

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



CHINA WANTIAN HOLDINGS LIMITED

中國萬天控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1854)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

The board (the “**Board**”) of directors (the “**Directors**”) of China Wantian Holdings Limited (the “**Company**”) is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2025, together with the comparative figures for the six months ended 30 June 2024 as follows:

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2025

		Unaudited	
		Six months ended 30 June	
	Notes	2025	2024
		HK\$'000	HK\$'000
Continuing operations			
Revenue	5	614,891	251,763
Cost of sales		(589,633)	(217,945)
Gross profit		25,258	33,818
Other income	6	3,342	2,906
Other (losses)/gains – net		(238)	221
Selling expenses		(28,370)	(13,625)
Administrative expenses		(43,768)	(36,669)
Impairment losses under expected credit loss model	7	(1,908)	(2,784)
Operating loss		(45,684)	(16,133)

		Unaudited	
		Six months ended 30 June	
	Notes	2025	2024
		HK\$'000	HK\$'000
Finance income	8	59	409
Finance costs	8	(1,268)	(670)
Finance costs – net	8	(1,209)	(261)
Loss before income tax	7	(46,893)	(16,394)
Income tax expense	9	(54)	(822)
Loss for the period		(46,947)	(17,216)
Other comprehensive income:			
<i>Item that may be reclassified to profit or loss:</i>			
Exchange differences arising from translation of foreign operations		875	97
Other comprehensive income for the period, net of tax		875	97
Total comprehensive loss for the period		(46,072)	(17,119)
Loss for the period attributable to:			
Equity holders of the Company		(46,744)	(17,216)
Non-controlling interest		(203)	–
		(46,947)	(17,216)
Total comprehensive loss for the period attributable to:			
Equity holders of the Company		(45,869)	(17,119)
Non-controlling interest		(203)	–
		(46,072)	(17,119)
Loss per share attributable to equity holders of the Company (HK cents)			
Basic	10	(2.30)	(0.88)
Diluted	10	(2.29)	(0.88)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2025

		Unaudited	Audited
		As at	As at
		30 June	31 December
	Notes	2025	2024
		HK\$'000	HK\$'000
Non-current assets			
Property, plant and equipment	12	37,999	36,780
Right-of-use assets		67,644	73,489
Goodwill		12,821	12,821
Deposits, prepayments and other receivables	13	1,234	246
		119,698	123,336
Current assets			
Inventories		4,925	4,321
Trade receivables	13	48,016	46,645
Deposits, prepayments and other receivables	13	33,475	34,498
Amounts due from related parties		14,189	8,499
Bank deposits		–	5,020
Restricted bank balances		173	171
Cash and cash equivalents		20,584	67,524
		121,362	166,678
Current liabilities			
Trade payables	16	12,487	15,466
Accruals and other payables	16	16,935	14,075
Contract liabilities	16	3,803	1,962
Bank borrowings	15	5,289	7,179
Amounts due to related parties		662	750
Tax payable		91	90
Lease liabilities		16,735	16,079
		56,002	55,601

		Unaudited	Audited
		As at	As at
		30 June	31 December
	Notes	2025	2024
		HK\$'000	HK\$'000
Non-current liabilities			
Deferred tax liabilities		957	907
Lease liabilities		17,405	23,133
		18,362	24,040
Net Current Assets		65,360	111,077
NET ASSETS		166,696	210,373
Capital and reserves			
Share capital	14	20,372	20,355
Reserves	14	144,826	189,170
Equity attributable to equity holders of the Company		165,198	209,525
Non-controlling interest		1,498	848
TOTAL EQUITY		166,696	210,373

