



**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)

*Interim Report*  
**2024/25**

The board (the “**Board**”) of directors (the “**Directors**”) of Heng Tai Consumables Group Limited (the “**Company**”) is pleased to announce the unaudited condensed consolidated interim financial statements of the Company and its subsidiaries (collectively the “**Group**”) for the six months ended 31 December 2024 (the “**Period**”) together with the comparative figures for the corresponding period as follows:

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 31 December 2024

		<b>Six months ended 31 December</b>	
		<b>2024</b>	2023
	<i>Note</i>	<b>(Unaudited)</b>	(Unaudited)
		<b>HK\$'000</b>	HK\$'000
<b>REVENUE</b>	4	<b>238,310</b>	241,559
Cost of sales		<b>(220,817)</b>	(222,108)
<b>GROSS PROFIT</b>		<b>17,493</b>	19,451
Changes in fair value due to biological transformation		<b>(5,122)</b>	(12,094)
Other gains and income		<b>5,260</b>	5,432
Selling and distribution expenses		<b>(22,151)</b>	(19,886)
Administrative expenses		<b>(31,047)</b>	(29,874)
Other operating expenses		<b>(2,394)</b>	(5,682)
<b>LOSS FROM OPERATIONS</b>		<b>(37,961)</b>	(42,653)
Finance costs	6	<b>(154)</b>	(177)
<b>LOSS BEFORE TAX</b>		<b>(38,115)</b>	(42,830)
Income tax expense	7	<b>(123)</b>	–
<b>LOSS FOR THE PERIOD</b>	8	<b>(38,238)</b>	(42,830)
<b>Attributable to:</b>			
Owners of the Company		<b>(38,238)</b>	(42,830)
<b>LOSS PER SHARE</b>			<i>(Restated)</i>
— Basic	10	<b>HK(22.0 cents)</b>	HK(40.2 cents)
— Diluted		<b>N/A</b>	N/A

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 31 December 2024

	<b>Six months ended 31 December</b>	
	<b>2024</b>	2023
	<b>(Unaudited)</b>	(Unaudited)
	<b>HK\$'000</b>	HK\$'000
<b>Loss for the Period</b>	<b>(38,238)</b>	(42,830)
<b>Other comprehensive income:</b>		
<i>Items that have been or may be reclassified to profit or loss:</i>		
Exchange differences on translating foreign operations	<b>(762)</b>	973
<b>Other comprehensive income for the Period, net of tax</b>	<b>(762)</b>	973
<b>Total comprehensive income for the Period</b>	<b>(39,000)</b>	(41,857)
<b>Attributable to:</b>		
Owners of the Company	<b>(39,000)</b>	(41,857)

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2024

		<b>31 December 2024 (Unaudited) HK\$'000</b>	30 June 2024 (Audited) HK\$'000
	<i>Note</i>		
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets		<b>181,312</b>	182,034
Right-of-use assets		<b>27,082</b>	25,781
Construction in progress		<b>7,473</b>	14,971
Bearer plants		<b>48,561</b>	50,045
Other intangible assets		<b>4,088</b>	3,822
Other assets		<b>1,091</b>	205
Investment in a club membership		<b>108</b>	108
Investments	11	<b>72,300</b>	69,035
Deferred tax assets		<b>9,193</b>	9,193
		<b>351,208</b>	355,194
<b>Current assets</b>			
Biological assets		<b>6,231</b>	12,096
Inventories		<b>100,974</b>	97,811
Trade receivables	12	<b>199,079</b>	195,343
Prepayments, deposits and other receivables		<b>114,595</b>	120,651
Investments	11	<b>123</b>	3,669
Pledged bank deposits		–	2,000
Client trust bank balances		<b>256</b>	265
Bank and cash balances		<b>69,505</b>	82,527
		<b>490,763</b>	514,362
<b>TOTAL ASSETS</b>		<b>841,971</b>	869,556

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

At 31 December 2024

	Note	<b>31 December 2024 (Unaudited) HK\$'000</b>	30 June 2024 (Audited) HK\$'000
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the Company</b>			
Share capital	14	<b>1,786</b>	1,576
Reserves		<b>750,706</b>	785,315
<b>Total equity</b>		<b>752,492</b>	786,891
<b>Non-current liabilities</b>			
Lease liabilities		<b>5,439</b>	5,090
Deferred tax liabilities		<b>11,794</b>	11,756
		<b>17,233</b>	16,846
<b>Current liabilities</b>			
Trade payables	13	<b>62,364</b>	55,601
Accruals and other payables		<b>8,193</b>	9,311
Borrowings		–	147
Lease liabilities		<b>1,689</b>	760
		<b>72,246</b>	65,819
<b>Total liabilities</b>		<b>89,479</b>	82,665
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>841,971</b>	869,556
<b>Net current assets</b>		<b>418,517</b>	448,543
<b>Total assets less current liabilities</b>		<b>769,725</b>	803,737

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 31 December 2024

	Unaudited						
	Attributable to owners of the Company						
	Share capital HK\$'000	Share premium account HK\$'000	Legal reserve HK\$'000	Foreign currency translation reserve HK\$'000	Property revaluation reserve HK\$'000	Accumulated losses HK\$'000	Total equity HK\$'000
At 1 July 2023	210,141	2,390,451	97	85,178	17,750	(1,733,547)	970,070
Loss for the Period	-	-	-	-	-	(42,830)	(42,830)
Other comprehensive income	-	-	-	973	-	-	973
Total comprehensive income for the Period	-	-	-	973	-	(42,830)	(41,857)
At 31 December 2023	210,141	2,390,451	97	86,151	17,750	(1,776,377)	928,213

	Unaudited						
	Attributable to owners of the Company						
	Share capital HK\$'000	Share premium account HK\$'000	Legal reserve HK\$'000	Foreign currency translation reserve HK\$'000	Property revaluation reserve HK\$'000	Accumulated losses HK\$'000	Total equity HK\$'000
At 1 July 2024	1,576	2,407,435	97	83,168	15,520	(1,720,905)	786,891
Loss for the Period	-	-	-	-	-	(38,238)	(38,238)
Other comprehensive income	-	-	-	(762)	-	-	(762)
Total comprehensive income for the Period	-	-	-	(762)	-	(38,238)	(39,000)
Share issued on placing	210	4,391	-	-	-	-	4,601
At 31 December 2024	1,786	2,411,826	97	82,406	15,520	(1,759,143)	752,492

