



## China Lilang Announces 2025 Annual Results

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**Revenue Up by 11.5% to RMB4,069 Million  
Profit Attributable to Shareholders Reaches RMB502 Million  
Total Annual Dividend of HK32 Cents Per Share**

(16 March 2026 – Hong Kong) **China Lilang Limited** (“China Lilang” or the “Company”, together with its subsidiaries, the “Group”; stock code: 1234) today announced its results for the year 2025.

**Mr. Wang Dong Xing, Chairman and Non-Executive Director of China Lilang, said:** *“In 2025, against a backdrop of steady macroeconomic recovery and moderate growth in the consumer market, the apparel industry in the Chinese Mainland maintained an overall stable development trajectory despite facing pressure. Amid the broader trend of consumption upgrading, the menswear market is undergoing structural differentiation, with mid-to-high-end segments such as business casual and smart casual becoming core growth drivers. The industry is accelerating its transition from 'quantity-driven competition' towards a stage of high-quality competition centered on 'innovation, quality and sustainable development. China Lilang deepened its presence in the menswear market with its differentiated brand matrix, building a diversified business portfolio through the 'LILANZ' core collection, the 'LESS IS MORE' smart casual collection and the 'MUNSINGWEAR' sports line, to comprehensively meet market demand for high-quality, diverse apparel. At the same time, the Group optimized its omni-channel marketing layout, strengthened online-offline operational synergies, actively expanded into emerging online platforms while accelerating the DTC model offline, and simultaneously advanced its internationalization strategy to enhance brand influence and operational efficiency across multiple dimensions.”*

During the year, the Group's revenue increased by 11.5% year-on-year to RMB4.07 billion. Revenue from the smart casual and other collections surged by 28.4%, primarily driven by a significant increase in average sales per store and the outstanding performance of new retail channels. Revenue from the core collection grew by 6.0%, mainly due to the initial operational efficiencies generated during the year following the Group's transition to a DTC model after reclaiming distribution rights from distributors starting last year.

Gross profit margin increased by 1.9 percentage points year-on-year to 49.6%, mainly due to the increase in average unit price as a result of a higher proportion of direct-to-retail sales, coupled with a

smaller one-off deduction from revenue arising from the recovery of distribution rights. Profit attributable to equity shareholders was RMB502 million (2024: RMB460 million), representing an increase of 9.0%. The profit margin attributable to equity shareholders decreased by 0.3 percentage points year-on-year to 12.6%. Earnings per share increased by 9.0% to RMB41.96 cents.

The Board has recommended a final dividend of HK13 cents per share (2024: HK9 cents) and a special final dividend of HK3 cents per share (2024: HK3 cents). Together with the interim dividend already paid, the total dividend for the year amounted to HK32 cents per share, maintaining a stable dividend payout ratio.

During the year, the Group adhered to its core strategy of ensuring a well-differentiated brand matrix and deepening its presence in the menswear market. The "LILANZ" core collection continued to consolidate its competitive advantage in the traditional menswear market. By optimizing product structure and deepening regional channel deployment and penetration, it further enhanced brand awareness and market share in key markets. Having successfully completed the repurchase and transformation of distribution rights in Northeast China and Jiangsu Province last year, the Group accelerated channel innovation throughout the year, subsequently acquiring the operating rights of first-tier distributors in Shandong Province and Chongqing City. The "LESS IS MORE" smart casual collection, targeting younger consumers, continued to operate under a fully direct-to-retail model, with its store opening strategy focused on shopping malls, which is preferred by consumers to enhance the consumer experience through a precisely tailored store image. As at the end of December 2025, there were 2,446 stores for the core collection and 371 stores for the smart casual and other collections, a total of 2,817 stores with a net increase of 44 stores.

During the year, the Group continued to focus on opening stores in prime locations within premium shopping malls and outlet centers, attracting customers and boosting sales through distinctive brand-specific renovations. As at 31 December 2025, the number of stores located in shopping malls and outlet stores increased to 1,135 (31 December 2024: 1,036).