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

	Equity attributable to owners of the Company							Non-controlling interest	Total equity	
	Share capital	Share premium	Other reserve	Share option	Translation reserve	Capital reserve	Accumulated			
	(Note 14)	(Note 14)	(Note 14)	reserve	(Note 14)	(Note 14)	Losses			
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000			
As at 1 January 2024 (Audited)	19,122	223,348	100	4,436	400	–	(50,697)	196,709	–	196,709
Loss for the period	–	–	–	–	–	–	(41,994)	(41,994)	(16)	(42,010)
Other comprehensive income	–	–	–	–	53	–	–	53	–	53
<hr/>										
Total comprehensive loss	–	–	–	–	53	–	(41,994)	(41,941)	(16)	(41,957)
<hr/>										
Incorporation of a subsidiary	–	–	–	–	–	–	–	–	864	864
Issue of new shares upon exercise of share options (Note 14)	683	57,639	–	(11,617)	–	–	–	46,705	–	46,705
Settlement of contingent consideration arrangement classified as equity	550	–	–	–	–	(550)	–	–	–	–
Recognition of equity-settled share-based payments	–	–	–	8,052	–	–	–	8,052	–	8,052
<hr/>										
As at 31 December 2024 and 1 January 2025	20,355	280,987	100	871	453	(550)	(92,691)	209,525	848	210,373
Loss for the period	–	–	–	–	–	–	(46,744)	(46,744)	(203)	(46,947)
Other comprehensive income	–	–	–	–	875	–	–	875	–	875
<hr/>										
Total comprehensive loss	–	–	–	–	875	–	(46,744)	(45,869)	(203)	(46,072)
<hr/>										
Issue of new shares upon exercise of share options (Note 14)	17	1,998	–	(388)	–	–	–	1,627	–	1,627
Partial disposal of interest in a subsidiary without loss of control	–	–	–	–	–	–	(85)	(85)	853	768
<hr/>										
As at 30 June 2025	20,372	282,985	100	483	1,328	(550)	(139,520)	165,198	1,498	166,696

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 6 April 2016 as an exempted company with limited liability under Companies Act, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and the shares of the Company are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The address of its registered office is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman, KY1-1108, Cayman Islands. Its principal place of business in Hong Kong is located at Suite 2106, 21/F, Exchange Tower, 33 Wang Chiu Road, Kowloon Bay, Hong Kong.

The Company is an investment holding company and its principal subsidiaries are engaged in (i) food supply; (ii) catering services; and (iii) environmental protection and technology services.

In the opinion of the Directors, Ace Source Holdings Limited (“**Ace Source**”), a company incorporated in the British Virgin Islands (“**BVI**”), is the immediate parent; and Wise Global Holding Limited, a company incorporated in the BVI, is the ultimate parent of the Company.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

(a) Basis of preparation

The unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2025 have been prepared in accordance with Hong Kong Accounting Standard 34 “**Interim Financial Reporting**” (“**HKAS 34**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and the disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) and the Hong Kong Companies Ordinance (Cap. 622). The unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2025 were authorised for issuance by the board of directors of the Company on 28 August 2025.

These unaudited condensed consolidated financial statements do not include all the information and disclosures required for the annual financial statements in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”), and should be read in conjunction with the Group’s audited consolidated financial statements for the year ended 31 December 2024.

These unaudited condensed consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), which is also the functional currency of the Company, and all values are rounded to the nearest thousand (HK\$’000) unless otherwise stated. These financial statements have been prepared on the historical cost basis, except for certain financial instruments that are measured at fair value, as appropriate. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

(b) New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in preparation of these interim financial statements are consistent with those used in the Group's audited financial statements for the year ended 31 December 2024, except for the following amendments and interpretation to Hong Kong Accounting Standards ("HKASs") and HKFRSs issued by the HKICPA which are mandatory for the annual periods beginning 1 January 2025.

Standard	Subject of amendment
-----------------	-----------------------------

Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability
-----------------------------------	-------------------------

This amendment and interpretation to HKASs and HKFRSs does not have material impact on the results and the financial position of the Group.

The Group has not applied any new standard, amendment to standard or interpretation to HKFRSs and HKASs that are not yet effective for the current accounting period.

3 ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these unaudited condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing the unaudited condensed consolidated financial statements, the significant judgments made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited consolidated financial statements for the year ended 31 December 2024.

4 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: credit risk, liquidity risk and interest rate risk. There have been no changes in the risk management policies since the year ended 31 December 2024.

The unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2025 do not include all financial risks management information and disclosures required for the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2024.

5 SEGMENT INFORMATION

The operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (“**CODM**”). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive Directors that make strategic decisions.

The Group has three reportable segments, namely

- (i) Food supply, which includes sourcing, processing and supplying of consumable fresh food ingredients in Hong Kong and the PRC;
- (ii) Catering services, which include catering services to provide food and beverages in the restaurant network of the Group in the PRC; and
- (iii) Environmental protection and technology services, which include the provision of the design of environmental green projects, construction and installation services in the PRC.