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 31 December 2024

	<b>Six months ended 31 December</b>	
	<b>2024</b>	2023
	<b>(Unaudited)</b>	(Unaudited)
	<b>HK\$'000</b>	HK\$'000
<b>Cash flows from operating activities</b>		
Operating loss before working capital changes	<b>(14,653)</b>	(10,208)
Increase in working capital	<b>(4,698)</b>	(25,204)
Cash used in operations	<b>(19,351)</b>	(35,412)
Interest on borrowings paid	<b>(1)</b>	(37)
<b>Net cash used in operating activities</b>	<b>(19,352)</b>	(35,449)
<b>Cash flows from investing activities</b>		
Purchase of fixed assets	<b>(282)</b>	(101)
Decrease in pledged bank deposits	<b>2,000</b>	5,001
Decrease in time deposits with original maturity over three months	<b>11,050</b>	796
Other cash flows arising from investing activities	<b>675</b>	1,760
<b>Net cash generated from investing activities</b>	<b>13,443</b>	7,456
<b>Cash flows from financing activities</b>		
Net proceeds from the placing	<b>4,601</b>	–
Repayment of bank borrowings	<b>(147)</b>	(9,689)
Drawdown of bank borrowings	<b>–</b>	5,000
Other cash flows arising from financing activities	<b>(384)</b>	(894)
<b>Net cash generated from/(used in) financing activities</b>	<b>4,070</b>	(5,583)
<b>Net decrease in cash and cash equivalents</b>	<b>(1,839)</b>	(33,576)
<b>Cash and cash equivalents at 1 July</b>	<b>69,137</b>	120,889
<b>Effect of foreign exchanges rate changes</b>	<b>(133)</b>	(380)
<b>Cash and cash equivalents at 31 December</b>	<b>67,165</b>	86,933
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>		
Bank and cash balances in the condensed consolidated statement of financial position	<b>69,505</b>	87,078
Less: Time deposits with original maturity over three months	<b>(2,340)</b>	(145)
Cash and cash equivalents in the condensed consolidated statement of cash flows	<b>67,165</b>	86,933

# NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2024

## 1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

### Basis of preparation

These unaudited condensed consolidated interim financial statements have been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and the applicable disclosures required by the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

These unaudited condensed consolidated interim financial statements should be read in conjunction with the audited financial statements for the year ended 30 June 2024. The accounting policies and methods of computation used in the preparation of these condensed consolidated interim financial statements and segment information are consistent with those used in the audited financial statements and segment information for the year ended 30 June 2024.

## 2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current interim period, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 July 2024. HKFRSs comprise Hong Kong Financial Reporting Standards (“**HKFRS**”); Hong Kong Accounting Standards (“**HKAS**”); and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group’s accounting policies, presentation of the Group’s financial statements and amounts reported for the current period and the prior years.



### 3. FINANCIAL INSTRUMENTS

#### Fair value measurements

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the condensed consolidated statement of financial position approximate their respective fair values less impairment losses, if any.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following disclosures of fair value measurements use a fair value hierarchy that categories into three levels: the inputs to valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2 inputs: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

The Group's policy is to recognise transfers into and transfers out of any of the three levels as of the date of the event or change in circumstances that caused the transfer.

Disclosures of level in fair value hierarchy at the end of the reporting period:

Description	Fair value measurements using:			Total 31 December 2024 (Unaudited)
	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	HK\$'000
<b>Recurring fair value measurements:</b>				
Financial assets at fair value through profit or loss ("FVTPL")				
— Listed equity securities in Hong Kong	123	-	-	123
— Unlisted debt investments in Hong Kong	-	-	16,800	16,800
Financial assets at fair value through other comprehensive income ("FVOCI")				
— Unlisted debt investments in Hong Kong	-	-	55,500	55,500
Buildings				
Commercial and industrial				
— The People's Republic of China (the "PRC")	-	-	79,282	79,282
<b>Total recurring fair value measurements</b>	<b>123</b>	<b>-</b>	<b>151,582</b>	<b>151,705</b>

Description	Fair value measurements using:			Total
	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	30 June 2024 (Audited) HK\$'000
<b>Recurring fair value measurements:</b>				
Financial assets at FVTPL				
— Listed equity securities in Hong Kong	3,669	—	—	3,669
— Unlisted debt investments in Hong Kong	—	—	69,035	69,035
Buildings				
Commercial and industrial				
— the PRC	—	—	81,283	81,283
<b>Total recurring fair value measurements</b>	<b>3,669</b>	<b>—</b>	<b>150,318</b>	<b>153,987</b>

There are no transfers into and transfers out of any of the three levels during the Period.

## 4. REVENUE

### Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service lines for the period is as follows:

	Six months ended 31 December	
	2024 (Unaudited) HK\$'000	2023 (Unaudited) HK\$'000
<b>Revenue from contracts with customers within the scope of HKFRS 15</b>		
Disaggregated by major products or service lines		
— Sales of consumer goods	<b>140,871</b>	147,395
— Sales of agri-products	<b>95,890</b>	92,664
— Commission and brokerage income on securities dealings	<b>292</b>	322
	<b>237,053</b>	240,381
<b>Revenue from other sources</b>		
— Interest income from margin financing	<b>1,257</b>	1,178
	<b>238,310</b>	241,559

The Group derives revenue from the transfer of products and services at a point in time in the following major product lines and geographical regions:

<b>For the six months ended 31 December 2024</b>				
	<b>Consumer goods</b>	<b>Agri-products</b>	<b>Securities dealing services</b>	<b>Total</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>
<b>Primary geographical markets</b>				
Hong Kong	–	<b>25,086</b>	<b>292</b>	<b>25,378</b>
PRC except Hong Kong	<b>140,871</b>	<b>70,804</b>	–	<b>211,675</b>
Revenue from external customers	<b>140,871</b>	<b>95,890</b>	<b>292</b>	<b>237,053</b>
<b>Timing of revenue recognition</b>				
Products and services transferred at a point in time	<b>140,871</b>	<b>95,890</b>	<b>292</b>	<b>237,053</b>
<b>For the six months ended 31 December 2023</b>				
	<b>Consumer goods</b>	<b>Agri-products</b>	<b>Securities dealing services</b>	<b>Total</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>	<b>HK\$'000</b>
<b>Primary geographical markets</b>				
Hong Kong	–	25,785	322	26,107
PRC except Hong Kong	147,395	66,879	–	214,274
Revenue from external customers	147,395	92,664	322	240,381
<b>Timing of revenue recognition</b>				
Products and services transferred at a point in time	147,395	92,664	322	240,381

## 5. SEGMENT INFORMATION

The chief operating decision maker has been identified as the Board. The Board reviews the Group's internal reporting for the purposes of resource allocation and assessment of segment performance which focused on the category of services/products provided to external customers. The Group has two reporting segments as follows:

- (i) The sale and trading of FMCG including packaged foods, beverages and household consumable products ("**FMCG Trading Business**"); and
- (ii) The cultivation, sale and trading of fresh and processed fruits and vegetables ("**Agri-Products Business**").

