			93,000	–	–	–	–	93,000	0.006%	11 December 2024 to 10 December 2030 ⁽⁷⁾	
			155,000	–	–	–	–	155,000	0.009%	11 December 2025 to 10 December 2030 ⁽⁷⁾	
	2 July 2024	0.485	1,750,000	–	–	–	–	1,750,000	0.105%	Refer to note ⁽⁷⁾	0.485
Total number held by Directors	27 March 2018	4.54	17,500,000	–	–	–	–	17,500,000	1.049%	27 March 2018 to 27 March 2028 ^(a)	4.12
	23 May 2019	3.75	6,900,000	–	–	–	–	6,900,000	0.414%	23 May 2019 to 22 May 2029 ^(a)	1.94
	19 June 2020	0.96	6,754,000	–	96,000	–	–	6,658,000	0.399%	Refer to note ^(a)	0.92
	2 July 2024	0.485	30,016,000	–	–	–	–	30,016,000	1.799%	Refer to note ^(a)	0.485
Total number held by Associates	19 June 2020	0.96	620,000	–	–	–	–	620,000	0.037%	Refer to note ^(a)	0.92
	11 December 2020	1.01	310,000	–	–	–	–	310,000	0.019%	Refer to note ⁽⁷⁾	1.00
	2 July 2024	0.485	3,418,000	–	–	–	–	3,418,000	0.205%	Refer to note ^(a)	0.485
Total number held by Employees of the Group	7 October 2015	3.75	6,800,000	–	–	–	1,050,000	5,750,000	0.345%	7 October 2015 to 6 October 2025 ^(a)	3.66
	27 March 2018	4.54	4,000,000	–	–	–	1,000,000	3,000,000	0.180%	27 March 2018 to 27 March 2028 ^(a)	4.12
	28 May 2018	5.122	3,100,000	–	–	–	–	3,100,000	0.186%	28 May 2018 to 27 May 2028 ^(a)	4.92
	23 May 2019	3.75	26,200,000	–	–	–	10,500,000	15,700,000	0.941%	23 May 2019 to 22 May 2029 ^(a)	1.94
	19 June 2020	0.96	12,221,000	–	62,000	–	1,262,000	10,897,000	0.653%	Refer to note ^(a)	0.92
	11 December 2020	1.01	2,705,500	–	46,500	–	–	2,659,000	0.159%	Refer to note ⁽⁷⁾	1.00
	16 June 2022	1.042	500,000	–	–	–	–	500,000	0.030%	Refer to note ^(a)	1.03
	2 July 2024	0.485	75,390,000	–	–	–	6,750,000	68,640,000	4.115%	Refer to note ^(a)	0.485

Management Discussion and Analysis

Fair values of the Share Options granted at the date of grant were as follows:

For Director/former Director/associate:

Date of grant	Exercise period	Fair value HK\$ per share ⁽⁹⁾
27 March 2018	27 September 2020 to 27 March 2028 ⁽³⁾	1.66
27 March 2018	27 September 2021 to 27 March 2028 ⁽³⁾	1.76
27 March 2018	27 September 2022 to 27 March 2028 ⁽³⁾	1.84
23 May 2019	23 May 2022 to 22 May 2029 ⁽⁵⁾	0.29
23 May 2019	23 May 2023 to 22 May 2029 ⁽⁵⁾	0.31
23 May 2019	23 May 2024 to 22 May 2029 ⁽⁵⁾	0.33
19 June 2020	28 August 2020 to 27 August 2027 ⁽⁶⁾	0.27
19 June 2020	28 August 2021 to 27 August 2027 ⁽⁶⁾	0.31
19 June 2020	28 August 2022 to 27 August 2027 ⁽⁶⁾	0.35
19 June 2020	27 September 2020 to 27 March 2028 ⁽³⁾	0.28
19 June 2020	27 September 2021 to 27 March 2028 ⁽³⁾	0.32
19 June 2020	27 September 2022 to 27 March 2028 ⁽³⁾	0.35
19 June 2020	28 May 2021 to 27 May 2028 ⁽⁶⁾	0.30
19 June 2020	28 May 2022 to 27 May 2028 ⁽⁶⁾	0.34
19 June 2020	28 May 2023 to 27 May 2028 ⁽⁶⁾	0.37
19 June 2020	23 May 2022 to 22 May 2029 ⁽⁵⁾	0.35
19 June 2020	23 May 2023 to 22 May 2029 ⁽⁵⁾	0.38
19 June 2020	23 May 2024 to 22 May 2029 ⁽⁵⁾	0.41
11 December 2020	11 December 2023 to 10 December 2030 ⁽⁷⁾	0.40
11 December 2020	11 December 2024 to 10 December 2030 ⁽⁷⁾	0.43
11 December 2020	11 December 2025 to 10 December 2030 ⁽⁷⁾	0.45
2 July 2024	2 July 2025 to 1 July 2034 ⁽⁹⁾	0.17
2 July 2024	2 July 2025 to 1 July 2034 ⁽⁹⁾	0.20
2 July 2024	2 July 2025 to 1 July 2034 ⁽⁹⁾	0.22
2 July 2024	2 July 2025 to 1 July 2034 ⁽⁹⁾	0.23

For employees:

Date of grant	Exercise period	Fair value HK\$ per share ⁽⁸⁾
7 October 2015	7 October 2018 to 6 October 2025 ⁽²⁾	1.22
7 October 2015	7 October 2019 to 6 October 2025 ⁽²⁾	1.30
7 October 2015	7 October 2020 to 6 October 2025 ⁽²⁾	1.37
27 March 2018	27 September 2020 to 27 March 2028 ⁽³⁾	1.42
27 March 2018	27 September 2021 to 27 March 2028 ⁽³⁾	1.53
27 March 2018	27 September 2022 to 27 March 2028 ⁽³⁾	1.62
28 May 2018	28 May 2021 to 27 May 2028 ⁽⁴⁾	1.48
28 May 2018	28 May 2022 to 27 May 2028 ⁽⁴⁾	1.59
28 May 2018	28 May 2023 to 27 May 2028 ⁽⁴⁾	1.68
23 May 2019	23 May 2022 to 22 May 2029 ⁽⁵⁾	0.25
23 May 2019	23 May 2023 to 22 May 2029 ⁽⁵⁾	0.28
23 May 2019	23 May 2024 to 22 May 2029 ⁽⁵⁾	0.31
19 June 2020	28 August 2020 to 27 August 2027 ⁽⁶⁾	0.27
19 June 2020	28 August 2021 to 27 August 2027 ⁽⁶⁾	0.31
19 June 2020	28 August 2022 to 27 August 2027 ⁽⁶⁾	0.35
19 June 2020	27 September 2020 to 27 March 2028 ⁽⁶⁾	0.28
19 June 2020	27 September 2021 to 27 March 2028 ⁽⁶⁾	0.32
19 June 2020	27 September 2022 to 27 March 2028 ⁽⁶⁾	0.35
19 June 2020	28 May 2021 to 27 May 2028 ⁽⁶⁾	0.30
19 June 2020	28 May 2022 to 27 May 2028 ⁽⁶⁾	0.34
19 June 2020	28 May 2023 to 27 May 2028 ⁽⁶⁾	0.37
19 June 2020	23 May 2022 to 22 May 2029 ⁽⁶⁾	0.35
19 June 2020	23 May 2023 to 22 May 2029 ⁽⁶⁾	0.38
19 June 2020	23 May 2024 to 22 May 2029 ⁽⁶⁾	0.41
11 December 2020	11 December 2023 to 10 December 2030 ⁽⁷⁾	0.40
11 December 2020	11 December 2024 to 10 December 2030 ⁽⁷⁾	0.43
11 December 2020	11 December 2025 to 10 December 2030 ⁽⁷⁾	0.45
16 June 2022	16 June 2025 to 15 June 2032 ⁽⁸⁾	0.45
16 June 2022	16 June 2026 to 15 June 2032 ⁽⁸⁾	0.49
16 June 2022	16 June 2027 to 15 June 2032 ⁽⁸⁾	0.52
2 July 2024	2 July 2025 to 1 July 2034 ⁽⁹⁾	0.17
2 July 2024	2 July 2025 to 1 July 2034 ⁽⁹⁾	0.20
2 July 2024	2 July 2025 to 1 July 2034 ⁽⁹⁾	0.22
2 July 2024	2 July 2025 to 1 July 2034 ⁽⁹⁾	0.23
2 July 2024	2 July 2025 to 1 July 2034 ⁽⁹⁾	0.25

Management Discussion and Analysis

Notes:

- (1) The percentage is calculated based on the total number of 1,668,235,666 shares in issue as at 30 June 2025.
- (2) The Share Options are exercisable within a period of 10 years from 7 October 2015 and subject to the following vesting schedule and performance review:
 - (i) one third of the Share Options vested on 7 October 2018;
 - (ii) one third of the Share Options vested on 7 October 2019; and
 - (iii) the remaining one third of the Share Options vested on 7 October 2020.
- (3) The Share Options are exercisable within a period of 10 years from 27 March 2018 and subject to the following vesting schedule and performance review:
 - (i) 20% of the Share Options vested on 27 September 2020;
 - (ii) another 30% of the Share Options vested on 27 September 2021; and
 - (iii) the remaining Share Options vested on 27 September 2022.
- (4) The Share Options are exercisable within a period of 10 years from 28 May 2018 and subject to the following vesting schedule and performance review:
 - (i) 20% of the Share Options vested on 28 May 2021;
 - (ii) another 30% of the Share Options vested on 28 May 2022; and
 - (iii) the remaining Share Options vested on 28 May 2023.
- (5) The Share Options are exercisable within a period of 10 years from 23 May 2019 and subject to the following vesting schedule and performance review:
 - (i) 20% of the Share Options vested on 23 May 2022;
 - (ii) another 30% of the Share Options vested on 23 May 2023; and
 - (iii) the remaining Share Options vested on 23 May 2024.
- (6) Among the 18,175,000 Share Options, the vesting schedule and exercise period are as follows:
 - (i) 46,666 Share Options will be vested on 28 August 2020 and exercisable until 27 August 2027;
 - (ii) 46,666 Share Options will be vested on 28 August 2021 and exercisable until 27 August 2027;
 - (iii) 46,668 Share Options will be vested on 28 August 2022 and exercisable until 27 August 2027;
 - (iv) 1,320,000 Share Options will be vested on 27 September 2020 and exercisable until 27 March 2028;
 - (v) 1,980,000 Share Options will be vested on 27 September 2021 and exercisable until 27 March 2028;
 - (vi) 3,300,000 Share Options will be vested on 27 September 2022 and exercisable until 27 March 2028;
 - (vii) 148,000 Share Options will be vested on 28 May 2021 and exercisable until 27 May 2028;
 - (viii) 222,000 Share Options will be vested on 28 May 2022 and exercisable until 27 May 2028;
 - (ix) 370,000 Share Options will be vested on 28 May 2023 and exercisable until 27 May 2028;
 - (x) 2,139,000 Share Options will be vested on 23 May 2022 and exercisable until 22 May 2029;
 - (xi) 3,208,500 Share Options will be vested on 23 May 2023 and exercisable until 22 May 2029; and
 - (xii) 5,347,500 Share Options will be vested on 23 May 2024 and exercisable until 22 May 2029.