(a) Segment revenue and results

The following is an analysis of the Group’s revenue and results by reportable segments for the six months ended 30 June 2025 and 2024, respectively:

	Food supply		Catering services		Environmental protection and technology services		Unallocated		Total	
	Six months ended		Six months ended		Six months ended		Six months ended		Six months ended	
	30 June		30 June		30 June		30 June		30 June	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment revenue										
Revenue from external customers	<u>580,825</u>	<u>239,451</u>	<u>33,528</u>	<u>11,916</u>	<u>538</u>	<u>396</u>	<u>-</u>	<u>-</u>	<u>614,891</u>	<u>251,763</u>
Profit/(loss) for the period before the following items:	(7,381)	13,798	(19,603)	(8,127)	(707)	(1,134)	(17,993)	(20,891)	(45,684)	(16,354)
Gain on disposal of property, plant and equipment	-	221	-	-	-	-	-	-	-	221
Interest income	9	404	3	4	-	-	47	1	59	409
Finance costs	<u>(324)</u>	<u>(308)</u>	<u>(676)</u>	<u>(169)</u>	<u>-</u>	<u>-</u>	<u>(268)</u>	<u>(193)</u>	<u>(1,268)</u>	<u>(670)</u>
Profit/(loss) before taxation	(7,696)	14,115	(20,276)	(8,292)	(707)	(1,134)	(18,214)	(21,083)	(46,893)	(16,394)
Income tax expense	<u>(53)</u>	<u>(822)</u>	<u>-</u>	<u>-</u>	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(54)</u>	<u>(822)</u>
Segment results	<u>(7,749)</u>	<u>13,293</u>	<u>(20,276)</u>	<u>(8,292)</u>	<u>(708)</u>	<u>(1,134)</u>	<u>(18,214)</u>	<u>(21,083)</u>	<u>(46,947)</u>	<u>(17,216)</u>

The segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales during these periods.

The accounting policies of the reportable segments are the same as the Group's accounting policies. Revenue and expenses are allocated to the reportable segments with reference to the revenue generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments. Segment results represent the profit earned or loss incurred by each segment without allocation of central administrative expenses and income, and finance costs – net. This is the measure reported to the CODM for the purpose of resource allocation and assessment of segment performance.

(b) Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable segments as at 30 June 2025 and 31 December 2024, respectively:

	Food supply		Catering services		Environmental protection and technology services		Total	
	As at	As at	As at	As at	As at	As at	As at	As at
	30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December
	2025	2024	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Assets before following items:	122,798	134,399	55,864	59,267	367	495	179,029	194,161
Goodwill	12,821	12,821	-	-	-	-	12,821	12,821
Segment assets	135,619	147,220	55,864	59,267	367	495	191,850	206,982
Unallocated assets							49,210	83,032
Consolidated assets							241,060	290,014
Segment liabilities	26,542	28,804	37,807	38,279	209	264	64,558	67,347
Unallocated liabilities							9,806	12,294
Consolidated liabilities							74,364	79,641

For the purposes of monitoring segment performance and allocating resources between segments:

- Assets used jointly by operating segments are allocated on the basis of revenues earned by individual operating segments. All assets are allocated to reportable segments except for certain assets which are managed on a group basis, including bank balances and cash of HK\$16,649,000 (as at 31 December 2024: HK\$50,462,000).
- All liabilities are allocated to reportable segments except for certain financial liabilities which are managed on a group basis.

(c) **Information about major customers**

Revenue from customers contributing over 10% of the total revenue of the Group for the six months ended 30 June 2025 and 2024 is as follows:

	Unaudited	
	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Customer A from food supply segment	408,037	62,714
Customer B from food supply segment	–	28,849
Customer C from food supply segment	116,149	–

(d) **Geographical information**

The Group's operations are located in both Hong Kong and the PRC.

The following is a geographical analysis of the Group's revenue from external customers (based on where the goods are sold and the services are provided) and non-current assets (based on the geographical location of the assets):

	Revenue from external customers		Non-current assets (Note)	
	Six months ended 30 June		As at 30 June	As at 31 December
	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Hong Kong	50,351	84,115	60,057	62,220
PRC	564,540	167,648	59,641	61,116
	614,891	251,763	119,698	123,336

Note: Non-current assets excluded financial instruments.