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies.

The Group's other operating segments include the provision of securities dealing and margin financing services. None of these segments meets any of the quantitative thresholds for determining reportable segments. The information of these other operating segments is included in the 'All other segments' column.

The accounting policies of the reporting segments are the same as those described in the 2023/24 annual report. The Group accounts for intersegment sales and transfers as if the sales or transfers were to third parties, i.e., at current market prices.

The segment information of the Group was as follows:

	<b>FMCG Trading Business (Unaudited) HK\$'000</b>	<b>Agri- Products Business (Unaudited) HK\$'000</b>	<b>All other segments (Unaudited) HK\$'000</b>	<b>Total (Unaudited) HK\$'000</b>
<b>For the six months ended 31 December 2024</b>				
Revenue from external customers	<b>140,871</b>	<b>95,890</b>	<b>1,549</b>	<b>238,310</b>
Segment profit/(loss)	<b>(7,353)</b>	<b>(23,371)</b>	<b>814</b>	<b>(29,910)</b>
<b>At 31 December 2024</b>				
Segment assets	<b>330,556</b>	<b>352,370</b>	<b>28,309</b>	<b>711,235</b>
	FMCG Trading Business (Unaudited) HK\$'000	Agri- Products Business (Unaudited) HK\$'000	All other segments (Unaudited) HK\$'000	Total (Unaudited) HK\$'000
<b>For the six months ended 31 December 2023</b>				
Revenue from external customers	147,395	92,664	1,500	241,559
Segment loss	(6,532)	(28,957)	(1,942)	(37,431)
<b>At 30 June 2024</b>				
Segment assets (Audited)	348,243	350,018	27,232	725,493

	<b>Six months ended 31 December</b>	
	<b>2024</b>	2023
	<b>(Unaudited)</b>	(Unaudited)
	<b>HK\$'000</b>	HK\$'000
<b>Reconciliation of reportable segment loss:</b>		
Total loss of reportable segments	<b>(29,910)</b>	(37,431)
Unallocated amounts:		
Fair value gain on financial assets at FVTPL, net	<b>2,252</b>	661
Impairment loss on financial assets at FVTPL	<b>(2,351)</b>	–
Other corporate expenses	<b>(8,229)</b>	(6,060)
	<hr/>	<hr/>
Consolidated loss for the Period	<b>(38,238)</b>	(42,830)

## 6. FINANCE COSTS

	<b>Six months ended 31 December</b>	
	<b>2024</b>	2023
	<b>(Unaudited)</b>	(Unaudited)
	<b>HK\$'000</b>	HK\$'000
Interest on borrowings	<b>1</b>	37
Interest on lease liabilities	<b>153</b>	140
	<hr/>	<hr/>
	<b>154</b>	177

## 7. INCOME TAX EXPENSE

	<b>Six months ended 31 December</b>	
	<b>2024</b>	2023
	<b>(Unaudited)</b>	(Unaudited)
	<b>HK\$'000</b>	HK\$'000
Deferred tax	<b>123</b>	–

Under the Two-tiered Profits Tax Rates Regime, the first HK\$2 million of assessable profits of the qualifying Group entity established in Hong Kong will be taxed at 8.25%, and assessable profits above that amount will be subject to the tax rate of 16.5%. The assessable profits of the Group entities not qualifying for the Two-tiered Profits Tax Rates Regime will continue to be taxed at a rate of 16.5%.

Tax charges on profits assessable elsewhere in other jurisdictions have been calculated at the rates of tax prevailing in the relevant jurisdictions in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

The Company's two subsidiaries operating in Macau were subject to Macau Profit Tax at the rate of 12% (2023: 12%) in compliance with relevant Macau tax regulations. The first MOP600,000 of assessable profits of these subsidiaries are tax-free and the remaining assessable profits are taxed at 12%.

The provision for income tax of subsidiaries operating in the PRC have been calculated at the rate of 25% (2023: 25%), based on existing legislation, interpretation and practices in respect thereof.

The domestic statutory tax rate of Australia is 30% of the estimated assessable profits.

## 8. LOSS FOR THE PERIOD

The Group's loss for the Period is stated after charging/(crediting) the following:

	<b>Six months ended 31 December</b>	
	<b>2024</b>	2023
	<b>(Unaudited)</b>	(Unaudited)
	<b>HK\$'000</b>	HK\$'000
Amortisation and depreciation, net of amount capitalised	<b>20,987</b>	16,586
Cost of inventories sold	<b>212,929</b>	217,010
Directors' emoluments	<b>2,697</b>	2,988
Exchange loss/(gain), net	<b>38</b>	(1,102)
Fair value gain on financial assets at FVTPL, net	<b>(2,252)</b>	(661)
Gain on disposal of subsidiaries	-	(10)
Impairment loss on trade receivables	-	5,308
Impairment loss on financial assets at FVTPL	<b>2,351</b>	-
Interest income on financial assets at FVTPL	<b>(2,187)</b>	(2,187)
Staff costs (excluding directors' emoluments)		
Staff salaries, bonus and allowances	<b>11,387</b>	11,242
Retirement benefits scheme contributions	<b>234</b>	231
	<b>11,621</b>	11,473

## 9. DIVIDEND

The Board does not declare the payment of an interim dividend for the six months ended 31 December 2024 (2023: Nil).

## 10. LOSS PER SHARE

### Basic loss per share

The calculation of basic loss per share attributable to owners of the Company is based on the loss for the Period attributable to owners of the Company of approximately HK\$38,238,000 (2023: HK\$42,830,000) and the weighted average number of ordinary shares of the Company of 173,785,781 (2023: 106,529,670 as restated) in issue during the Period. The basic loss per share for the six months ended 31 December 2023 had been adjusted the effect of the rights issue in May 2024.

### Diluted loss per share

No diluted loss per share is presented as the Company did not have any potentially dilutive ordinary shares for both half year ended 31 December 2024 and 31 December 2023.