- (7) The Share Options are exercisable within a period of 10 years from 11 December 2020 and subject to the following vesting schedule and performance review:
- (i) 20% of the Share Options vested on 11 December 2023;
 - (ii) another 30% of the Share Options vested on 11 December 2024; and
 - (iii) the remaining Share Options vested on 11 December 2025.
- (8) The Share Options are exercisable within a period of 10 years from 16 June 2022 and subject to the following vesting schedule and performance review:
- (i) 20% of the Share Options vested on 16 June 2025;
 - (ii) another 30% of the Share Options vested on 16 June 2026; and
 - (iii) the remaining Share Options vested on 16 June 2027.
- (9) Among the 102,074,000 Share Options, the vesting schedule and exercise period are as follows:
- (i) 58,778,000 Share Options will be vested on 2 July 2025 and exercisable until 1 July 2034;
 - (ii) 9,422,200 Share Options will be vested on 2 July 2026 and exercisable until 1 July 2034;
 - (iii) 17,844,800 Share Options will be vested on 2 July 2027 and exercisable until 1 July 2034;
 - (iv) 9,694,000 Share Options will be vested on 2 July 2028 and exercisable until 1 July 2034; and
 - (v) 6,335,000 Share Options will be vested on 2 July 2029 and exercisable until 1 July 2034.
- (10) The fair value of the Share Options is determined in accordance with HKFRS 2 by reference to the cost of purchase of the Share Options, or the fair value at grant date, taking into account all non-vesting conditions associated with the grant the on grant date. No adjustment is required for expected dividends since the employees are entitled to receive dividends paid during the vesting period.
- (11) Mr. Shi Xiaoguang, a former independent non-executive Director, retired and ceased to a Director since 27 May 2025 (the “**date of cessation**”). Under the terms of the 2010 Share Option Scheme and the 2020 Share Option Scheme, the Share Options granted to him by the Company and vested before the date of cessation shall automatically lapse and become not exercisable if they are not exercised within three months from the date of cessation. Accordingly, the Share Options granted to him by the Company and vested before the date of cessation shall continue to be valid and are still exercisable at the end of the Period.

Management Discussion and Analysis

As at 1 January 2025, the total number of options available for grant under the 2020 Share Option Scheme was 13,623,316. As at 30 June 2025, the total number of options available for grant under the scheme mandate limit of the 2025 Share Option Scheme was 166,813,966. The 2025 Share Option Scheme shall be valid for 10 years commencing from 27 May 2025 until 26 May 2035. As at 30 June 2025, no share option was available for grant under the 2020 Share Option Scheme due to its termination, and the total number of shares available for issue under the 2025 Share Option Scheme was 166,813,966 shares, which represented approximately 9.99% of the shares in issue as at the date of this report.

The options issued pursuant to the Share Option Schemes will expire no later than 10 years from the date of grant of the option.

Any options granted to Directors, chief executives or substantial shareholders of the Company, or any of their respective associate shall be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the proposed grantee of options). Where any option granted to a substantial shareholder or an independent non-executive Director, or any of their respective associates, would result in the shares issued or to be issued upon exercise of all options already granted under the 2025 Share Option Scheme and any options or awards granted under any other scheme(s) of the Company to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the shares in issue (excluding any treasury shares) on the date of such grant, such grant of options shall be subject to prior approval by resolutions of the shareholders (voting by way of poll).

The maximum number of shares issued and to be issued in respect of the options granted to any individual under the 2025 Share Option Scheme and any options and awards granted to such person under any other scheme(s) of the Company any individual in any 12-month period is not permitted to exceed 1% of the total shares of the Company in issue (excluding any treasury shares), without prior approval from the shareholders of the Company and with such participants and his close associates (or associates if such selected participant is a connected person of the Company) abstaining from voting.

The offer of a grant of share options may be accepted within 30 days from the date of offer, upon payment of a nominal consideration of HK\$1.00 in total by the grantee. The exercise price is determined by the Directors and will not be less than the higher of (i) the closing price of the Company's shares on the date of grant; and (ii) the average closing price of the Company's shares for the five trading days immediately preceding the date of offer.

Material Acquisitions and Disposals and Significant Investments

During the Period, the Group did not have any material acquisitions or disposals of subsidiaries, associates or joint ventures, nor did it have any significant investments.

Future Plans for Material Investments or Capital Assets

The Group did not have any plan for material investments or capital assets as at 30 June 2025.

Other Information

Other Information

Purchase, Sale or Redemption of Shares

During the Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares). As at 30 June 2025, the Company did not hold any treasury shares.

Dividends

The Board did not recommend payment of any dividend for the Period (six months ended 30 June 2024: Nil).

Corporate Governance

The Board is committed to achieving high corporate governance standards. The Board believes that high corporate governance standards are essential in providing a framework for the Group to safeguard the interests of shareholders and formulate its business strategies and policies as well as to enhance corporate value and accountability.

Compliance with the Corporate Governance Code

The Company has applied the principles set out in the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and has also put in place certain recommended best practices as set out in the CG Code. The Board is of the opinion that the Company has complied with all the code provisions set out in the CG Code throughout the Period.

Designation of Lead Independent Non-executive Director

The Board has designated Ms. Chiang Yun, an independent non-executive Director, to assume the position of the lead independent non-executive Director (the "**Lead INED**") with effect from 25 August 2025. Lead INED is not an executive position in the Company and does not have any management role in the Group. Ms. Chiang's other positions at the Board and the relevant Board committees remain unchanged.

The designation of Lead INED is implemented in response to the amended CG Code and the Listing Rules which came into effect on 1 July 2025. Effective corporate governance is crucial to the Company's overall performance, and the Board believes that Ms. Chiang's Lead INED designation could strengthen the Board's effectiveness while further promoting strong corporate governance practice across the Company.

Currently, the primary responsibility of the Lead INED includes the facilitation and strengthening of communication among: (i) the independent non-executive directors (the "**INEDs**"), (ii) the INEDs and the rest of the Board, and (iii) the Board and the shareholders (in particular, with the minority shareholders).

Specific Performance Obligations of Controlling Shareholders under Rule 13.18 of the Listing Rules

April 2024 Facility Agreement

To refinance certain existing bank loans, on 8 April 2024, Goodbaby (Hong Kong) Limited, a wholly-owned subsidiary of the Company (as borrower), the Company (as guarantor), one financial institution (as global coordinator, mandated lead arranger and bookrunner, facility agent and security agent) and certain financial institutions (as original lenders) entered into a facilities agreement (the "**April 2024 Facility Agreement**") in respect of a total amount of US\$160,000,000 term loan facility with a term of 36 months from the first utilisation date. The total commitment under the April 2024 Facility Agreement may be increased by not more than US\$50,000,000 or its equivalent in Euro with prior written consent of Goodbaby (Hong Kong) Limited, by way of accession(s) of additional lender(s). With this refinance, the debt structure of the Company has been optimized and relevant finance cost has been improved.

Under the April 2024 Facility Agreement, if (a) Mr. Song (together with his family, including his or his spouse's family trust), collectively, no longer are the single largest beneficial shareholder of the Company; or (b) Mr. Song (together with his family, including his or his spouse's family trust) collectively, no longer beneficially owns more than 20% of the issued share capital of the Company, then the borrower shall, among others,

- (1) immediately notify the facility agent thereof; and
- (2) at the request of any lender, prepay that lender's participation in the loans together with accrued interests thereon and break costs (if any).

For further details of the April 2024 Facility Agreement, please also refer to the announcement of the Company dated 8 April 2024. As at 30 June 2025, US\$133,550,000 term loan facility under the April 2024 Facility Agreement was utilised.

Save as disclosed above, as at 30 June 2025, the Company did not have any other disclosure obligations under Rule 13.18 of the Listing Rules.

Director's 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 to the Listing Rules as the code for the dealings in securities transactions by the Directors. Having made specific enquiries, all Directors have confirmed that they complied with the required standard of dealings set out in the Model Code for the Period. The Company has also established a code of conduct no less exacting than the Model Code (the "**Employees Code of Conduct**") for securities transactions by employees who are likely to be in possession of unpublished price-sensitive information of the Company. No incident of non-compliance of the Employees Code of Conduct by any employees of the Company was noted during the Period.

Audit Committee

As at the date of this report, the audit committee of the Company (the "**Audit Committee**") consists of two independent non-executive Directors, namely Mr. Wong Shun Tak, Ms. Chiang Yun, and a non-executive Director, namely Mr. Ho Kwok Yin, Eric, and Mr. Wong Shun Tak is the chairperson of the Audit Committee. The unaudited interim condensed consolidated financial information of the Group for the Period has been reviewed by the Audit Committee.

The unaudited interim results for the Period have been reviewed by the Company's auditors, Ernst & Young, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

Arrangements to Purchase Shares or Debentures

Other than the Share Option Schemes as set out in note 21 to the interim condensed consolidated financial statements, at no time during the Period was the Company, its holding companies or any of its subsidiaries a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debt securities including debentures of, the Company or any other body corporate.

Other Information

Interest and Short Positions of Directors in the Shares, Underlying Shares or Debentures

As at 30 June 2025, the interests or short positions of the Directors or chief executives of the Company then in office in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”)) required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest or short positions which they were taken or deemed to have under such provisions of the SFO) or which would be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which would be required, pursuant to the Model Code, are as follows:

Directors' Interest in the Shares and/or Underlying Shares

Name of Director	Nature of Interest	Number of Shares and/or Underlying Shares	Approximate percentage of Shareholding ^(Note 7)
Mr. Song Zhenghuan (“ Mr. Song ”) (Notes 2&5)	Beneficiary of a trust/ Beneficial owner/Interest of controlled corporation/ Interest of spouse	770,195,427 (L)	46.17%
Mr. Liu Tongyou (“ Mr. Liu ”) (Note 3)	Beneficial owner/Interest of controlled corporation	47,310,573 (L)	2.84%
Mr. Martin Pos	Beneficial owner	126,580,915 (L)	7.59%
Ms. Fu Jingqiu (“ Ms. Fu ”) (Notes 2&5)	Beneficiary of a trust/ Beneficial owner/Interest of spouse	770,195,427 (L)	46.17%
Mr. Ho Kwok Yin, Eric	Beneficial owner	96,000 (L)	0.01%
Ms. Chiang Yun	Beneficial owner	96,000 (L)	0.01%
Mr. Jin Peng (“ Mr. Jin ”) (Note 6)	Beneficial owner	3,010,000 (L)	0.18%

Notes:

- (1) The letter “L” denotes the person's long position in such shares.
- (2) Mr. Song and Ms. Fu are beneficiaries of Grappa Trust, of which Trident Trust Company (HK) Limited is the trustee. Ms. Fu is a beneficiary of Gramma Trust of which Trident Trust Company (HK) Limited is the trustee. See note (2) of the section headed “Substantial Shareholders' Interests and Short Positions” for further details of the interest.
- (3) Mr. Liu is interested in 29,057,573 shares of the Company held through Silvermount Limited, a company wholly owned by him. He also holds 18,253,000 Share Options.
- (4) Each of the Directors is deemed to have an interest in the underlying shares of the Company within the meaning of Part XV of the SFO in respect of the Share Options granted to him/her, details are as follows:

Name of Director	Number of Share Options granted
Mr. Song Zhenghuan	1,668,000
Mr. Liu Tongyou	18,253,000
Mr. Martin Pos	38,380,000
Ms. Fu Jingqiu	2,485,000
Mr. Ho Kwok Yin, Eric	96,000
Ms. Chiang Yun	96,000
Mr. Jin Peng	96,000

- (5) Since Ms. Fu is Mr. Song's spouse, each of Mr. Song and Ms. Fu is deemed to have an interest in the underlying Shares of the Company within the meaning of Part XV of the SFO in respect of the Share Options of the Company granted to each of them.
- (6) Mr. Jin holds 2,914,000 shares of the Company and 96,000 Share Options.
- (7) Based on a total of 1,668,235,666 ordinary shares of the Company in issue as at 30 June 2025.