The Group completed strategic transformation of its new retail business, upgrading it from an inventory clearance channel into a major new product sales platform. Revenue from this segment recorded a significant increase of 25% during the year. While continuing to strengthen its presence on mature sales platforms like Tmall, JD.com and TikTok, the Group has also expanded into emerging channels such as Pinduoduo, Wechat Channels and Poizon, creating a diversified online sales network altogether. The Group made full use of social platforms such as Xiaohongshu and Weibo to continuously produce high-quality content to strengthen its content-driven e-commerce strategy. This approach not only deepened the emotional connection with consumers but also effectively expanded the young customer base, opening new growth opportunities for the new retail business.

Regarding the "Multi-brands and Internationalization" development strategy, the premium golf apparel brand "MUNSINGWEAR", a key element of the Group's multi-brand strategy, successfully completed its transaction closing in the first half of the year. In the second half, it opened its first batch of physical stores in locations including Chongqing and Jinjiang, further enriching the Group's diversified brand portfolio and premium product lines. Meanwhile, the Group's plan to open its first store in Malaysia was successfully implemented and the first stores commissioned in May. In November, it opened the world's first "Future Retail" concept flagship store at Pavilion Bukit Jalil, a core business district in Kuala Lumpur. By the end of December 2025, 4 stores had been opened. The smooth operation of all stores not only completed the initial layout in the Southeast Asian market but also laid an important foundation for the Group's subsequent expansion across the region.

During the year, the Group adhered to its core design philosophy of "Simplicity but Not Simple", deepening proprietary research and development across its industrial chain. It implemented a core premium product strategy, focusing on fabric innovation, craftsmanship upgrades and standard-setting to strengthen its competitive advantage of "Technology-Empowered Products", while transforming its technological expertise into industry-wide reference standards.

Facing a market environment where opportunities and challenges coexist, China Lilang will maintain a prudent yet optimistic stance and continue to pursue its core strategy of "Multi-brands and Internationalization". It will advance channel reforms, strengthen product innovation and enhance operational efficiency, to bolster its leading position in China's menswear industry. The Group plans for a net increase of approximately 50 to 100 stores in 2026, with the focus remaining on premium shopping malls and outlets. At the same time, the Group will further consolidate the operating results of the regions that have transitioned and explore the possibility of rolling out the DTC model in other suitable regions to deepen market control and elevate consumer experience.

In the new retail business, the Group will continue to advance its online channel layout, aiming to achieve over 15% growth in new retail sales in 2026. Through content-focused e-commerce and targeted live streaming, the Group seeks to reach more young customers and drive overall sales growth of 10%.

The Group will steadily advance the business development of "MUNSINGWEAR", planning to continue expanding its physical store network in the Chinese Mainland and expanding its online sales channels to achieve online-offline synergy. In terms of international expansion, following its successful entry into the Malaysian market, the Group's company registration process in the Philippines has been completed, with business operations expected to officially commence in 2026, gradually refining its overseas channel layout.

**Mr. Wang Dong Xing, Chairman of China Lilang, concluded:** *“Looking ahead to 2026, the global geopolitical landscape remains complex and volatile, but the Chinese government continues to introduce policies and measures to promote consumption and expand domestic demand, providing support for the domestic market. Building upon the solid foundation established in 2025, China Lilang will focus on the development of its 'LILANZ' core collection and 'LESS IS MORE' smart casual collection, while deepening its new retail strategy and advancing multi-brand and overseas businesses, enabling it to advance towards a new stage of growth characterized by improvements in both quality and efficiency. It will also continue to drive R&D innovation and strength its ESG initiatives, achieving concurrent business growth and sustainable development, striving to create stable and sustainable returns for shareholders.”*

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### **About China Lilang**

China Lilang is one of the leading PRC menswear enterprises. As an integrated fashion enterprise, the Group designs, sources and manufactures high-quality business and casual apparel for men and sells under brands of 「利郎 LILANZ」及「利郎 LESS IS MORE」 across an extensive distribution network, mainly in the PRC and overseas.

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