## 11. INVESTMENTS

	<b>31 December 2024 (Unaudited) HK\$'000</b>	30 June 2024 (Audited) HK\$'000
<b>Non-current assets</b>		
Financial assets at FVTOCI		
— unlisted debt investments in Hong Kong	<b>55,500</b>	–
Financial assets at FVTPL		
— unlisted debt investments in Hong Kong	<b>16,800</b>	69,035
	<b>72,300</b>	69,035
<b>Current assets</b>		
Financial assets at FVTPL		
— listed equity securities in Hong Kong	<b>123</b>	3,669



The fair values of the listed equity securities are based on quoted closing price at the end of reporting period, less impairment loss on the investments, if any.

The fair values of the unlisted debt investments at 31 December 2024 were based on the consideration for the subscription of the Bonds (as defined in the section “Significant Investments Held And Their Performance”) on 31 December 2024 in the aggregate principal amount of HK\$72,300,000 paid by the Group to China Healthwise Holdings Limited by setting off against the equivalent amount of the outstanding principal amount under the Bonds 2018 (as defined in the section “Significant Investments Held And Their Performance”) on a dollar-for-dollar basis. The fair value of the unlisted debt investments at 30 June 2024 was referenced to the valuation performed by BMI Appraisals Limited, a firm of independent professional qualified valuers derived from estimations of the equity component and debt component value by using Binomial Option Pricing Model in which the credit spread derived from comparable bonds with similar maturities and credit rating by build-up method.

The carrying amounts of the above financial assets at FVTPL are mandatorily measured at fair value through profit or loss in accordance with HKFRS 9.

None of the debt investments is neither past due nor impaired at the end of reporting period.

The financial assets at FVTOCI and FVTPL are denominated in the following currencies:

	<b>31 December 2024 (Unaudited) HK\$'000</b>	30 June 2024 (Audited) HK\$'000
HK\$	<b>72,423</b>	72,704

At 31 December 2024, no financial assets have been pledged to a bank to secure the banking facilities granted to the Group (30 June 2024: HK\$3,549,000).

## 12. TRADE RECEIVABLES

	<b>31 December 2024 (Unaudited) HK\$'000</b>	30 June 2024 (Audited) HK\$'000
Trade receivables arising from		
Trading ( <i>note (a)</i> )	<b>187,398</b>	184,818
Dealing in securities and margin financing		
— Cash clients ( <i>note (b)</i> )	<b>6,012</b>	5,850
— Margin clients ( <i>note (c)</i> )	<b>37,340</b>	36,346
	<b>230,750</b>	227,014
Impairment loss on trade receivables	<b>(31,671)</b>	(31,671)
	<b>199,079</b>	195,343

Notes:

- (a) For trade receivables arising from trading, the Group normally allows credit terms to established customers ranging from 30 to 210 days (30 June 2024: 30 to 210 days).

The aging analysis of trade receivables arising from trading, net of impairment loss, based on the date of recognition of the sale, is as follows:

	<b>31 December 2024 (Unaudited) HK\$'000</b>	30 June 2024 (Audited) HK\$'000
1–30 days	<b>44,128</b>	43,322
31–60 days	<b>31,258</b>	30,177
61–90 days	<b>26,162</b>	29,673
Over 90 days	<b>79,150</b>	74,946
	<b>180,698</b>	178,118

As at 31 December 2024 and 30 June 2024, trade receivables arising from trading are unsecured and interest-free.

- (b) At 31 December 2024, cash client receivables of approximately HK\$6,012,000 (30 June 2024: HK\$5,850,000) were past due. Approximately HK\$5,850,000 (30 June 2024: HK\$5,850,000) was impaired for which no impairment loss (30 June 2024: HK\$536,000) was recognised during the six months ended 31 December 2024. No aging analysis is disclosed as, in the opinion of the directors, an aging analysis does not give additional value in view of the nature of these cash client receivables arising from dealing in securities.

As at 31 December 2024, cash client receivables from dealing in securities past due are unsecured and bear interest of 9.25% per annum (30 June 2024: 9.25% per annum).

- (c) Margin clients are required to pledge securities collateral to the Group in order to obtain credit facilities. The amount of credit facilities granted to the margin clients is determined with reference to the market value of securities accepted by the Group. Margin loans due from margin clients are either current or repayable on demand for those margin clients subject to margin calls. No aging analysis is disclosed as, in the opinion of the directors, aging analysis does not give additional analysis value in view of the nature of these trade receivables from margin clients.

As at 31 December 2024, margin client receivables arising from margin financing are interest-bearing at rates ranging from 6% to 8% per annum (30 June 2024: ranging from 6% to 8% per annum).

As at 31 December 2024, the total market value of securities pledged as collateral in respect the margin loans to customers are approximately HK\$19,845,000 (30 June 2024: HK\$17,225,000).

### 13. TRADE PAYABLES

	<b>31 December 2024 (Unaudited) HK\$'000</b>	30 June 2024 (Audited) HK\$'000
Trade payables arising from		
Trading	<b>62,108</b>	55,336
Dealing in securities		
— Cash clients	<b>256</b>	265
	<b>62,364</b>	55,601

The trade payables to cash clients arising from dealing in securities are repayable on demand. The Group has a practice to satisfy all the requests for payment within one business day. Trade payables to clearing house arising from dealing in securities represent unsettled trades on various securities exchanges transacted on the last two business days prior to the end of the reporting period. No aging analysis is disclosed as, in the opinion of the directors, the aging analysis does not give additional value in view of the nature of these businesses.

The aging analysis of trade payables arising from trading, based on the date of receipt of goods purchased, is as follows:

	<b>31 December 2024 (Unaudited) HK\$'000</b>	30 June 2024 (Audited) HK\$'000
1–30 days	<b>26,114</b>	17,730
31–60 days	<b>17,869</b>	18,243
61–90 days	<b>11,677</b>	9,538
Over 90 days	<b>6,448</b>	9,825
	<b>62,108</b>	55,336

Trade payables to cash clients arising from dealing in securities also include those payables where the corresponding clients' monies are placed in trust and segregated accounts with authorised financial institutions of approximately HK\$256,000 (30 June 2024: HK\$265,000).

#### 14. SHARE CAPITAL

	<b>Number of ordinary shares (Unaudited)</b>	<b>Amount (Unaudited) HK\$'000</b>
<b>Authorised:</b>		
At 30 June 2024, 1 July 2024 and 31 December 2024, nominal value HK\$0.01 each	100,000,000,000	1,000,000
<b>Issued and fully paid:</b>		
At 30 June 2024 and 1 July 2024	157,605,453	1,576
Placing (Note)	21,000,000	210
At 31 December 2024	178,605,453	1,786

Note:

On 12 August 2024, the Company issued 21,000,000 ordinary shares to not less than six independent placees at the placing price of HK\$0.233 per share. The aggregate nominal value of the placing shares was HK\$210,000.00. The excess of the proceeds received over the nominal value of the shares issued, net of expenses, amounting to approximately HK\$4,391,000, was credited to the share premium account.