6 OTHER INCOME

	Unaudited	
	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Sundry income	298	157
Service income from the intermediate holding company (Note 17)	2,065	1,254
Service income from a related party (Note 17)	979	856
Handling income	–	639
	3,342	2,906

7 LOSS BEFORE INCOME TAX

Loss before income tax is arrived at after charging/(crediting):

	Unaudited	
	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Cost of inventories	577,213	207,138
Employee benefit expenses	42,363	33,914
Employee benefit expenses – including Directors' emoluments	42,363	28,462
Share-based payment expenses	–	5,452
Depreciation of property, plant and equipment (Note 12)	4,392	3,280
Depreciation on right-of-use assets	10,054	3,559
Impairment losses under expected credit loss model	1,908	2,784
Reversal of impairment loss on property, plant and equipment (Note 12)	–	(351)
Reversal of impairment loss on right-of-use assets	–	(3,311)
Loss on change in fair value of financial assets at fair value through profit or loss	–	617
Operating leases (short-term leases)	811	584
Low-value assets lease expenses	107	111
Transportation expenses	6,812	6,904
Professional and consulting fees	2,071	2,442

8 FINANCE COSTS – NET

	Unaudited	
	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Interest expenses on bank borrowings	191	306
Interest expenses on lease liabilities	1,077	364
	<hr/>	<hr/>
Finance costs	1,268	670
	<hr/>	<hr/>
Finance income – interest income	(59)	(409)
	<hr/>	<hr/>
Finance costs – net	1,209	261
	<hr/>	<hr/>

9 INCOME TAX EXPENSE

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Act of the Cayman Islands and accordingly, is exempted from the Cayman Islands income tax.

Hong Kong Profits Tax

The Hong Kong Profits Tax is calculated at the rate of 16.5% (for the six months ended 30 June 2024: 16.5%) on the estimated assessable profits arising in Hong Kong, except that the first HK\$2,000,000 of qualified entity's assessable profits is calculated at 8.25%, which is in accordance with the two-tiered profits tax rates regime with effect from the year of assessment 2018/19.

PRC Enterprise Income Tax

Under the Law of the PRC on Enterprise Income Tax (the “**EIT Law**”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for the six months ended 30 June 2025 (for the six months ended 30 June 2024: 25%).

Certain subsidiaries have been approved as small low-profit enterprises. The entitled subsidiaries are subject to a preferential income tax rate of 5% for the six months ended 30 June 2025 (for the six months ended 30 June 2024: 5%).

Pillar Two Income Taxes

The Company is within the scope of the Organisation for Economic Co-operation and Development Pillar Two model rules (the “**Rules**”). Under the Rules, the Company is liable to pay a top-up tax in jurisdictions where its effective tax rate falls below 15%. The Company has assessed its exposure to the Rules. Based on the assessment for the period ended 30 June 2025, the Company does not expect a material impact on its income tax position resulting from the Rules.

The amount of income tax expense charged to the unaudited condensed consolidated statement of comprehensive income represents:

	Unaudited	
	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Current income tax		
Hong Kong Profits Tax	–	210
PRC Enterprise Income Tax	<u>4</u>	<u>625</u>
	<u>4</u>	<u>835</u>
Deferred income tax		
– Current period provision	<u>50</u>	<u>(13)</u>
Income tax expense	<u><u>54</u></u>	<u><u>822</u></u>

10 LOSS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY FOR THE PERIOD – BASIC AND DILUTED

(a) Basic loss per share

	Unaudited	
	Six months ended 30 June	
	2025	2024
Loss attributable to equity holders of the Company (<i>HK\$'000</i>)	<u>(46,744)</u>	<u>(17,216)</u>
Weighted average number of ordinary shares for the purpose of basic loss per share	<u>2,036,087,504</u>	<u>1,946,549,595</u>

The weighted average number of ordinary shares for the purpose of basic loss per share for current and prior reporting periods has been adjusted to reflect the effect of the rights issue completed on 13 June 2023 with details as set out in Note 14.