Save as disclosed above, as at 30 June 2025, none of the Directors or chief executives of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Substantial Shareholders' Interests and Short Positions

As at 30 June 2025, the following persons (other than the Directors and chief executives of the Company) had or were deemed or taken to have an interest and/or short position in the shares or the underlying shares which would fall to be disclosed under the provisions of Division 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company under section 336 of SFO, or who was, directly or indirectly, interested in 5% or more of the issued share capital of the Company:

Name	Capacity	Number of Shares and/or Underlying Shares	Approximate Percentage of Shareholding ^(Note 3)
Trident Trust Company (HK) Limited ("TTC") (Note 2)	Trustee	766,042,427 (L)	45.92%
Gramma Enterprises Limited	Interest of Controlled Corporation/Beneficial Owner	696,304,251 (L)	41.74%
Rosy Phoenix Limited (Note 2)	Interest of Controlled Corporation/Beneficial Owner	696,304,251 (L)	41.74%
Cayey Enterprises Limited (Note 2)	Interest of Controlled Corporation/Beneficial Owner	608,550,380 (L)	36.48%
Grappa Enterprises Limited (Note 2)	Interest of Controlled Corporation	608,550,380 (L)	36.48%
Pacific United Developments Limited ("PUD") (Note 2)	Beneficial Owner	409,518,229 (L)	24.55%
Sure Growth Investments Limited (Note 2)	Beneficial Owner	129,293,975 (L)	7.75%

Notes:

- (1) The letter "L" denotes the person's long position in such shares.
- (2) Grappa Enterprises Limited and Gramma Enterprises Limited are indirect wholly-owned by TTC. Grappa Enterprises Limited holds 99.99% of Cayey Enterprises Limited and 99% of Gramma Enterprises Limited directly. Cayey Enterprises Limited is interested in 26.72% of PUD and 53.33% of Sure Growth Investments Limited. Gramma Enterprises Limited holds 99% of Rosy Phoenix Limited directly, which in turn holds 26.72% of PUD and 26.67% of Sure Growth Investments Limited. TTC is the trustee of Gramma Trust and Grappa Trust holding interest on trust for the beneficiaries of the Gramma Trust and Grappa Trust, respectively. The beneficiaries of Grappa Trust include Mr. Song and his family members and the beneficiaries of Gramma Trust include Ms. Fu and her family members.
- (3) Based on a total of 1,668,235,666 ordinary shares of the Company in issue as at 30 June 2025.

Save as disclosed above, as at 30 June 2025, the Company had not been notified of any interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO.

Important Events after the Period

Save as disclosed in this report, there were no other important events that required additional disclosure or adjustments which occurred after the end of the Period and up to the date of this report.

Other Information

Disclosure of Information of Directors under Rules 13.51(2) and 13.51(B)(1) of the Listing Rules

Changes in Directors' biographical details since the date of the 2024 annual report of the Company and up to the date of this report, which are required to be disclosed pursuant to Rules 13.51(2) and 13.51(B)(1) of the Listing Rules, are set out below:

- Mr. Shi Xiaoguang retired as an independent non-executive Director and as a member of each of the audit, remuneration and nomination committees of the Company on 27 May 2025;
- Mr. So Tak Young retired as an independent non-executive Director and as a member of each of the audit, remuneration and nomination committees of the Company on 27 May 2025;
- Mr. Wong Shun Tak was appointed as an independent non-executive Director of the Company on 26 March 2025, and was also appointed as the chairman of the audit committee, a member of each of the nomination, remuneration and the environmental, social and governance committee (the “**ESG Committee**”) of the Company;
- Ms. Chiang Yun has stepped down from the Audit Committee as its chairlady and remained as its member with effect from 26 March 2025. On the same date, she was also appointed as a member of the ESG committed. Besides, Ms. Chiang Yun was designated as the Lead INED with effect from 25 August 2025; and
- Mr. Ho Kwok Yin was appointed as a member of each of the audit committee, the nomination committee, the remuneration committee and the ESG Committee with effect from 26 March 2025.

Save as disclosed above, there is no change of information of each Director that is required to be disclosed under Rules 13.51(2) and 13.51(B)(1) of the Listing Rules since the publication of the 2024 annual report of the Company.

For and on behalf of the Board of Directors

Song Zhenghuan

Chairman

25 August 2025

Report on Review of Interim Condensed Consolidated Financial Information

Independent Review Report



Ernst & Young
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To the board of directors of Goodbaby International Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

Introduction

We have reviewed the interim financial information set out on pages 31 to 72, which comprises the condensed consolidated statement of financial position of Goodbaby International Holdings Limited (the “**Company**”) and its subsidiaries (the “**Group**”) as at 30 June 2025 and the related condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 *Interim Financial Reporting* (“**IAS 34**”) as issued by the International Accounting Standards Board (the “**IASB**”).

The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with IAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* as issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with IAS 34.

Ernst & Young

Certified Public Accountants
Hong Kong
25 August 2025

Interim Condensed Consolidated Statement of Profit or Loss

For the six months ended 30 June 2025

	Notes	Six months ended 30 June	
		2025	2024
		(Unaudited) (HK\$'000)	
Revenue	4	4,300,936	4,187,639
Cost of sales		(2,166,090)	(1,986,091)
Gross profit		2,134,846	2,201,548
Other income and gains	4	77,810	10,718
Selling and distribution expenses		(1,253,013)	(1,205,245)
Administrative expenses		(756,784)	(727,033)
Other expenses		(814)	(604)
Operating profit		202,045	279,384
Finance income	5	8,046	18,586
Finance costs	6	(56,701)	(87,683)
Share of profits of:			
A joint venture		229	7,593
PROFIT BEFORE TAX	7	153,619	217,880
Income tax expense	8	(48,082)	(30,594)
PROFIT FOR THE PERIOD		105,537	187,286
Attributable to:			
Owners of the parent		105,388	185,447
Non-controlling interests		149	1,839
		105,537	187,286
Earnings per share attributable to ordinary equity holders of the parent:	10		
Basic			
For profit for the period (HK\$)		0.06	0.11
Diluted			
For profit for the period (HK\$)		0.06	0.11

Interim Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	(Unaudited) (HK\$'000)	
PROFIT FOR THE PERIOD	105,537	187,286
Other comprehensive (loss)/gain		
Other comprehensive gain that may be reclassified to profit or loss in subsequent periods:		
Cash flow hedges		
Effective portion of changes in fair value of hedging instruments arising during the period	(29,806)	4,702
Reclassification adjustments for (gain)/loss included in the consolidated statement of profit or loss	(11,413)	20,885
Income tax effect	6,167	(1,842)
	(35,052)	23,745
Exchange differences:		
Exchange differences on translation of foreign operations	249,006	(150,154)
Net other comprehensive gain/(loss) that may be reclassified to profit or loss in subsequent periods	213,954	(126,409)
Other comprehensive gain/(loss) for the period, net of tax	213,954	(126,409)
Total comprehensive income for the period	319,491	60,877
Attributable to:		
Owners of the parent	319,328	59,636
Non-controlling interests	163	1,241
	319,491	60,877

Interim Condensed Consolidated Statement of Financial Position

As at 30 June 2025

	Notes	30 June 2025 (Unaudited)	31 December 2024 (Audited)
		(HK\$'000)	
NON-CURRENT ASSETS			
Property, plant and equipment	11	836,176	819,179
Right-of-use assets	12	311,004	281,486
Goodwill	13	2,617,439	2,532,832
Other intangible assets	14	2,073,921	2,000,469
Investment in a joint venture		5,826	4,958
Deferred tax assets		160,275	125,553
Other long-term assets		3,998	4,015
Total non-current assets		6,008,639	5,768,492
CURRENT ASSETS			
Inventories	15	1,623,337	1,712,437
Trade and notes receivables	16	1,085,426	1,084,452
Prepayments and other receivables		669,255	691,184
Due from related parties	28	459	545
Financial assets at fair value through profit or loss	22	43,831	–
Cash and cash equivalents	23	998,472	1,099,358
Pledged deposits	23	24,764	26,684
Derivative financial instruments	19	22,261	20,430
Total current assets		4,467,805	4,635,090
CURRENT LIABILITIES			
Trade and bills payables	17	1,280,310	1,457,628
Other payables and accruals		986,009	1,037,527
Income tax payable		99,867	77,990
Provision		52,261	46,637
Interest-bearing bank loans and other borrowings	18	523,402	475,886
Lease liabilities	12	107,363	95,981
Derivative financial instruments	19	80,611	12,063
Due to related parties	28	1,761	1,909
Defined benefit plan liabilities		243	240
Total current liabilities		3,131,827	3,205,861
NET CURRENT ASSETS		1,335,978	1,429,229
TOTAL ASSETS LESS CURRENT LIABILITIES		7,344,617	7,197,721

Interim Condensed Consolidated Statement of Financial Position (Continued)

As at 30 June 2025

	Notes	30 June 2025	31 December 2024
		(Unaudited)	(Audited)
		(HK\$'000)	
NON-CURRENT LIABILITIES			
Interest-bearing bank loans and other borrowings	18	937,194	979,171
Provision		24,013	21,338
Defined benefit plan liabilities		1,994	2,034
Other liabilities		1,091	971
Lease liabilities	12	154,102	164,468
Deferred tax liabilities		210,049	214,122
Total non-current liabilities		1,328,443	1,382,104
Net assets		6,016,174	5,815,617
EQUITY			
Equity attributable to owners of the parent			
Share capital	20	16,682	16,680
Reserves		5,993,622	5,773,175
		6,010,304	5,789,855
Non-controlling interests		5,870	25,762
Total equity		6,016,174	5,815,617