#### 15. CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities at 31 December 2024 (30 June 2024: Nil).

## INTERIM DIVIDEND

The Board does not declare the payment of an interim dividend for the six months ended 31 December 2024 (2023: Nil).

## MANAGEMENT DISCUSSION AND ANALYSIS

### FINANCIAL PERFORMANCE

During the six months ended 31 December 2024 (the “**Period**”), the Group was principally engaged in (i) the trading of packaged foods, beverages and household consumable products (the “**FMCG Trading Business**”); (ii) the trading of agri-products (“**Agri-Products Trading Business**”) and the upstream farming business (“**Upstream Farming Business**”) (collectively the “**Agri-Products Business**”); and (iii) other business arising from the securities brokerage and margin financing business (the “**Other Business**”). The first two businesses come together to form two vertically integrated supply chains allowing the Group to effectively deliver perishable and non-perishable consumer products in China.

During the Period, the Group’s turnover was approximately HK\$238.3 million, representing a decrease of approximately 1.3%, compared to approximately HK\$241.6 million in the same period last year. The slight decrease in the revenue was mainly attributable to the decrease in the trading business revenue of the FMCG Trading Business but partly offset by the increase in the revenue of the Agri-Products Business. China’s economy in 2024 remained weak, primarily stemmed from the persistent real estate and debt crisis. Worse still, the domestic brands continuously used low prices and huge advertising activities to grab market share, resulting in an increasingly fierce market competition. Therefore, the revenue of the FMCG Trading Business continued to drop during the Period. On the other hand, the Group managed to increase selling prices for certain imported and self-grown agricultural products by virtue of their upgraded quality thanks to the improved procurement network and cultivation skills, thus increasing the revenue of the Agri-Products Business compared to the same period last year, which partially counteracted the decline in the revenue of the FMCG Trading Business.

Gross profit margin decreased from approximately 8.1% to approximately 7.3% compared with the same period last year. The decrease in gross profit margin was mainly attributable to the increase in sourcing costs of the FMCG Trading Business, but partly offset by an increase in the gross profit margin of the Agri-Products Business. During the Period, the Group adopted more flexible pricing strategies and had increased prices for some of agricultural products with distinctive market differentiations to reflect their upgraded and high quality. Therefore, the gross profit margin of the Agri-Products Business has improved compared to the same period last year. On the other hand, although the Group did not participate in price war for the FMCG Trading Business during the Period, the Group could not pass on the increased sourcing costs to customers and froze the prices for most of the FMCG products due to severe competition, which suppressed the overall gross profit margin and outweighed the improvement contributed by the Agri-Products Business.

Changes in fair value due to biological transformation decreased from approximately HK\$12.1 million to approximately HK\$5.1 million compared with the same period last year. The decrease was mainly attributable to the lower depreciation as certain assets and investments of the Upstream Farming Business were impaired during last financial year.

Other gains and income was approximately HK\$5.3 million which was fairly stable compared to the same period last year. Other gains and income for the Period mainly represents the fair value gain of approximately HK\$3.3 million and interest income of approximately HK\$2.2 million derived from the investment in a convertible bond issued by China Healthwise Holdings Limited ("**China Healthwise**") on 11 October 2018, interest income from bank deposits of approximately HK\$0.7 million, and other miscellaneous income of approximately HK\$0.1 million, partly offset by a fair value loss on the investments in Global Mastermind Holdings Limited of approximately HK\$1.0 million.

Selling and distribution expenses increased by approximately 11.4% from approximately HK\$19.9 million to approximately HK\$22.2 million during the Period. These expenses represented approximately 9.3% of turnover compared to 8.2% of the same period last year. The increase in the selling and distribution expenses as a percentage of turnover was mainly attributable to the increase in advertising and promotion activities, freight and transportation, logistics handling costs in distribution hubs, amortisation amount for distribution rights and depreciation amount for right-of-use assets recognised through selling and distribution expenses during the Period. Selling and distribution expenses included, among others, the development of sales and marketing channels, outlays on brand building and promotion, freight and transportation, commission as well as distribution expenses all together spent in support of the Group's sales activities.

Administrative expenses increased by approximately 3.9% from approximately HK\$29.9 million to approximately HK\$31.0 million during the Period, which was fairly stable compared to the same period last year, primarily attributable to the Group's various cost saving initiatives, despite the increase in business activities in the post-pandemic era.

Other operating expenses decreased from approximately HK\$5.7 million to approximately HK\$2.4 million during the Period. Other operating expenses for the Period mainly represented an impairment loss on the investment in the equity shares of Global Mastermind Holdings Limited ("**Global Mastermind**"). The trading of shares of Global Mastermind on the Stock Exchange has been suspended with effect from 19 February 2025 based on a decision from the GEM Listing Committee (the "**Committee Decision**"), and Global Mastermind did not apply for the Committee Decision to be reviewed by the GEM Listing Review Committee. The Directors consider the fair value of the investment in Global Mastermind approached zero as at 31 December 2024 based on its latest situation.

Finance costs were kept at a minimal level during the Period.

The decrease in the Group's net loss can be summarised as mainly attributable to approximately HK\$7.0 million decrease in change in fair value due to biological transformation and approximately HK\$3.3 million decrease in other operating expenses, but partly offset by approximately HK\$2 million decrease in gross profit, approximately HK\$0.2 million decrease in other gains and income, approximately 11.4% increase in selling and distribution expenses and approximately 3.9% increase in administrative expenses.

## **BUSINESS REVIEW, DEVELOPMENT AND PROSPECT**

During the Period, the global economy continued its underwhelming performance, weak economic growth coupled with high interest rate environment persistently affected consumer confidence, the negative spillovers from the wars in Ukraine and the Middle East and the presidential election and transition in the United States have cast more uncertainties over the global economic growth. In China, the economy has been dragged down by the real estate and debt crisis over past few years. Although China's economy grew about 5.0% for 2024, matching the government's target, but the growth was unbalanced and primarily driven by its industrial and export growth, while domestic consumption remained weak. During the Period, the monthly retail sales grew in the range between 2.1% and 4.8% compared to the same period last year, which was below the GDP growth during the corresponding period, reflecting the fact that Chinese consumers were still cautious with their discretionary spending due to economic downturn and uncertainty. The Group's trading business also encountered challenges in amidst of the weak macroenvironment, especially considering the competition from domestic products has been increasingly intense. As a result, the revenue of the FMCG Trading Business declined during the Period, but partly offset by the increase in the revenue of the Agri-Products Trading Business thanks to the increase in selling prices because of their improving quality. The gross profit margin has declined by 0.8% compared to the same period last year, primarily attributable to the increase in the sourcing costs of the FMCG Trading Business but the Group could not pass on the increased costs to customers due to keen competition. The decrease in gross profit margin was partly offset by the increase in the selling prices for certain imported and self-grown agricultural products to reflect their improving quality as aforesaid. On the other hand, the Group continued to carefully review its businesses and trim down unprofitable operations. As the Hong Kong capital market still lacked of growth catalysts during the Period, the Group has continued to keep its operations in the securities brokerage and margin financing business at a minimal level to reduce various expenses and operation risks.