(b) Diluted loss per share

Diluted loss per share adjusts the figures used in the determination of basic earnings per share to take into account the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

	Unaudited	
	Six months ended 30 June	
	2025	2024
Loss attributable to equity holders of the Company (<i>HK\$'000</i>)	<u>(46,744)</u>	<u>(17,216)</u>
Weighted average number of ordinary shares for the purpose of basic loss per share	2,036,087,504	1,946,549,595
Adjustments for calculation of diluted earnings per share:		
Share options	<u>2,180,000</u>	<u>–</u>
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted loss per share	<u>2,038,267,504</u>	<u>1,946,549,595</u>

11 DIVIDEND

The Board does not recommend the payment of an interim dividend in respect of the six months ended 30 June 2025 (for the six months ended 30 June 2024: HK\$nil).

12 PROPERTY, PLANT AND EQUIPMENT

	Buildings <i>HK\$'000</i>	Leasehold improvements <i>HK\$'000</i>	Furniture, fixtures and equipment <i>HK\$'000</i>	Motor vehicles <i>HK\$'000</i>	Total <i>HK\$'000</i>
Six months ended 30 June 2025					
(Unaudited)					
Opening net book value	6,421	19,709	7,582	3,068	36,780
Additions	–	4,679	1,467	201	6,347
Disposals	–	–	–	(1,037)	(1,037)
Depreciation	(124)	(2,685)	(1,234)	(349)	(4,392)
Exchange realignment	–	194	103	4	301
	<u>6,297</u>	<u>21,897</u>	<u>7,918</u>	<u>1,887</u>	<u>37,999</u>
Closing net book value	<u>6,297</u>	<u>21,897</u>	<u>7,918</u>	<u>1,887</u>	<u>37,999</u>
At 30 June 2025 (Unaudited)					
Cost	7,861	42,437	19,644	7,738	77,680
Accumulated depreciation	<u>(1,564)</u>	<u>(20,540)</u>	<u>(11,726)</u>	<u>(5,851)</u>	<u>(39,681)</u>
Net carrying amount	<u>6,297</u>	<u>21,897</u>	<u>7,918</u>	<u>1,887</u>	<u>37,999</u>
Year ended 31 December 2024					
(Audited)					
Opening net book value	16,318	11,965	5,087	1,581	34,951
Additions	–	11,690	4,160	3,011	18,861
Disposals	–	–	–	(482)	(482)
Disposal of subsidiaries	(9,294)	–	–	–	(9,294)
Depreciation	(603)	(3,936)	(1,712)	(1,034)	(7,285)
Reversal of impairment loss	–	180	171	–	351
Exchange realignment	–	(190)	(124)	(8)	(322)
	<u>6,421</u>	<u>19,709</u>	<u>7,582</u>	<u>3,068</u>	<u>36,780</u>
Closing net book value	<u>6,421</u>	<u>19,709</u>	<u>7,582</u>	<u>3,068</u>	<u>36,780</u>
At 31 December 2024 (Audited)					
Cost	7,861	37,371	18,032	8,722	71,986
Accumulated depreciation	<u>(1,440)</u>	<u>(17,662)</u>	<u>(10,450)</u>	<u>(5,654)</u>	<u>(35,206)</u>
Net carrying amount	<u>6,421</u>	<u>19,709</u>	<u>7,582</u>	<u>3,068</u>	<u>36,780</u>

13 TRADE RECEIVABLES AND DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	Unaudited As at 30 June 2025 HK\$'000	Audited As at 31 December 2024 HK\$'000
Trade receivables		
– Related parties	155	164
– Third parties	<u>66,336</u>	<u>62,995</u>
	66,491	63,159
Less: loss allowance	<u>(18,475)</u>	<u>(16,514)</u>
	48,016	46,645
Trade deposits paid – non-refundable	7,318	6,950
Trade deposits paid – refundable	811	20,454
Prepayments	18,343	9,279
Other receivables	2,720	1,727
Deposits	<u>5,517</u>	<u>5,443</u>
	34,709	43,853
Less: loss allowance	<u>–</u>	<u>(9,109)</u>
Total deposits, prepayments and other receivables	34,709	34,744
Less: non-current portion: deposits, prepayments and other receivables	<u>(1,234)</u>	<u>(246)</u>
Deposits, prepayments and other receivables included in current assets	<u>33,475</u>	<u>34,498</u>

The carrying amounts of trade receivables approximate their fair values and are denominated in HK\$.

