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HENG TAI CONSUMABLES GROUP LIMITED

亨泰消費品集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00197)

PROFIT WARNING

This announcement is made by Heng Tai Consumables Group Limited (the “**Company**”, together with its subsidiaries as the “**Group**”), pursuant to Rule 13.09(2)(a) of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on information currently available, the unaudited consolidated financial results of the Group for the six months ended 31 December 2025 (the “**FY2025/26 Interim Results**”) are expected to record a decrease in revenue of approximately 34% and a decrease in gross profit of approximately 52% as compared to the financial results for the previous corresponding financial period.

The Board notes that the business environment of the Group remained challenging due to (i) the continued drag on the economy of the People’s Republic of China (the “**PRC**”) from persistent real estate and debt crises, resulting in weak market demand; (ii) ongoing uncertainties arising from unpredictable foreign trade policies of major nations, which continued to dampen global economic growth and international trade; (iii) intensified market competition as domestic brands continued to compete aggressively through low-pricing strategies and extensive advertising campaigns; and (iv) rising sourcing costs, which the Group was unable to pass on to customers due to keen market competition.

Against this backdrop, the Group strategically scaled down its trading business for certain unprofitable imported products in order to reduce operating expenses and overheads. In addition, although sourcing costs continued to rise, the Group was unable to raise prices to its imported fast moving consumer goods and agricultural products in order to maintain competitiveness amid a fiercely competitive market environment. As a result, revenue and gross profit across different business segments recorded a decline for the six months ended 31 December 2025.

Notwithstanding the decreases in revenue and gross profit as mentioned above, the Board anticipates that the Group will record a net loss for the six months ended 31 December 2025 of approximately HK\$33.4 million, representing a decrease of net loss of approximately 13% as compared to the financial results for the previous corresponding financial period. This decrease in net loss was mainly due to an increase in unrealised net fair value gain on investments of approximately HK\$3.8 million as compared to the previous corresponding financial period, and

the Group has successfully implemented and adopted various costs cutting measures and streamlined operations by trimming the trading business of unprofitable products as mentioned above, to reduce the selling and distribution expenses and administrative expenses by approximately 19% altogether as compared to the previous corresponding financial period.

However, the Board anticipates that the Group will record impairment losses on trade receivables and other receivables of approximately HK\$5.7 million for the six months ended 31 December 2025 as the Group has continued to take a cautious approach on the receivables that are exposed to a higher risk of collectability amid uncertain economic conditions.

As the Company is still in the process of finalising the FY2025/26 Interim Results, this profit warning announcement is only based on the preliminary assessment by the Board in accordance with the information currently available and the latest consolidated management accounts of the Group for the six months ended 31 December 2025, which have not been confirmed or finalised by the audit committee of the Board and are subject to further adjustments and finalisation. Shareholders and potential investors should read the FY2025/26 Interim Results announcement carefully, which is expected to be published before the end of February 2026.

Shareholders and potential investors of the Company are advised to exercise caution in dealing in the shares of the Company.

On behalf of the Board
Heng Tai Consumables Group Limited
Lam Kwok Hing
Chairman

Hong Kong, 12 February 2026

As at the date of this announcement, the Board comprises four executive directors, namely Mr. Lam Kwok Hing (Chairman), Ms. Lee Choi Lin Joecy, Ms. Gao Qin Jian and Mr. Chan Cheuk Yu Stephen; and three independent non-executive directors, namely Ms. Mak Yun Chu, Mr. Poon Yiu Cheung Newman and Mr. Hung Hing Man.