SONG Zhenghuan
Director

LIU Tongyou
Director

Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Attributable to owners of the parent											Non-controlling interests	Total equity
	Share capital	Share premium	Share option reserve	Statutory reserve funds	Cumulative translation adjustments	Defined benefit plans	Merger reserve	Capital reserve	Hedging reserve	Retained earnings	Total		
(HK\$'000)													
(Unaudited)													
At 31 December 2024 and 1 January 2025	16,680	3,320,411	209,915	275,934	(581,211)	6,595	153,975	(22,613)	7,056	2,403,113	5,789,855	25,762	5,815,617
Profit for the period	–	–	–	–	–	–	–	–	–	105,388	105,388	149	105,537
Other comprehensive (loss)/income for the period:													
Cash flow hedges, net of tax	–	–	–	–	–	–	–	–	(35,052)	–	(35,052)	–	(35,052)
Exchange differences on translation	–	–	–	–	248,992	–	–	–	–	–	248,992	14	249,006
Total comprehensive income for the period	–	–	–	–	248,992	–	–	–	(35,052)	105,388	319,328	163	319,491
Acquisition of a non-controlling interest	–	–	–	–	–	–	–	12,666	–	–	12,666	(20,055)	(7,389)
Final 2024 dividend declared (note 9)	–	–	–	–	–	–	–	–	–	(116,776)	(116,776)	–	(116,776)
Share options exercised	2	273	(77)	–	–	–	–	–	–	–	198	–	198
Equity-settled share option arrangements	–	–	5,033	–	–	–	–	–	–	–	5,033	–	5,033
At 30 June 2025 (unaudited)	16,682	3,320,684	214,871	275,934	(332,219)	6,595	153,975	(9,947)	(27,996)	2,391,725	6,010,304	5,870	6,016,174

	Attributable to owners of the parent											Non-controlling interests	Total equity
	Share capital	Share premium	Share option reserve	Statutory reserve funds	Cumulative translation adjustments	Defined benefit plans	Merger reserve	Capital reserve	Hedging reserve	Retained earnings	Total		
(HK\$'000)													
(Unaudited)													
At 31 December 2023 and 1 January 2024	16,680	3,320,411	204,343	275,934	(382,489)	5,776	153,975	(22,613)	(16,919)	2,047,267	5,602,365	25,368	5,627,733
Profit for the period	–	–	–	–	–	–	–	–	–	185,447	185,447	1,839	187,286
Other comprehensive income/(loss) for the period:													
Cash flow hedges, net of tax	–	–	–	–	–	–	–	–	23,745	–	23,745	–	23,745
Exchange differences on translation	–	–	–	–	(149,556)	–	–	–	–	–	(149,556)	(598)	(150,154)
Total comprehensive income for the period	–	–	–	–	(149,556)	–	–	–	23,745	185,447	59,636	1,241	60,877
Equity-settled share option arrangements	–	–	172	–	–	–	–	–	–	–	172	–	172
At 30 June 2024 (unaudited)	16,680	3,320,411	204,515	275,934	(532,045)	5,776	153,975	(22,613)	6,826	2,232,714	5,662,173	26,609	5,688,782

Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	Notes	Six months ended 30 June	
		2025	2024
		(Unaudited) (HK\$'000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		153,619	217,880
Adjustments for:			
Finance costs	6	56,701	87,683
Share of profit of a joint venture		(229)	(7,593)
Interest income	5	(8,046)	(18,586)
Loss/(gain) on disposal of items of property, plant and equipment	7	251	(754)
Loss on disposal of intangible assets		–	11
Revision of a lease term arising from a change in the non-cancellable period of a lease		–	(722)
Gain on wealth investment products	7	(66)	(945)
Depreciation and amortization	7	226,910	215,466
Provision of inventories	7	1,783	14,836
Provision for impairment of receivables	7	896	7,847
Equity-settled share option expenses	7	5,033	172
		436,852	515,295
Decrease/(increase) in inventories		87,317	(131,002)
Increase in trade receivables		(1,870)	(69,218)
Decrease/(increase) in prepayments and other receivables		10,094	(1,658)
Decrease in amounts due from related parties		86	6,397
Decrease in pledged deposits		–	459
Decrease/(increase) in derivative financial instruments		66,717	(38,900)
Decrease/(increase) in other long-term assets		17	(81)
(Decrease)/Increase in trade and bills payables		(177,318)	16,887
Decrease in other payables and accruals		(64,184)	(2,275)
Increase in provision		8,299	4,888
(Decrease)/Increase in amounts due to related parties		(148)	881
Decrease in defined benefit plan liabilities		(37)	(40)
Increase in other liabilities		120	76
Cash generated from operations		365,945	301,709
Income tax refund		–	2,033
Income tax paid		(69,015)	(67,722)
Net cash flows from operating activities		296,930	236,020

Interim Condensed Consolidated Statement of Cash Flows (Continued)

For the six months ended 30 June 2025

	Notes	Six months ended 30 June	
		2025	2024
		(Unaudited) (HK\$'000)	
CASH FLOWS USED IN INVESTING ACTIVITIES			
Interest received		8,046	43,302
Redemption of wealth investment products received		53,863	23,706
Purchase of items of property, plant and equipment		(106,456)	(70,606)
Addition to other intangible assets		(9,960)	(80,999)
Proceeds from disposal of property, plant and equipment		2,422	4,442
Purchase of wealth investment products		(96,835)	–
Acquisition of additional interest in a joint venture	28	–	(6,671)
Net cash flows used in investing activities		(148,920)	(86,826)
CASH FLOWS USED IN FINANCING ACTIVITIES			
Dividends paid		(116,776)	–
Proceeds from exercise of share options		198	–
Acquisition of non-controlling interests		(6,032)	–
Proceeds from borrowings		735,397	242,551
Repayment of borrowings		(804,078)	(907,637)
Interest paid		(43,822)	(83,980)
Principal portion of lease payments		(53,190)	(59,657)
Decrease in pledged deposits		2,231	509,994
Net cash flows used in financing activities		(286,072)	(298,729)
NET DECREASE IN CASH AND CASH EQUIVALENTS		(138,062)	(149,535)
Cash and cash equivalents at beginning of period		1,099,358	981,899
Effect of foreign exchange rate changes, net		37,176	(28,644)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	23	998,472	803,720

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

1. Corporate Information

The interim condensed consolidated financial information of the Group for the six months ended 30 June 2025 were authorized to be issued in accordance with a resolution of directors on 25 August 2025.

The Company was incorporated in the Cayman Islands on 14 July 2000 as an exempted company with limited liability. The registered office is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The Company's shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") since 24 November 2010.

The Group is principally engaged in design, research and development ("**R&D**"), manufacturing, marketing and distribution of products for children.

2.1 Basis of Preparation

The interim condensed consolidated financial information for the six months ended 30 June 2025 have been prepared in accordance with IAS 34 *Interim Financial Reporting*. The financial information is presented in Hong Kong Dollars ("**HK\$**") and all values are rounded to the nearest thousand except when otherwise indicated.

The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024.

2.2 Changes in Accounting Policies and Disclosures

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended IFRS Accounting Standard for the first time for the current period's financial information.

Amendments to IAS 21

Lack of Exchangeability

The nature and impact of the amended IFRS Accounting Standard are described below:

Amendments to IAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted with and the functional currencies of group entities for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the interim condensed consolidated financial information.

3. Operating Segment Information

For management purposes, the Group is organised into business units based on their products and services and has three reportable operating segments as follows:

- (a) Wheeled goods segment, which engages in the research, design, manufacture and sale of wheeled goods, and accessories, including strollers, jogging strollers and other child conveyances that move on wheels, and accessories under the Group's own brands and third parties' brands. Products in this segment require a same set of technology and manufacturing knowhow and infrastructure;
- (b) Car seats segment, which engages in the research, design, manufacture and sale of car safety seats and accessories for child under the Group's own brands and third parties' brands; and
- (c) Other categories segment, which engages in the research, design, manufacture, outsource and sale of other children's products, including apparels, personal care and sanitary products, home textiles, toys, activities, kids ride-on products, home furniture for child and other similar products under the Group's own brands and third parties' brands.

In addition, the Group redefined the geographical areas, namely Europe, Middle East, India and Africa ("EMEIA"), "Americas" and Asia Pacific ("APAC"), to reflect global market strategies. Comparative figures have been represented to conform with current period's presentation.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment revenue.

Six months ended 30 June 2025

	Wheeled Goods	Car seats	Other categories	Consolidated
	(HK\$'000)			
	(Unaudited)			
Segment revenue (note 4)				
Sales to external customers	1,791,331	1,985,259	524,346	4,300,936
Segment results	900,892	1,042,200	191,754	2,134,846
<i>Reconciliation:</i>				
Other income and gains				77,810
Corporate and other unallocated expenses				(2,014,530)
Other expenses				(814)
Finance income				8,046
Finance costs (other than interest on lease liabilities)				(51,968)
Share of profit of:				
A joint venture				229
Profit before tax				153,619
Other segment information:				
Impairment losses recognised/(reversed) in the statement of profit or loss, net	1,264	2,336	(921)	2,679
Depreciation and amortisation	93,059	96,409	37,442	226,910

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

3. Operating Segment Information (Continued)

Six months ended 30 June 2024

	Wheeled Goods	Car seats	Other categories	Consolidated
	(HK\$'000)			
	(Unaudited)			
Segment revenue (note 4)				
Sales to external customers	1,694,830	1,884,065	608,744	4,187,639
Segment results	913,376	1,059,299	228,873	2,201,548
<i>Reconciliation:</i>				
Other income and gains				10,718
Corporate and other unallocated expenses				(1,936,413)
Other expenses				(604)
Finance income				18,586
Finance costs (other than interest on lease liabilities)				(83,548)
Share of profit of:				
Joint ventures				7,593
An associate				—
Profit before tax				217,880
Other segment information:				
Impairment losses recognised in the statement of profit or loss, net	8,820	9,835	4,028	22,683
Depreciation and amortisation	90,409	88,527	36,530	215,466

Geographical information

(a) Revenue from external customers

	EMEIA market	Americas market	APAC market	Total
	(HK\$'000)			
	(Unaudited)			
Six months ended 30 June 2025				
Segment revenue:				
Sales to external customers	2,004,177	1,394,679	902,080	4,300,936
Six months ended 30 June 2024				
Segment revenue:				
Sales to external customers	1,835,035	1,393,940	958,664	4,187,639

The revenue information above is based on the locations of the customers.

3. Operating Segment Information (Continued)

Geographical information (Continued)

(b) Non-current assets

	30 June 2025	31 December 2024
	(HK\$'000)	
	(Unaudited)	(Audited)
APAC	3,655,262	3,593,925
Americas	1,183,884	1,147,712
EMEIA	999,394	892,329
Total	5,838,540	5,633,966

The non-current asset information above is based on the locations of the assets excluding financial instruments, deferred tax assets and investment in a joint venture.

Information about major customers

During the six months ended 30 June 2025, revenue from sales to two major third-party customers were HK\$550,948,000 and HK\$423,440,000 (six months ended 30 June 2024: two major third-party customers were HK\$517,715,000 and HK\$412,805,000). The revenue from sales to the customers was derived from sales of wheeled goods, car seats and other categories segments, including sales to a group of entities which are known to be under common control with the customers.