The Group normally grants credit terms to its customers ranging from 1 to 120 days (for the year ended 31 December 2024: 1 to 120 days). The ageing analysis of the trade receivables based on invoice dates is as follows:

	Unaudited	Audited
	As at	As at
	30 June	31 December
	2025	2024
	HK\$'000	HK\$'000
1 to 30 days	32,176	31,199
31 to 60 days	4,600	6,238
61 to 90 days	1,828	2,739
91 to 120 days	2,565	550
Over 120 days	25,322	22,433
	<hr/>	<hr/>
	66,491	63,159
	<hr/>	<hr/>

The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected loss provision for trade receivables. To measure the expected credit losses other than certain receivables which are assessed individually, these receivables have been grouped based on shared credit risk characteristics and the days past due.

The maximum exposure to credit risk at the reporting date is the carrying value of the receivables mentioned above. The Group does not hold any collateral as security.

14 SHARE CAPITAL AND RESERVES

(a) Share Capital

	Number of ordinary shares (in thousands)	Nominal value of ordinary shares HK\$'000
Authorised share capital		
Ordinary shares of HK\$0.01 each		
As at 1 January 2024	2,000,000	20,000
Increase in authorised share capital (Note (iii))	8,000,000	80,000
	<hr/>	<hr/>
As at 31 December 2024, 1 January 2025 and 30 June 2025	10,000,000	100,000
	<hr/>	<hr/>
Issued and fully paid		
Ordinary shares of HK\$0.01 each		
As at 1 January 2024	1,912,214	19,122
Issue of new shares upon exercise of share options (Note (i))	68,256	683
Settlement of contingent consideration arrangement classified as equity (Note (ii))	55,010	550
	<hr/>	<hr/>
As at 31 December 2024 and 1 January 2025	2,035,480	20,355
Issue of new shares upon exercise of share options (Note (i))	1,750	17
	<hr/>	<hr/>
As at 30 June 2025	2,037,230	20,372
	<hr/>	<hr/>

Notes:

- (i) Pursuant to the share option scheme adopted on 26 September 2016:
 - 25,852,987 new shares were issued on 23 May 2024 upon exercise of share options;
 - 952,782 new shares were issued on 5 June 2024 upon exercise of share options;
 - 39,450,000 new shares were issued on 30 October 2024 upon exercise of share options;
 - 300,000 new shares were issued on 28 November 2024 upon exercise of share options;
 - 1,700,000 new shares were issued on 13 December 2024 upon exercise of share options;
 - 450,000 new shares were issued on 25 February 2025 upon exercise of share options;
 - 600,000 new shares were issued on 2 May 2025 upon exercise of share options;
 - 300,000 new shares were issued on 13 May 2025 upon exercise of share options;
 - 400,000 new shares were issued on 19 June 2025 upon exercise of share options.
- (ii) Pursuant to the share purchase agreement in respect of the acquisition of 100% equity interest in Champion Point Limited in 2022:
 - 55,010,000 new shares were issued to Mr. Kwong Ping Man on 13 December 2024.
- (iii) Following the passing of an ordinary resolution at the extraordinary general meeting of the Company held on 6 February 2024, the increase in authorised share capital became unconditional and effective. As of 6 February 2024, the authorised share capital of the Company had been increased to HK\$100,000,000, divided into 10,000,000,000 ordinary shares of HK\$0.01 each.
- (iv) All the new shares rank *pari passu* with the existing shares in all respects.

(b) Reserves

Details of movements on the Group's reserves are set out in the unaudited condensed consolidated statement of changes in equity.

(i) *Share premium*

Share premium of the Company represents the excess of the proceeds received over the nominal value of the Company's shares issued.

(ii) *Other reserve*

Other reserve of the Company mainly represents the difference of the nominal value of the shares issued and the net asset value of the subsidiaries of the Company upon the reorganisation in 2016.

(iii) *Translation reserve*

The translation reserve comprises exchange differences relating to the translation of the financial statements of the foreign operations of the Group from their functional currency to the Group's presentation currency, which are recognised directly in other comprehensive income and accumulated in translation reserve.