The FMCG Trading Business sells finished consumer products into the domestic Chinese consumer market. These products are largely sourced overseas through the Group's wide-reaching global procurement network and are imported from different regions around the world including Europe, the Americas, Australasia and South East Asia. This business unit can be classified into three categories including packaged foods, beverages and household consumable products with their respective contribution of approximately 84%, 9%, and 7%. Packaged foods, including biscuits, candies, chocolate, condiments, margarine, milk powder products, healthy food, noodles, snacks, rice and nourishing and exclusively licensed branded products, remained as the most important category, followed by beverage products. During the Period, the contribution percentage of packaged foods further increased compared to that of the same period last year, primarily due to the drop of the contribution from beverages. During the Period, the Group closely followed the market trends and reallocated more resources from beverage products to packaged foods because the competition for beverage products was particularly stiff. As a result, the revenues contributed by beverages declined during the Period.

FMCG Trading Business was the most important business unit and contributed approximately 59% of the Group's total revenues during the Period. During the Period, China's economic growth was still weak and unbalanced, the fierce competition from domestic brands which continuously used low prices to grab a larger market share in addition to their tremendous advertising activities further worsened the business environment. As a result, the revenue of the FMCG Trading Business dropped by approximately 4.4% compared to the same period last year. Although the Group attempted to improve its gross profit margin by continuously refining its product mix and strengthening procurement network, the purchase costs have been rising while the selling prices for most of products were frozen due to keen competition, and thus denting the gross profit margin during the Period.

The Agri-Products Business contains trading fresh produce imported from countries like Australasia and South East Asia, supplemented by sourcing of fresh produce domestically as well as upstream cultivations in China. This business unit generated approximately HK\$95.9 million for the Period under review, increased by approximately 3.5% compared to the same period last year, primarily attributable to the increase in the revenues of the trading business for imported agricultural products and the Upstream Farming Business. During the Period, although the Agri-Products Business faced a similar weak macroenvironment as the FMCG Trading Business did, the Group managed to increase selling prices for certain agricultural products by virtue of their upgraded quality thanks to the improved procurement network and the cultivation skills. Furthermore, the Dongguan processing centre continued to facilitate the Agri-Products Trading Business with lower sourcing and transportation costs, greatly enhanced its operations and thus improving the gross profit margin of this business unit.

The Group continued to carefully operate in the plantations of early crop oranges and ponkans in the Jiangxi's farming base. During the Period, the revenue of the upstream farming business increased by approximately 5.2%, primarily attributable to the increase in selling prices due to better cultivation skills. The Group has been continuously deploying its resources into research and development to improve its agricultural skills over past few years, including establishing an agricultural research and test-lab centre and engaging different farming experts during the course of developing arable lands. The Group also procured high quality fertilizers from overseas to enhance product quality and developed new product types in spite of the sluggish economy. To facilitate the development of the Upstream Farming Business, the Group has been establishing an agricultural science industrial park (the "**Agricultural Industrial Park**") which comprises various facilities such as the research and development centre, a fruit processing centre and some agri-tourism recreational facilities like restaurant, souvenir shops and accommodation, of which the fruit processing centre becomes the operational hub for the Upstream Farming Business, where provides a wide range of functions including fruit washing, sorting and grading, packing and storage to effectively enhance product quality assurance and brand building.

The Other Business contains providing securities trading, margin financing and IPO subscription brokerage services through Sino Wealth Securities Limited ("**Sino Wealth**"). The revenue of the securities brokerage and margin financing business increased by approximately 3.2% compared to the same period last year. During the Period, the Hong Kong capital market was still weak with a short-lived rebound during the period between September and October 2024. The Group has been trimming down its operations and maintained minimal operational level to reduce various expenses and operation risks. The downsizing process will continue in near future until completely pulling out of this business unit.



Looking forward, the overall operating environment is still fraught with uncertainties and China's economy has been experiencing sprawling real estate crisis, which is still weighing on Chinese consumers' sentiment. On the other hand, the United States has been gradually imposing various new tariffs which are unavoidably impacting international trade. Against this backdrop, the Group will continue to focus on its core businesses, including the FMCG Trading Business and the Agri-Products Trading Business by expanding procurement network and sourcing more niche products which are competitive in the Chinese consumer market, as well as the Upstream Farming Business by enhancing cultivation skills and expanding sales network. The Group will also explore other ancillary businesses related to our core businesses such as fertilizer trading and agri-tourism carefully. In any event, the Group will continue to implement various cost-saving initiatives as well as ensure a strong and healthy financial position to weather any unforeseeable headwinds.

## SIGNIFICANT INVESTMENTS HELD AND THEIR PERFORMANCE

At 31 December 2024, the Group held convertible bonds and straight bonds issued by China Healthwise.

China Healthwise is a listed company in the main board of the Stock Exchange and together with its subsidiaries are principally engaged in sale of Chinese health products, money lending business and investment in financial instruments. On 19 August 2024, 8 October 2024, 15 November 2024 and 22 November 2024, the Group and China Healthwise entered into a subscription agreement and three supplemental agreements (collectively the "**Subscription Agreement**") for subscribing the bonds issued by China Healthwise in the aggregate principal amount of HK\$72.3 million, of which HK\$16.8 million is the principal amount of the convertible bonds and HK\$55.5 million is the principal amount of the straight bonds (collectively the "**Bonds**").