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

4. Revenue, Other Income and Gains

An analysis of revenue is as follows:

	Six months ended 30 June	
	2025	2024
	(HK\$'000)	
	(Unaudited)	
<i>Revenue from contracts with customers</i>		
Sale of goods	4,289,475	4,173,838
Rendering of testing services	11,461	13,801
Total	4,300,936	4,187,639

Revenue from contracts with customers

(i) Disaggregated revenue information for revenue from contracts with customers

For the six months ended 30 June 2025

Segments	Wheeled Goods	Car seats	Other categories	Total
	(HK\$'000)			
	(Unaudited)			
Type of goods or services				
Sale of goods	1,791,331	1,985,259	512,885	4,289,475
Rendering of testing services	—	—	11,461	11,461
Total revenue from contracts with customers	1,791,331	1,985,259	524,346	4,300,936
Timing of revenue recognition				
Goods transferred at a point in time	1,791,331	1,985,259	512,885	4,289,475
Services transferred at a point in time	—	—	11,461	11,461
Total revenue from contracts with customers	1,791,331	1,985,259	524,346	4,300,936
Revenue from contracts with customers				
External customers	1,791,331	1,985,259	524,346	4,300,936

4. Revenue, Other Income and Gains (Continued)**Revenue from contracts with customers** (Continued)**(i) Disaggregated revenue information for revenue from contracts with customers** (Continued)**For the six months ended 30 June 2024**

Segments	Wheeled Goods	Car seats	Other categories	Total
	(HK\$'000)			
	(Unaudited)			
Type of goods or services				
Sale of goods	1,694,830	1,884,065	594,943	4,173,838
Rendering of testing services	–	–	13,801	13,801
Total revenue from contracts with customers	1,694,830	1,884,065	608,744	4,187,639
Timing of revenue recognition				
Goods transferred at a point in time	1,694,830	1,884,065	594,943	4,173,838
Services transferred at a point in time	–	–	13,801	13,801
Total revenue from contracts with customers	1,694,830	1,884,065	608,744	4,187,639
Revenue from contracts with customers				
External customers	1,694,830	1,884,065	608,744	4,187,639

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

4. Revenue, Other Income and Gains (Continued)

Other income and gains

	Six months ended 30 June	
	2025	2024
	(HK\$'000) (Unaudited)	
Other income and gains:		
Government grants (note (a))	8,579	3,536
Gain on sales of scrap materials (note (b))	3,023	2,355
Gain on wealth investment products	66	945
Gain on disposal of fixed assets (note (c))	—	754
Net foreign exchange gain	62,825	679
Compensation income (note (d))	1,015	507
Others	2,302	1,942
Total	77,810	10,718

Note (a): The amount represents subsidies received from local government authorities in connection with certain financial support to local business enterprises. These government subsidies mainly comprised subsidies for export activities, subsidies for development and other miscellaneous subsidies and incentives for various purposes.

Note (b): The amount represents the gain on sales of aluminium, plastics, cloth and other scrap materials.

Note (c): The amount represents the gain on disposal of building, machinery, and other fixed assets.

Note (d): The amount represents the compensation received from: i) customers as a result of cancellation of orders, ii) suppliers due to defective products or shipment delay and iii) other infringement compensation.

5. Finance Income

	Six months ended 30 June	
	2025	2024
	(HK\$'000) (Unaudited)	
Interest income on bank deposits	8,046	18,586

6. Finance Costs

	Six months ended 30 June	
	2025	2024
	(HK\$'000) (Unaudited)	
Interest on bank loans, overdrafts and other loans	51,968	83,548
Interest on lease liabilities	4,733	4,135
Total	56,701	87,683

7. Profit before Tax

The Group's profit before tax is arrived at after charging/(crediting):

	Six months ended 30 June	
	2025	2024
	(HK\$'000) (Unaudited)	
Cost of inventories sold*	2,158,450	1,977,143
Cost of services provided	7,640	8,948
Depreciation of property, plant and equipment	130,325	124,880
Depreciation of right-of-use assets	56,632	53,585
Amortisation of intangible assets	39,953	37,001
R&D costs**	219,705	201,990
Short-term rental expenses***	4,965	16,042
Auditors' remuneration	3,766	4,883
Employee benefit expense (including directors' remuneration):		
Wages, salaries and other benefits	917,445	935,755
Share option expense	5,033	172
Pension scheme costs (defined benefit plans) (including administrative expense)	592	596
Pension scheme contributions	27,392	31,880
	950,462	968,403
Net foreign exchange gain	(62,825)	(679)
Gain on wealth investment products	(66)	(945)
Provision for impairment of receivables	896	7,847
Provision of inventories	1,783	14,836
Product warranties and liabilities	13,308	11,537
Loss/(gain) on disposal of items of property, plant and equipment	251	(754)
Bank interest income	(8,046)	(18,586)

* Cost of inventories sold include expenses relating to depreciation of property, plant and equipment, depreciation of right-of-use assets and staff remuneration, which are also included in the respective total amounts disclosed separately above for each of these types of expenses.

** R&D costs include expenses relating to depreciation of property, plant and equipment, depreciation of right-of-use assets and staff costs, which are also included in the respective total amounts disclosed separately above for each of these types of expenses.

*** Short-term rental expenses consist of payments of leases with lease term within 12 months of the date of initial application and property management fee on retail stores, storages and office premises.

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

8. Income Tax

The Company and its subsidiaries incorporated in the Cayman Islands and the British Virgin Islands (“**BVI**”), respectively, are exempted from taxation.

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the year, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 (2024: HK\$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%.

State income tax and federal income tax of the Group’s subsidiary in the United States have been provided for at the rates of state income tax and federal income tax on the estimated assessable profits of the subsidiary during the year. The state income tax rates are 1% to 12% in the respective states in which the subsidiary operates, and the federal income tax rate was lowered to 21% effective from 1 January 2018, as a result of U.S. tax reform enacted in December 2017.

The Group’s subsidiary registered in Japan is subject to income tax based on the taxable income at rates ranging from 15% to 23.2% on a progressive basis.

The Group’s subsidiaries registered in Germany are subject to corporation tax based on the taxable income at the rate of 15.825% and trade income tax on the taxable income at rates ranging from 13.65% to 17.15%.

The Group’s subsidiary registered in the Czech Republic is subject to income tax based on the taxable income at the rate of 21%.

The Group’s subsidiary registered in Canada is subject to Federal income tax based on the taxable income at the rate of 15% and provincial and territorial income tax at rates ranging from 8% to 16%.

The Group’s subsidiary registered in the United Arab Emirates is subject to income tax at the rate of 9% for taxable income above AED375,000.

All of the Group’s subsidiaries registered in the People’s Republic of China (the “**PRC**”), which only have operations in Mainland China, are subject to PRC enterprise income tax (“**EIT**”) on the taxable income as reported in their PRC statutory accounts adjusted in accordance with relevant PRC income tax laws, at the rate of 25%.

Pursuant to relevant tax rules under the EIT Law and with the approval from the relevant tax authorities in the PRC, two of the Group’s subsidiaries, Goodbaby Child Products Co., Ltd. (“**GCPC**”) and EQO Testing and Certification Services Co., Ltd. (“**EQTC**”), are qualified as “High and New Technology Enterprises” and are entitled to a preferential tax rate of 15% from 2023 to 2025.

The major components of income tax expense of the Group are as follows:

	Six months ended 30 June	
	2025	2024
	(HK\$'000)	
	(Unaudited)	
Current income tax	75,805	71,200
Deferred income tax	(27,723)	(40,606)
Income tax expense	48,082	30,594

9. Dividends

	Six months ended 30 June	
	2025	2024
	(HK\$'000)	
	(Unaudited)	
Dividends declared by the Company	116,776	–

On 27 May 2025, the Company's shareholders approved 2024 final dividend of HK\$0.07 for every share of the Company's 1,668,235,666 shares, in an aggregate amount of HK\$116,776,000. The dividend has been paid in June 2025.

The board has resolved not to declare any interim dividend in respect of the six months ended 30 June 2025 (six months ended 30 June 2024: nil).

10. Earnings per Share

The calculation of the basic earnings per share is based on the profit for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 1,668,235,666 in issue during the six months ended 30 June 2025 (six months ended 30 June 2024: 1,668,031,166).

The calculation of diluted earnings per share amount is based on the profit for the period attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the period, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

The calculation of earnings per share is based on:

	Six months ended 30 June	
	2025	2024
	(HK\$'000)	
	(Unaudited)	
Earnings		
Profit attributable to ordinary equity holders of the parent used in the basic earnings per share calculation	105,388	185,447

	Number of shares	
	Six months ended 30 June	
	2025	2024
	(Unaudited)	
Shares		
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	1,668,235,666	1,668,031,166
Effect of dilution – weighted average number of ordinary shares:		
Share options	53,698,475	–
Total	1,721,934,141*	1,668,031,166

* The diluted earnings per share amounts are based on the profit attributable to ordinary equity holders of the parent of HK\$105,388,000, and the weighted average number of ordinary shares of 1,721,934,141 in issue outstanding during the period.

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

11. Property, Plant and Equipment

30 June 2025

	Buildings and land	Plant and machinery	Motor vehicles	Furniture and fixtures	Leasehold improvements	Construction in progress	Total
	(HK\$'000)						
	(Unaudited)						
At 31 December 2024 and at 1 January 2025:							
Cost	555,294	1,458,356	19,733	428,568	311,245	66,468	2,839,664
Accumulated depreciation and impairment	(420,018)	(1,020,730)	(16,716)	(337,380)	(225,641)	–	(2,020,485)
Net carrying amount	135,276	437,626	3,017	91,188	85,604	66,468	819,179
At 1 January 2025, net of accumulated depreciation	135,276	437,626	3,017	91,188	85,604	66,468	819,179
Additions	1,194	4,782	482	9,831	13,822	76,345	106,456
Disposals	(1,018)	(2,066)	(44)	(84)	(475)	–	(3,687)
Depreciation provided during the period	(10,360)	(66,895)	(390)	(22,596)	(30,084)	–	(130,325)
Transfers	1,432	41,738	469	18,777	6,811	(69,227)	–
Exchange realignment	4,158	22,182	91	8,567	4,913	4,642	44,553
At 30 June 2025, net of accumulated depreciation and impairment	130,682	437,367	3,625	105,683	80,591	78,228	836,176
At 30 June 2025:							
Cost	564,152	1,553,464	20,862	493,411	348,982	78,228	3,059,099
Accumulated depreciation and impairment	(433,470)	(1,116,097)	(17,237)	(387,728)	(268,391)	–	(2,222,923)
Net carrying amount	130,682	437,367	3,625	105,683	80,591	78,228	836,176