(iv) *Capital reserve*

The capital reserve represents the settlement of 55,010,000 new shares issued for the contingent consideration arrangement classified as equity for the acquisition of 100% equity interest in Champion Point Limited in 2022.

15 BANK BORROWINGS

	Unaudited	Audited
	As at	As at
	30 June	31 December
	2025	2024
	HK\$'000	HK\$'000
Secured		
Bank borrowings due for repayment within 1 year		
which contain a repayment on demand clause (Note)	3,911	3,806
Bank borrowings due for repayment after 1 year		
which contain a repayment on demand clause (Note)	1,378	3,373
	<u>5,289</u>	<u>7,179</u>
Total bank borrowings	<u>5,289</u>	<u>7,179</u>

Note: As at 30 June 2025, bank borrowings of approximately HK\$5,289,000 (as at 31 December 2024: approximately HK\$7,179,000) are secured by buildings in property, plant and equipment and leasehold lands in right-of-use assets for the carrying amounts of approximately HK\$5,514,000 and approximately HK\$33,647,000 respectively (as at 31 December 2024: approximately HK\$5,638,000 and approximately HK\$34,412,000 respectively) and corporate guarantee provided by the Company.

All bank borrowings contain a repayment on demand clause and are carried at amortised cost.

The carrying amounts of the bank borrowings approximate their fair values and are denominated in HK\$. The weighted average interest rates are 5.23% and 5.92% as at 30 June 2025 and 31 December 2024, respectively.

At the end of the reporting period, the bank borrowings were scheduled for repayment as follows:

	Unaudited	Audited
	As at	As at
	30 June	31 December
	2025	2024
	HK\$'000	HK\$'000
On demand or within one year	3,911	3,806
More than one year, but not exceeding two years	1,378	3,373
	<u>5,289</u>	<u>7,179</u>
Total bank borrowings	<u>5,289</u>	<u>7,179</u>

16 TRADE PAYABLES, ACCRUALS AND OTHER PAYABLES, AND CONTRACT LIABILITIES

	Unaudited As at 30 June 2025 HK\$'000	Audited As at 31 December 2024 HK\$'000
Trade payables (Note (a))	<u>12,487</u>	<u>15,466</u>
Accruals and other payables		
– Accruals for staff costs	4,169	5,483
– Renovation payables	3,180	3,908
– Other payables and other accruals	<u>9,586</u>	<u>4,684</u>
	<u>16,935</u>	<u>14,075</u>
Contract liabilities (Note (b))	<u>3,803</u>	<u>1,962</u>
	<u><u>33,225</u></u>	<u><u>31,503</u></u>

(a) Trade Payables

As at 30 June 2025 and 31 December 2024, the ageing analysis of the trade payables based on invoice date is as follows:

	Unaudited As at 30 June 2025 HK\$'000	Audited As at 31 December 2024 HK\$'000
1 to 30 days	10,947	14,726
31 to 60 days	129	328
61 to 90 days	159	126
91 to 120 days	<u>1,252</u>	<u>286</u>
	<u><u>12,487</u></u>	<u><u>15,466</u></u>

The carrying amounts of the Group's trade payables approximate their fair values.

(b) **Contract liabilities**

	Unaudited	Audited
	As at	As at
	30 June	31 December
	2025	2024
	HK\$'000	HK\$'000
<i>Contract liabilities arising from:</i>		
Prepaid cards (Note)	<u>3,803</u>	<u>1,962</u>
	<u>3,803</u>	<u>1,962</u>

Note:

The Group operates a customer loyalty programme for the catering services under its restaurant operation through the sale of prepaid cards. Prepaid cards are sold to customers at a discount to their face value, which can be utilised in their future consumption in restaurants. The amount received from selling prepaid cards is recorded in contract liabilities which are deferred until they are redeemed by customers and the Group fulfils its obligations to provide services or goods, or when they expire. The prepaid cards and advance from customers of the Group are non-refundable.

17 RELATED PARTY TRANSACTIONS

For the purposes of these unaudited condensed consolidated financial statements, parties are considered to be related to the Group if the party has the ability, directly or indirectly, to exercise significant influence over the Group in making financial and operating decisions. Related parties may be individuals (being members of key management personnel, significant shareholders and/or their close family members) or other entities and include entities which are under the significant influence of related parties of the Group where those parties are individuals. Parties are also considered to be related if they are subject to common control.