On 31 December 2024, all conditions precedents to the subscription of the Bonds under the Subscription Agreement have been satisfied and the Bonds were issued. The consideration for the subscription of the Bonds was set off against the outstanding principal amount of HK\$72.3 million under the outstanding convertible bonds issued by China Healthwise to the Group on 11 October 2018 (the "**Bonds 2018**"). The convertible bonds bear interest at a rate of 6% per annum, the conversion price at which the convertible bonds is to be converted into conversion share shall be HK\$0.088 per conversion share. Based on the conversion price of HK\$0.088 per conversion share, a maximum of 190,909,090 new shares may be allotted and issued by China Healthwise, which represents approximately 19.86% of the issued share capital as enlarged by the issue and allotment of the new shares. The straight bonds bear interest at a rate of 8% per annum. The maturity dates of the Bonds shall be two years from the date of issue 31 December 2024. As at 31 December 2024, the outstanding principal amount and the fair value of the Group's investment in the Bonds was HK\$72.3 million, representing approximately 8.6% of the Group's total assets. Additionally, the Bonds 2018 recorded a fair value gain of approximately HK\$3.3 million and an interest income of approximately HK\$2.2 million during the Period.

The objective for the above investment is to better utilise the Group's available cash and seek higher interest income and potential capital gain in view of the uncertain global trading market.

## CAPITAL STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

The Group maintained a healthy financial position throughout the Period under review. The Group financed its operations and business development with internally generated resources and equity funding.

On 12 August 2024, the Company issued 21,000,000 ordinary shares to not less than six independent placees at the placing price of HK\$0.233 per share. The aggregate nominal value of the placing shares was HK\$210,000. The market price of the shares on 19 July 2024, being the date of the placing agreement, was HK\$0.241 per share. The gross proceeds of the placing was approximately HK\$4.9 million. The net proceeds of the placing was approximately HK\$4.6 million, representing a net issue price (i.e. placing price less expenses incurred in the placing) of approximately HK\$0.22 per placing share, was fully utilised as general working capital of the Group as intended.

At 31 December 2024, the Group did not have any interest-bearing borrowings (30 June 2024: HK\$0.1 million), hence no gearing ratio was presented (30 June 2024: 0.02%). The gearing ratio was expressed as a ratio of total bank borrowings to total assets. As at 31 December 2024, the Group's bank facilities were secured by corporate guarantees provided by the Company and certain subsidiaries of the Company.

A significant portion of sales, purchases, services income and bank and cash equivalents of the Group were either denominated in Renminbi, Hong Kong dollars or US dollars. The Group will closely monitor the foreign currency exposure and may consider arranging for hedging facilities when it is necessary. At 31 December 2024, the Group did not have any significant hedging instrument outstanding.

At 31 December 2024, the Group's current assets amounted to approximately HK\$490.8 million (30 June 2024: HK\$514.4 million) and the Group's current liabilities amounted to approximately HK\$72.2 million (30 June 2024: HK\$65.8 million). The Group's current ratio maintained at a level of approximately 6.8 at 31 December 2024 (30 June 2024: 7.8). At 31 December 2024, the Group had total assets of approximately HK\$842.0 million (30 June 2024: HK\$869.6 million) and total liabilities of approximately HK\$89.5 million (30 June 2024: HK\$82.7 million).

## USE OF PROCEEDS FROM RIGHTS ISSUE 2017

On 11 January 2017, the Company raised from a rights issue the net proceeds of approximately HK\$207.3 million (the “Rights Issue 2017”).

Set out below are the details of the use of the net proceeds of approximately HK\$207.3 million from the Rights Issue 2017.

Approximate HK\$ million	Planned use of proceeds as disclosed in the announcement of the Company dated	Remaining proceeds as at	Change of use of proceeds as disclosed in the announcement of the Company dated	Utilised during the six months ended	Utilised as at	Remaining proceeds as at	Expected timeline for the intended use
	10 March 2021	30 June 2024	27 September 2024	31 December 2024	31 December 2024	31 December 2024	
(i) Securities brokerage business for compliance with its financial resources and for future expansion purpose	80.0	-	-	-	80.0	-	-
(ii) Upgrade of cold storage and logistics facilities in Shanghai	12.0	-	-	-	12.0	-	by 31 December 2021
(iii) Renovation and equipping of fruit processing centre in Jiangxi	14.0	-	-	-	14.0	-	by 30 June 2022
(iv) Installation of cold storage and logistics facilities in Jiangxi	17.0	-	-	-	17.0	-	by 31 October 2022
(v) Set up of new processing agri-product centre in Dongguan	34.0	-	-	-	34.0	-	by 31 December 2022
(vi) Research and development expenses in upstream farming	4.0	-	-	-	4.0	-	by 31 March 2022
(vii) Set up of an agricultural research and test-lab centre in Jiangxi	6.0	-	-	-	6.0	-	by 30 June 2024
(viii) Promotion and marketing activities	10.0	2.8	(2.8)	-	7.2	-	by 30 June 2024
(ix) Set up of an agri-tourism park with various facilities in Jiangxi	27.0	-	-	-	27.0	-	by 30 June 2024
(x) Working capital and general corporate purposes	3.3	-	2.8	2.8	6.1	-	by 30 June 2025
<b>Total</b>	<b>207.3</b>	<b>2.8</b>	<b>-</b>	<b>2.8</b>	<b>207.3</b>	<b>-</b>	

## USE OF PROCEEDS FROM RIGHTS ISSUE 2024

On 24 May 2024, the Company raised from a rights issue the net proceeds of approximately HK\$17.4 million (the “**Rights Issue 2024**”).

Set out below are the details of the use of the net proceeds of approximately HK\$17.4 million from the Rights Issue 2024.

Approximate HK\$ million	Planned use of proceeds as disclosed in the prospectus of the Company dated 30 April 2024	Remaining proceeds as at 30 June 2024	Utilised during the six months ended 31 December 2024	Utilised as at 31 December 2024	Remaining proceeds as at 31 December 2024	Expected timeline for the intended use	
(i)	Development of the fertilizers trading business under the Agri-Products Business	13.9	13.5	4.8	5.2	8.7	by 30 September 2025
(ii)	General working capital of the Group	3.5	3.5	3.5	3.5	-	by 30 June 2025
Total	17.4	17.0	8.3	8.7	8.7		

## USE OF PROCEEDS FROM PLACING 2024

On 12 August 2024, the Company raised from a placing the net proceeds of approximately HK\$4.6 million (the “**Placing 2024**”).

Set out below are the details of the use of the net proceeds of approximately HK\$4.6 million from the Placing 2024.