11. Property, Plant and Equipment (Continued)**31 December 2024**

	Buildings and land	Plant and machinery	Motor vehicles	Furniture and fixtures	Leasehold improvements	Construction in progress	Total
	(HK\$'000)						
	(Audited)						
At 31 December 2023 and at 1 January 2024:							
Cost	551,876	1,383,283	21,895	400,288	426,222	120,896	2,904,460
Accumulated depreciation and impairment	(408,264)	(990,301)	(18,949)	(306,901)	(291,110)	–	(2,015,525)
Net carrying amount	143,612	392,982	2,946	93,387	135,112	120,896	888,935
At 1 January 2024, net of accumulated depreciation	143,612	392,982	2,946	93,387	135,112	120,896	888,935
Additions	13,452	53,165	5	37,116	31,051	113,188	247,977
Acquisition of a subsidiary	–	626	–	–	–	123	749
Disposals	(7)	(6,412)	(190)	(597)	(4,820)	–	(12,026)
Depreciation provided during the year	(25,978)	(126,689)	(661)	(47,349)	(71,083)	–	(271,760)
Transfers	9,525	137,873	1,011	16,413	–	(164,822)	–
Exchange realignment	(5,328)	(13,919)	(94)	(7,782)	(4,656)	(2,917)	(34,696)
At 31 December 2024, net of accumulated depreciation and impairment	135,276	437,626	3,017	91,188	85,604	66,468	819,179
At 31 December 2024:							
Cost	555,294	1,458,356	19,733	428,568	311,245	66,468	2,839,664
Accumulated depreciation and impairment	(420,018)	(1,020,730)	(16,716)	(337,380)	(225,641)	–	(2,020,485)
Net carrying amount	135,276	437,626	3,017	91,188	85,604	66,468	819,179

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

12. Leases

The Group has lease contracts for various items of plant and machinery, motor vehicles and other equipment used in its operations. Lump sum payments were made upfront to acquire the leased land from the owners with lease periods of 10 to 50 years, and no ongoing payments will be made under the terms of these land leases. Leases of plant and machinery generally have lease terms between 3 and 6 years. Buildings generally have lease term between 1 and 10 years. Furniture and fixtures generally have lease terms between 2 and 5 years, while motor vehicles generally have lease terms between 1 and 5 years. Other equipment generally has lease terms of 12 months or less and/or is individually of low value. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

(a) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the period/year are as follows:

30 June 2025

	Leasehold land	Buildings	Plant and machinery	Motor vehicles	Furniture and fixtures	Total
	(HK\$'000)					
	(Unaudited)					
As at 1 January 2025	32,095	218,868	8,850	21,048	625	281,486
Revision of a lease term arising from a change in the non-cancellable period of a lease	–	1,129	–	–	–	1,129
Additions	–	60,780	–	4,431	–	65,211
Disposals	(343)	–	–	–	–	(343)
Depreciation charge	(782)	(47,381)	(3,110)	(5,057)	(302)	(56,632)
Exchange realignment	952	15,240	75	2,710	1,176	20,153
As at 30 June 2025	31,922	248,636	5,815	23,132	1,499	311,004

12. Leases (Continued)**(a) Right-of-use assets** (Continued)**31 December 2024**

	Leasehold land	Buildings	Plant and machinery	Motor vehicles	Furniture and fixtures	Total
	(HK\$'000)					
	(Audited)					
As at 1 January 2024	36,512	218,611	3,454	16,670	1,299	276,546
Revision of a lease term arising from a change in the non-cancellable period of a lease	–	4,314	(1)	(472)	5	3,846
Additions	–	98,375	6,422	18,683	–	123,480
Depreciation charge	(1,477)	(93,034)	(978)	(12,525)	(620)	(108,634)
Exchange realignment	(2,940)	(9,398)	(47)	(1,308)	(59)	(13,752)
As at 31 December 2024	32,095	218,868	8,850	21,048	625	281,486

(b) Lease liabilities

	As at 30 June 2025	As at 31 December 2024
	(HK\$'000)	
	(Unaudited)	(Audited)
Current	107,363	95,981
Non-current	154,102	164,468
Carrying amount at period/year end	261,465	260,449

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

13. Goodwill

	(HK\$'000)
Cost and net carrying amount at 1 January 2024 (Audited)	2,608,675
Exchange realignment	(75,843)
Cost and net carrying amount at 31 December 2024 and 1 January 2025 (Audited)	2,532,832
Exchange realignment	84,607
Cost and net carrying amount at 30 June 2025 (Unaudited)	2,617,439

14. Other Intangible Assets

30 June 2025

	Trademarks	Computer software	Customer relationship	Patents	Total
	(HK\$'000)				
	(Unaudited)				
At 31 December 2024 and at 1 January 2025:					
Cost	1,615,340	293,379	521,266	95,616	2,525,601
Accumulated amortisation	(34,700)	(150,982)	(282,646)	(56,804)	(525,132)
Net carrying amount	1,580,640	142,397	238,620	38,812	2,000,469
At 1 January 2025, net of accumulated amortisation	1,580,640	142,397	238,620	38,812	2,000,469
Additions	755	7,980	—	1,225	9,960
Amortisation provided during the period	(798)	(17,394)	(18,485)	(3,276)	(39,953)
Exchange realignment	79,288	6,785	15,556	1,816	103,445
At 30 June 2025, net of accumulated amortisation	1,659,885	139,768	235,691	38,577	2,073,921
At 30 June 2025:					
Cost	1,696,817	325,079	544,139	103,865	2,669,900
Accumulated amortisation	(36,932)	(185,311)	(308,448)	(65,288)	(595,979)
Net carrying amount	1,659,885	139,768	235,691	38,577	2,073,921

14. Other Intangible Assets (Continued)**31 December 2024**

	Trademarks	Computer software	Non-compete agreement	Customer relationship	Patents	Total
	(HK\$'000)					
	(Audited)					
At 31 December 2023 and at 1 January 2024:						
Cost	1,677,627	208,165	7,066	539,847	83,977	2,516,682
Accumulated amortisation	(34,465)	(125,601)	(7,066)	(251,578)	(52,947)	(471,657)
Net carrying amount	1,643,162	82,564	—	288,269	31,030	2,045,025
At 1 January 2024, net of accumulated amortisation	1,643,162	82,564	—	288,269	31,030	2,045,025
Additions	—	97,628	—	—	448	98,076
Acquisition of a subsidiary	—	—	—	—	15,300	15,300
Disposals	—	(447)	—	—	—	(447)
Amortisation provided during the year	(1,814)	(36,347)	—	(37,424)	(6,451)	(82,036)
Exchange realignment	(60,708)	(1,001)	—	(12,225)	(1,515)	(75,449)
At 31 December 2024, net of accumulated amortisation	1,580,640	142,397	—	238,620	38,812	2,000,469
At 31 December 2024:						
Cost	1,615,340	293,379	—	521,266	95,616	2,525,601
Accumulated amortisation	(34,700)	(150,982)	—	(282,646)	(56,804)	(525,132)
Net carrying amount	1,580,640	142,397	—	238,620	38,812	2,000,469

15. Inventories

	As at 30 June 2025	As at 31 December 2024
	(HK\$'000)	
	(Unaudited)	(Audited)
Raw materials	262,463	221,952
Work in progress	14,839	19,437
Finished goods	1,346,035	1,471,048
Total	1,623,337	1,712,437

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

16. Trade and Notes Receivables

	As at 30 June 2025	As at 31 December 2024
	(HK\$'000)	
	(Unaudited)	(Audited)
Trade receivables	1,119,739	1,115,910
Impairment of trade receivables	(34,313)	(31,458)
Total	1,085,426	1,084,452

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is up to three months. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimize credit risk. Overdue balances are reviewed regularly by senior management. Trade receivables are non-interest-bearing.

An aging analysis of the trade and notes receivables of the Group, based on the invoice date and net of provisions, is as follows:

	As at 30 June 2025	As at 31 December 2024
	(HK\$'000)	
	(Unaudited)	(Audited)
Within 3 months	1,033,208	1,051,390
3 to 6 months	32,951	23,987
6 months to 1 year	17,145	6,225
Over 1 year	2,122	2,850
Total	1,085,426	1,084,452

17. Trade and Bills Payables

An aging analysis of the trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

	As at 30 June 2025	As at 31 December 2024
	(HK\$'000)	
	(Unaudited)	(Audited)
Within 3 months	986,648	1,156,016
3 to 12 months	285,245	291,761
1 to 2 years	894	3,658
2 to 3 years	2,876	1,568
Over 3 years	4,647	4,625
Total	1,280,310	1,457,628

The trade and bills payables are non-interest-bearing and normally settled on terms of 60 to 90 days. The carrying amounts of the trade and bills payables approximate to their fair values due to their short-term maturity.

18. Interest-Bearing Bank Loans and Other Borrowings

		As at 30 June 2025		As at 31 December 2024	
		Maturity	HK\$'000 (Unaudited)	Maturity	HK\$'000 (Audited)
Current					
Bank overdrafts – secured	Note (a) and note (b)	On demand	174,624	On demand	225,659
Bank overdrafts – unsecured	Note (a)	On demand	10,627	On demand	6,611
Current portion of long-term bank loans – secured	Note (b)	2025-2026	107,435	2025	56,325
Bank borrowings – unsecured			230,716	2025	187,291
			523,402		475,886
Non-current					
Bank borrowings – secured	Note (b)	2026-2027	937,194	2026-2027	979,171
Total			1,460,596		1,455,057

The carrying amounts of borrowings are denominated in the following currencies:

	As at 30 June 2025	As at 31 December 2024
	(HK\$'000)	
	(Unaudited)	(Audited)
RMB	219,154	85,101
USD	1,047,632	1,036,057
EUR	185,640	326,441
JPY	8,170	7,458
Total	1,460,596	1,455,057

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

18. Interest-Bearing Bank Loans and Other Borrowings (Continued)

An analysis of the carrying amounts of borrowings by type of interest rate is as follows:

	As at 30 June 2025	As at 31 December 2024
	(HK\$'000)	
	(Unaudited)	(Audited)
Fixed interest rate	186,281	178,896
Variable interest rate	1,274,315	1,276,161
Total	1,460,596	1,455,057

At the end of respective reporting periods, bank borrowings and overdrafts were repayable as follows:

	As at 30 June 2025	As at 31 December 2024
	(HK\$'000)	
	(Unaudited)	(Audited)
Within one year	523,402	475,886
In the second year	219,282	160,649
In the third year	717,912	818,522
Total	1,460,596	1,455,057

Note (a): The bank overdraft facilities amounted to HK\$356,116,000, of which HK\$185,251,000 had been utilised as at the end of the reporting period. The bank overdraft facilities are revolving facilities with no termination date.

Note (b): As at 30 June 2025, certain of the Group's bank loans are secured by:

- (i) standby letters of credit and letters of guarantee from certain banks issued by a subsidiary of the Group; and
- (ii) the guarantee from the Company.

Note (c): The effective interest rates of the bank loans and other borrowing range from 1.06% to 5.99% (2024: 1.20% to 7.56%).