Approximate HK\$ million	Planned use of proceeds as disclosed in the announcement of the Company dated 12 August 2024	Utilised during the six months ended 31 December 2024	Utilised as at 31 December 2024	Remaining proceeds as at 31 December 2024	
	General working capital of the Group	4.6	4.6	4.6	-
Total		4.6	4.6	4.6	-

## NUMBER AND REMUNERATION OF EMPLOYEES

At 31 December 2024, the Group had approximately 250 employees for its operations in China, Hong Kong and Macau. The Group's employees are remunerated in accordance with their work performance and experience. The Group also participates in a retirement benefit scheme for its staff in the PRC and a defined Mandatory Provident Fund Scheme for its staff in Hong Kong. For the six months ended 31 December 2024, no forfeited contributions by the Group on behalf of employees who leave the scheme prior to vesting fully in such contributions was used by the Group to reduce the existing level of contributions. The Group provides various trainings to employees including but not limited to induction training, on-the-job training provided by department heads and sponsorship program for position-related self-education and professional qualification.

## SHARE OPTION SCHEME

The Group has adopted a share option scheme on 21 December 2018 of which the Board may, at its discretion, grant options to eligible participants of the share option scheme. During the six months ended 31 December 2024, no share options were granted or to be granted, exercised, vested, cancelled nor lapsed and the Company had no share options outstanding or unvested under the share option scheme at 31 December 2024 (30 June 2024: Nil). The number of options available for grant under the share option scheme mandate at 1 July 2024, 31 December 2024 and the date of this report was 9,363,480, which represented approximately 5.2% of the issued shares of the Company at the date of this report.

## OTHER INFORMATION

### DIRECTORS' INTERESTS IN SECURITIES

As at 31 December 2024, the interests and short positions of each Director and chief executive in the shares, underlying shares and debentures of the Company or any associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company under Section 352 of Part XV of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") of the Listing Rules, were as follows:

### LONG POSITIONS

Director	Note	Capacity/nature of interests	Number of ordinary shares in interest	Approximate percentage of the issued shares
Mr. Lam Kwok Hing ("Mr. Lam")	1	Interest in controlled corporation and beneficial interest	30,606,157	17.14%
Ms. Lee Choi Lin Joecy ("Ms. Lee")	1	Family interest	30,606,157	17.14%
Mr. Chan Cheuk Yu Stephen ("Mr. Chan")	2	Interest in controlled corporation	15,053,003	8.43%

Notes:

- 30,606,157 shares are comprised of (i) 20,630,918 shares which are held by Best Global Asia Limited ("Best Global"), a company incorporated in the British Virgin Islands (the "BVI") wholly and beneficially owned by Mr. Lam; and (ii) 9,975,239 shares which are held by Mr. Lam as beneficial owner. Ms. Lee is the spouse of Mr. Lam, by virtue of the SFO, Ms. Lee is deemed to be interested in said 30,606,157 shares.
- 15,053,003 shares are held by Glazy Target Limited ("Glazy Target"), a company incorporated in the BVI wholly and beneficially owned by Mr. Chan.

Save as disclosed above, as at 31 December 2024, none of the Directors or chief executive of the Company and their respective associates had any interests or short positions in shares, underlying shares or debentures of the Company, its subsidiaries or any associated corporation (within the meaning of Part XV of the SFO).

## DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the section titled "Directors' Interests in Securities", at no time during the Period nor at the end of the reporting period were there rights to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate granted to any Directors or their respective spouse or children under 18 years of age, or where there such rights exercised by them; or was the Company, its holding company or any of its subsidiaries a party to any arrangement to enable the Directors, their respective spouses or children under 18 years of age to acquire such rights in the Company or any other body corporate.

## SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES

As at 31 December 2024, the interests of every person, other than a Director or chief executive of the Company, in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO and to the best knowledge of the Directors were as follows:

### LONG POSITIONS

<b>Substantial shareholder</b>	<i>Note</i>	<b>Capacity/nature of interests</b>	<b>Number of ordinary shares in interest</b>	<b>Approximate percentage of the issued shares</b>
Mr. Chow Yin Man		Beneficial owner	25,753,774	14.42%
Best Global	1	Beneficial owner	20,630,918	11.55%
Glazy Target	2	Beneficial owner	15,053,003	8.43%

Notes:

1. These shares are in duplicate the interests held by Mr. Lam and Ms. Lee as stated in section "Directors' Interests in Securities".
2. These shares are in duplicate the interests held by Mr. Chan as stated in section "Directors' Interests in Securities".

Save as disclosed above, as at 31 December 2024, no person, other than a Director and chief executive of the Company whose interests are set out in the section titled “Directors’ Interests in Securities” above, had any interest or short position in the shares or underlying shares of the Company that was recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

## **UPDATE ON DIRECTORS’ INFORMATION UNDER RULE 13.51B(1) OF THE LISTING RULES**

With effect from 1 August 2024, Mr. Hung Hing Man has resigned as the independent non-executive director of China Information Technology Development Limited (stock code: 8178), a company listed on the GEM of the Stock Exchange.

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES**

Neither the Company, nor any of its subsidiaries, purchased, sold or redeemed any of the Company’s listed securities during the six months ended 31 December 2024.

## **CORPORATE GOVERNANCE**

The Company has applied the principles of the Corporate Governance Code (the “**CG Code**”) as set out in Part 2 of Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and complied with all the applicable code provisions of the CG Code throughout the six months ended 31 December 2024, except with deviation from code provision C.2.1.

Under the code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Since March 2012, the Board has appointed Mr. Lam Kwok Hing (“**Mr. Lam**”) as Chief Executive Officer in view of Mr. Lam’s in-depth experience in the industry and the Group’s overall operations. As a result of the appointment, the roles of Chairman and Chief Executive Officer are performed by Mr. Lam. Mr. Lam is the co-founder of the Group and has over 30 years’ experience in the consumer products industry. In the context of the challenging business environment, the Board believes that a consistent leadership, effective and efficient planning and implementation of business decisions and strategies are of utmost importance. While all major decisions of the Group were made in consultation with and under due consideration and approval by the Board, the Board believes that by virtue of Mr. Lam’s in-depth experience and understanding of the Group, vesting the roles of Chairman and Chief Executive Officer on Mr. Lam can generate benefits for the Group and shareholders as a whole and at the same time the balance of power and authority between the Board and the management of the Group is effectively maintained.



## COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code as the code of conduct regarding Directors' securities transactions. Having made specific enquiry of all Directors, they all confirmed that they had fully complied with the required standard set out in the Model Code throughout the six months ended 31 December 2024.

## REVIEW OF INTERIM REPORT BY AUDIT COMMITTEE

The interim report for the six months ended 31 December 2024 have been reviewed by the Audit Committee of the Company, but not audited by the Company's external auditors.

By order of the Board  
**Heng Tai Consumables Group Limited**  
**Lam Kwok Hing**  
*Chairman*

Hong Kong, 28 February 2025

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