19. Derivative Financial Instruments

	As at 30 June 2025	
	Assets	Liabilities
	(HK\$'000)	
	(Unaudited)	
Forward currency contracts	22,222	80,595
Foreign currency swaps	39	16
Total	22,261	80,611

	As at 31 December 2024	
	Assets	Liabilities
	(HK\$'000)	
	(Audited)	
Forward currency contracts	20,430	10,711
Foreign currency swaps	—	1,352
Total	20,430	12,063

20. Share Capital

	As at 30 June 2025	As at 31 December 2024
	(HK\$'000)	
	(Unaudited)	(Audited)
Issued and fully paid:		
1,668,235,666 (2024: 1,668,031,166) ordinary shares	16,682	16,680

Details of the Group's share option scheme and the share options issued under the scheme are included in note 21 to the financial statements.

21. Share Option Scheme

The share option scheme adopted by the Company on 5 November 2010 (the “**2010 Share Option Scheme**”) was terminated and a new one was adopted by the Company following the termination of the 2010 Share Option Scheme on the annual general meeting of the Company held on 25 May 2020 (the “**2020 Share Option Scheme**”).

In view of the amendments to Chapter 17 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) which have taken effect from 1 January 2023 and the intention of the Company to provide more flexibility in its long-term planning of granting of share options (the “**Share Options**”) to incentivize suitable eligible participants, the Company has terminated the 2020 Share Option Scheme and adopted a new share option scheme (the “**2025 Share Option Scheme**”, together with the 2010 Share Option Scheme and 2020 Share Option Scheme (the “**Share Option Schemes**”)), at the extraordinary general meeting of the Company held on 27 May 2025. No further share options could be granted under the 2010 Share Option Scheme or the 2020 Share Option Scheme following their respective termination, but the provisions of the 2010 Share Option Scheme and the 2020 Share Option Scheme would remain in force to the extent necessary to give effect to the exercise of any share option granted prior to their respective termination.

The maximum number of share options originally permitted to be granted under the 2010 Share Option Scheme is an amount equivalent, upon their exercise, to 10% of the shares of the Company in issue as at 28 May 2018. The maximum number of share options currently permitted to be granted under the 2020 Share Option Scheme is an amount equivalent, upon their exercise, to 10% of the shares of the Company in issue as at 25 May 2020. The maximum number of shares issuable under share options to each eligible participant under the 2010 Share Option Scheme and 2020 Share Option Scheme within any 12-month period is limited to 1% of the shares of the Company in issue as at the date on which the share options are granted to the relevant eligible participants. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

Share options granted to a Director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive Directors. In addition, any share options granted to a substantial shareholder or an independent non-executive Director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue on the date of such grant or with an aggregate value (based on the closing price of the Company's shares at the date of grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

21. Share Option Scheme (Continued)

The offer of a grant of share options may be accepted within 30 days from the date of offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. The exercise period of the share options granted is determinable by the Directors, and commences after a vesting period determined by the Directors and ends on a date which shall not be later than ten years from the date upon which the share options are deemed to be granted and accepted.

The exercise price of share options is determinable by the directors, but may not be less than the higher of (i) the Stock Exchange closing price of the Company's shares on the date of offer of the share options; (ii) the average Stock Exchange closing price of the Company's shares for the five trading days immediately preceding the date of offer; and (iii) the nominal value of the Company's shares.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

On 19 June 2020, the Board announced that the Company shall allow holders of the existing share options (the **"Existing Share Options"**) granted on 28 August 2017, 27 March 2018, 28 May 2018 and 23 May 2019 under the 2010 Share Option Scheme to exchange their Existing Share Options for new share options to be granted under the 2020 Share Option Scheme. As at 19 June 2020, none of the above share options was vested.

A total of 96,650,000 Existing Share Options were cancelled under the 2010 Share Option Scheme and replaced by a total of 26,084,500 new share options with an exercise price of HK\$0.96 per share under the 2020 Share Option Scheme (the **"Replacement Options"**).

The exchange ratio of the Replacement Options to Existing Share Options were based on their fair values on the modification date, i.e. 19 June 2020.

(a) 2010 Share Option Scheme

The following share options were outstanding under the 2010 Share Option Scheme during the six months ended 30 June 2025:

	Weighted average exercise price	Number of options
	HK\$ per share	'000
At 1 January 2024	4.010	100,180
Forfeited during the year	3.878	(35,680)
At 31 December 2024 and 1 January 2025	4.083	64,500
Forfeited during the period	3.813	(12,550)
At 30 June 2025	4.148	51,950

No share options were exercised or cancelled during the period ended 30 June 2025.

21. Share Option Scheme (Continued)**(a) 2010 Share Option Scheme** (Continued)

The exercise prices and exercise periods of the above share options outstanding at the end of the reporting period are as follows:

30 June 2025 (unaudited)

Number of options	Exercise price	Exercise period
'000	HK\$ per share	
1,916	3.75	7 October 2018 to 6 October 2025
1,917	3.75	7 October 2019 to 6 October 2025
1,917	3.75	7 October 2020 to 6 October 2025
4,100	4.54	27 September 2020 to 27 March 2028
6,150	4.54	27 September 2021 to 27 March 2028
10,250	4.54	27 September 2022 to 27 March 2028
620	5.122	28 May 2021 to 27 May 2028
930	5.122	28 May 2022 to 27 May 2028
1,550	5.122	28 May 2023 to 27 May 2028
4,520	3.75	23 May 2022 to 22 May 2029
6,780	3.75	23 May 2023 to 22 May 2029
11,300	3.75	23 May 2024 to 22 May 2029
51,950		

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

21. Share Option Scheme (Continued)

(a) 2010 Share Option Scheme (Continued)

The exercise prices and exercise periods of the above share options outstanding at the end of the reporting period are as follows: (Continued)

31 December 2024

Number of options	Exercise price	Exercise period
'000	HK\$ per share	
2,266	3.75	7 October 2018 to 6 October 2025
2,267	3.75	7 October 2019 to 6 October 2025
2,267	3.75	7 October 2020 to 6 October 2025
4,300	4.54	27 September 2020 to 27 March 2028
6,450	4.54	27 September 2021 to 27 March 2028
10,750	4.54	27 September 2022 to 27 March 2028
620	5.122	28 May 2021 to 27 May 2028
930	5.122	28 May 2022 to 27 May 2028
1,550	5.122	28 May 2023 to 27 May 2028
6,620	3.75	23 May 2022 to 22 May 2029
9,930	3.75	23 May 2023 to 22 May 2029
16,550	3.75	23 May 2024 to 22 May 2029
64,500		

21. Share Option Scheme (Continued)**(b) 2020 Share Option Scheme**

The following share options were outstanding under the 2020 Share Option Scheme during the six months ended 30 June 2025:

	Weighted average exercise price	Number of options
	HK\$ per share	'000
At 1 January 2024	0.941	26,523
Granted during the year	0.485	113,594
Forfeited during the year	0.684	(8,182)
At 31 December 2024 and 1 January 2025	0.564	131,935
Exercise during the period	0.97	(205)
Forfeited during the period	0.56	(8,012)
At 30 June 2025	0.564	123,718

The exercise prices and exercise periods of the above share options outstanding at the end of the reporting period are as follows:

30 June 2025 (unaudited)

Number of options	Exercise price	Exercise period
'000	HK\$ per share	
46	0.96	28 August 2020 to 27 August 2027
47	0.96	28 August 2021 to 27 August 2027
47	0.96	28 August 2022 to 27 August 2027
1,320	0.96	27 September 2020 to 27 March 2028
1,980	0.96	27 September 2021 to 27 March 2028
3,300	0.96	27 September 2022 to 27 March 2028
148	0.96	28 May 2021 to 27 May 2028
222	0.96	28 May 2022 to 27 May 2028
370	0.96	28 May 2023 to 27 May 2028
2,139	0.96	23 May 2022 to 22 May 2029
3,209	0.96	23 May 2023 to 22 May 2029
5,347	0.96	23 May 2024 to 22 May 2029
612	1.01	11 December 2023 to 10 December 2030
919	1.01	11 December 2024 to 10 December 2030
1,438	1.01	11 December 2025 to 10 December 2030
100	1.042	16 June 2025 to 15 June 2032
150	1.042	16 June 2026 to 15 June 2032
250	1.042	16 June 2027 to 15 June 2032
58,778	0.485	2 July 2025 to 1 July 2034
9,422	0.485	2 July 2026 to 1 July 2034
17,845	0.485	2 July 2027 to 1 July 2034
9,694	0.485	2 July 2028 to 1 July 2034
6,335	0.485	2 July 2029 to 1 July 2034
123,718		

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

21. Share Option Scheme (Continued)

(b) 2020 Share Option Scheme (Continued)

The exercise prices and exercise periods of the above share options outstanding at the end of the reporting period are as follows: (Continued)

31 December 2024

Number of options	Exercise price	Exercise period
'000	HK\$ per share	
46	0.96	28 August 2020 to 27 August 2027
47	0.96	28 August 2021 to 27 August 2027
47	0.96	28 August 2022 to 27 August 2027
1,579	0.96	27 September 2020 to 27 March 2028
2,369	0.96	27 September 2021 to 27 March 2028
3,948	0.96	27 September 2022 to 27 March 2028
148	0.96	28 May 2021 to 27 May 2028
222	0.96	28 May 2022 to 27 May 2028
370	0.96	28 May 2023 to 27 May 2028
2,164	0.96	23 May 2022 to 22 May 2029
3,245	0.96	23 May 2023 to 22 May 2029
5,410	0.96	23 May 2024 to 22 May 2029
612	1.01	11 December 2023 to 10 December 2030
919	1.01	11 December 2024 to 10 December 2030
1,485	1.01	11 December 2025 to 10 December 2030
100	1.042	16 June 2025 to 15 June 2032
150	1.042	16 June 2026 to 15 June 2032
250	1.042	16 June 2027 to 15 June 2032
59,408	0.485	2 July 2025 to 1 July 2034
9,617	0.485	2 July 2026 to 1 July 2034
19,290	0.485	2 July 2027 to 1 July 2034
11,374	0.485	2 July 2028 to 1 July 2034
9,135	0.485	2 July 2029 to 1 July 2034
131,935		

21. Share Option Scheme (Continued)

(c) 2025 Share Option Scheme

Since the adoption of the 2025 Share Option Scheme and up to the end of the reporting period, no option had been granted.

The Group overall recognised a share option expense of HK\$5,033,319 during the six months ended 30 June 2025 (six months ended 30 June 2024: HK\$172,229).

At the end of the reporting period, the Company had 51,950,000 and 123,718,000 share options outstanding under the 2010 Share Option Scheme and 2020 Share Option Scheme, respectively. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 175,668,000 additional ordinary shares of the Company and additional share capital of HK\$1,756,680 and share premium of HK\$283,522,900 (before issue expenses).

At the date of approval of these financial statements, the Company had 51,950,000 and 122,668,000 share options outstanding under the 2010 Share Option Scheme and 2020 Share Option Scheme respectively, which represented approximately 3.10% and 7.35% of the Company's shares in issue as at that date.

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

22. Financial Assets at Fair Value through Profit or Loss

	As at 30 June 2025	As at 31 December 2024
	(HK\$'000)	
	(Unaudited)	(Audited)
Wealth investment products	43,831	–

23. Cash and Cash Equivalents

	As at 30 June 2025	As at 31 December 2024
	(HK\$'000)	
	(Unaudited)	(Audited)
Cash and bank balances	1,023,236	1,126,042
	1,023,236	1,126,042
Less: Pledged deposits for:		
Certain standby letter of credit and guarantee	(24,764)	(24,470)
Other restricted bank balances	–	(2,214)
Cash and cash equivalents	998,472	1,099,358

At the end of the reporting period, the cash and bank balances of the Group denominated in Renminbi (“**RMB**”) amounted to HK\$440,832,000 (31 December 2024: HK\$492,296,000). The RMB is not freely convertible into other currencies, however, under Mainland China’s Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods between one day and three months, depending on the immediate cash requirements of the Group. The bank balances and time deposits are deposited with creditworthy banks with no recent history of default.

24. Financial Instruments by Category

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

Financial assets

As at 30 June 2025	Financial assets at fair value through profit or loss	Financial assets at amortised cost	Total
	(HK\$'000)		
	(Unaudited)		
Trade receivables	–	1,085,426	1,085,426
Financial assets included in prepayments and other receivables	–	381,833	381,833
Financial assets at fair value through profit or loss	43,831	–	43,831
Due from related parties	–	459	459
Derivative financial instruments	22,261	–	22,261
Other long-term assets	–	3,998	3,998
Pledged bank deposits	–	24,764	24,764
Cash and cash equivalents	–	998,472	998,472
Total	66,092	2,494,952	2,561,044

As at 31 December 2024	Financial assets at fair value through profit or loss	Financial assets at amortised cost	Total
	(HK\$'000)		
	(Audited)		
Trade receivables	–	1,084,452	1,084,452
Financial assets included in prepayments and other receivables	–	398,437	398,437
Due from related parties	–	545	545
Derivative financial instruments	20,430	–	20,430
Other long-term assets	–	4,015	4,015
Pledged bank deposits	–	26,684	26,684
Cash and cash equivalents	–	1,099,358	1,099,358
Total	20,430	2,613,491	2,633,921

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

24. Financial Instruments by Category (Continued)

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows: (Continued)

Financial liabilities

As at 30 June 2025	Financial liabilities at fair value through profit or loss	Financial liabilities at amortised cost	Total
	(HK\$'000)		
	(Unaudited)		
Financial liabilities included in other payables and accruals	–	248,678	248,678
Trade and bills payables	–	1,280,310	1,280,310
Interest-bearing bank loans and other borrowings	–	1,460,596	1,460,596
Lease liabilities	–	261,465	261,465
Derivative financial instruments	80,611	–	80,611
Due to related parties	–	1,761	1,761
Total	80,611	3,252,810	3,333,421

As at 31 December 2024	Financial liabilities at fair value through profit or loss	Financial liabilities at amortised cost	Total
	(HK\$'000)		
	(Audited)		
Financial liabilities included in other payables and accruals	–	236,600	236,600
Trade and bills payables	–	1,457,628	1,457,628
Interest-bearing bank loans and other borrowings	–	1,455,057	1,455,057
Lease liabilities	–	260,449	260,449
Derivative financial instruments	12,063	–	12,063
Due to related parties	–	1,909	1,909
Total	12,063	3,411,643	3,423,706

25. Fair Value and Fair Value Hierarchy of Financial Instruments

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

	Carrying amounts		Fair values	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024
	(HK\$'000)			
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Financial assets				
Derivative financial instruments	22,261	20,430	22,261	20,430
Financial assets at fair value through profit or loss – wealth investment products	43,831	–	43,831	–
Total	66,092	20,430	66,092	20,430

	Carrying Amounts		Fair Values	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024
	(HK\$'000)			
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Financial Liabilities				
Derivative financial instruments	80,611	12,063	80,611	12,063
Total	80,611	12,063	80,611	12,063

The finance manager of each subsidiary of the Group is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The Group's finance manager reports directly to the chief financial officer and the audit committee. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer. The valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Group invests in unlisted investments, which represent wealth management products issued by banks in Chinese Mainland. The Group has estimated the fair value of these unlisted investments by using a discounted cash flow valuation model based on the market interest rates of instruments with similar terms and risks.

The Group enters into derivative financial instruments with various counterparties, principally financial institutions with high credit ratings. Derivative financial instruments, i.e., forward currency contracts, are measured using valuation techniques similar to forward pricing and swap models, using present value calculations. The models incorporate various market observable inputs including the credit quality of counterparties, foreign exchange spot and forward rates and interest rate curves. The carrying amounts of forward currency contracts are the same as their fair values.

As at 30 June 2025, the marked-to-market value of the derivative assets and liabilities position is net of a credit valuation adjustment attributable to derivative counterparty default risk. The changes in counterparty credit risk had no material effect on the financial instruments recognised at fair value.

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

25. Fair Value and Fair Value Hierarchy of Financial Instruments (Continued)

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Fair value hierarchy

Assets measured at fair value:

As at 30 June 2025

	Fair value measurement using			Total
	Quoted prices in active markets Level 1	Significant observable inputs Level 2	Significant unobservable inputs Level 3	
	(HK\$'000) (Unaudited)			
Derivative financial instruments	–	22,261	–	22,261
Financial assets at fair value through profit or loss – wealth investment products	–	43,831	–	43,831
Total	–	66,092	–	66,092

As at 31 December 2024

	Fair value measurement using			Total
	Quoted prices in active markets Level 1	Significant observable inputs Level 2	Significant unobservable inputs Level 3	
	(HK\$'000)			
	(Audited)			
Derivative financial instruments	—	20,430	—	20,430

25. Fair Value and Fair Value Hierarchy of Financial Instruments (Continued)**Fair value hierarchy** (Continued)

Liabilities measured at fair value:

As at 30 June 2025

	Fair value measurement using			Total
	Quoted prices in active markets Level 1	Significant observable inputs Level 2	Significant unobservable inputs Level 3	
	(HK\$'000) (Unaudited)			
Derivative financial instruments	–	80,611	–	80,611
Total	–	80,611	–	80,611

As at 31 December 2024

	Fair value measurement using			Total
	Quoted prices in active markets Level 1	Significant observable inputs Level 2	Significant unobservable inputs Level 3	
	(HK\$'000)			
	(Audited)			
Derivative financial instruments	–	12,063	–	12,063
Total	–	12,063	–	12,063

During the period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (six months ended 30 June 2024: Nil).

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

26. Contingent Liabilities

In the ordinary course of business, the Group may from time to time be involved in legal proceedings and litigations. The Group records a liability when the Group believes that it is both probable that a loss has been incurred by the Group and the amount can be reasonably estimated. With respect to the Group's outstanding legal matters, notwithstanding that the outcome of such legal matters is inherently unpredictable and subject to uncertainties, the Group believes that, based on its current knowledge, the amount or range of reasonably possible loss will not, either individually or in the aggregate, have a material adverse effect on the Group's business, financial position, results of operations, or cash flows.

27. Commitments

The Group had the following capital commitments as at 30 June 2025 and 31 December 2024:

	30 June 2025	31 December 2024
	(HK\$'000)	
	(Unaudited)	(Audited)
Contracted but not provided for:		
Property plant and equipment	11,704	10,750
Other intangible assets	322	2,513
Total	12,026	13,263

28. Related Party Transactions and Balances

(a) Name and relationship

Name of related party	Relationship with the Group
Mr. Song Zhenghuan ("Mr. Song")	Director and one of the ultimate shareholders of the Company
Goodbaby China Holdings Limited ("CAGB")	Controlled by Mr. Song and his spouse
Goodbaby Group Pingxiang Co., Ltd. ("GGPX")	Wholly owned by GGCL (Controlled by Mr. Song and his spouse)
Suzhou Goodbaby New Retail Technology Co., Ltd. ("GCQT") (Former name is Suzhou Goodbaby Qingtao Technology Service Co., Ltd.) (note (a))	Joint Venture before 2 April 2024
Goodbaby Mechatronics s.r.o. ("GBMS")	Joint Venture

Note (a): Suzhou Goodbaby Qingtao Technology Service Co., Ltd. ("GCQT") was established on 21 May 2019, in Jiangsu Province, the PRC, with a 51% equity interest beneficially held by the Group and defined as a joint venture. As at 2 April 2024, the Group entered an agreement with Suzhou Qingtao New Energy Technology Co., Ltd. to acquire additional 49% shares of GCQT at a cash consideration of HK\$7,430,852. Upon completion, GCQT became a wholly-owned subsidiary of the Company and was consolidated into the consolidated financial statements of the Group. Considered the cash and bank balances acquired, the net cash outflow of the Group in respect of the acquisition amounted to HK\$6,670,610.

28. Related Party Transactions and Balances (Continued)**(b) Related party transactions**

In addition to the transactions and balances disclosed elsewhere in these financial statements, the Group had the following material transactions with related parties during the period:

	Six months ended 30 June	
	2025	2024
	(HK\$'000) (Unaudited)	
Sales of goods to related parties (note (a))		
CAGB and its subsidiaries*	1,152	1,411
GCQT	—	3
	1,152	1,414
Purchase of goods from related parties (note (a))		
CAGB and its subsidiaries	3	1,067
GCQT	—	154
	3	1,221
Service charge from a related party (note (b))		
GCQT	—	857

Note (a): The sales and purchase of goods were made according to the prices and terms mutually agreed between the related parties.

Note (b): The service charge from the related party was made according to the prices and terms agreed with the related party.

The related party transactions marked with # above also constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules, which are exempted from the independent shareholders' approval, but subject to the reporting, annual review and announcement requirements of the Listing Rules.

(c) Outstanding balances with related parties

	As at 30 June 2025	As at 31 December 2024
	(HK\$'000)	
	(Unaudited)	(Audited)
Amounts due from related parties:		
CAGB and its subsidiaries	459	545
Lease liabilities due to related parties (note (a)):		
GGPX	39,094	46,188
Amounts due to related parties:		
GBMS	1,761	1,909

Note (a): The Group has entered into lease agreements with GGPM to rent warehouse and plant. At 30 June 2025, the Group recognised right-of-use assets of HK\$37,812,161 and lease liabilities of HK\$39,094,110. (At 31 December 2024, the Group recognised right-of-use assets of HK\$45,375,000 and lease liabilities of HK\$46,188,000). The transactions were made according to the prices and terms agreed with the related parties.

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For the six months ended 30 June 2025

28. Related Party Transactions and Balances (Continued)

(d) Compensation of key management personnel of the Group

	Six months ended 30 June	
	2025	2024
	(HK\$'000) (Unaudited)	
Short term employee benefits	20,841	22,365
Equity-settled share option expense	2,502	547
Post-employment benefits	355	425
Total compensation paid to key management personnel	23,698	23,337

29. Events after the Reporting Period

There are no significant events after the end of the reporting period.

30. Approval of the Financial Statements

The financial statements were approved and authorized for issue by the board of directors on 25 August 2025.



A Leading Juvenile Products Company

Goodbaby International Holdings Limited
(Incorporated in the Cayman Islands with limited liability)
www.gbinternational.com.hk
Stock Code: 1086