The Directors are of the view that the following companies were related parties that had material transactions or balances with the Group during the period ended 30 June 2025 and 2024:

Name of the related party	Relationship with the Group
Macy Catering Limited	Mr. Liu Chi Ching (“ Mr. Liu ”), who is an executive director and a substantial shareholder of the Company, has beneficial interest in this company
WG International Group Limited	This company is controlled by Dr. Hooy Kok Wai (“ Dr. Hooy ”) and Mr. Zhong Xueyong (“ Mr. Zhong ”), who are executive directors and substantial shareholders of the Company
Classic Line Holdings Ltd	This company is controlled by Mr Liu, who is an executive director and a substantial shareholder of the Company
China Wantian International Group Limited (“ China Wantian International ”)	The intermediate holding company of the Group
Greater Bay Area Association of Listed Companies Limited	This company is managed and controlled by Dr. Hooy and Mr. Zhong, who are executive directors and substantial shareholders of the Company
Zhongshan Wangu Sky Farm Co., Limited* (中山萬谷天空農場有限公司)	This company is controlled by Dr. Hooy and Mr. Zhong, who are executive directors and substantial shareholders of the Company
Zhongshan Wangu Property Management Co., Ltd.* (中山市萬谷物業管理有限公司)	This company is controlled by Dr. Hooy and Mr. Zhong, who are executive directors and substantial shareholders of the Company
Zhongshan Wangu Business Management Co., Ltd.* (中山萬谷商業管理有限公司)	This company is controlled by Dr. Hooy and Mr. Zhong, who are executive directors and substantial shareholders of the Company
Zhongshan Wangu Real Estate Investment and Development Co., Ltd.* (中山市萬谷房地產投資開發有限公司)	This company is controlled by Dr. Hooy and Mr. Zhong, who are executive directors and substantial shareholders of the Company
Zhongshan Wangu Basket Plaza Investment and Management Co., Ltd.* (中山市萬谷菜籃子廣場投資管理有限公司)	This company is controlled by Dr. Hooy and Mr. Zhong, who are executive directors and substantial shareholders of the Company
Zhongshan Wangu East District Central Market Co., Ltd.* (中山市萬谷東區中心市場有限公司)	This company is controlled by Mr. Zhong, who is an executive director and a substantial shareholder of the Company

* The English translation is not the official name and is for reference purposes only.

In addition to the related party information disclosed above, the following is a summary of the significant transactions carried out between the Group and its related parties in the ordinary course of business during the period, and the balances arising from related party transactions as at period end.

(a) Transactions with related parties

	Unaudited	
	Six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Related parties' transactions		
Sales of goods to a related company		
– Macy Catering Limited	477	466
Purchase of goods from a related party		
– Zhongshan Wangu Sky Farm Co., Limited* (中山萬谷天空農場有限公司)	(62)	(281)
Short-term lease, management fees and utilities expenses paid to		
– Zhongshan Wangu Business Management Co., Ltd.* (中山萬谷商業管理有限公司)	(4,008)	(1,134)
– Zhongshan Wangu Real Estate Investment and Development Co., Ltd.* (中山市萬谷房地產投資開發有限公司)	–	(303)
– Zhongshan Wangu Basket Plaza Investment and Management Co., Ltd.* (中山市萬谷菜籃子廣場投資管理有限公司)	(4,758)	(1,840)
Service fee received from the intermediate holding company		
– China Wantian International	2,065	1,254
Service fee received from a related party		
– Greater Bay Area Association of Listed Companies Limited	979	856
Expenses paid on behalf of the intermediate holding company		
– China Wantian International	(400)	–
Expenses paid on behalf of a related party		
– Greater Bay Area Association of Listed Companies Limited	(531)	–
Service fee paid to a related party		
– WG International Group Limited	–	(280)

* The English translation is not the official name and is for reference purposes only.

(b) Key management compensation

Key management includes executive directors of the Group. The compensation paid or payable to key management for employee services is disclosed as follows:

	Unaudited	
	Six months ended 30 June	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Salaries and allowances	1,576	1,588
Retirement benefit costs – defined contribution plans	9	9
Share-based payments	–	4,242
	1,585	5,839

MANAGEMENT DISCUSSION AND ANALYSIS

In the first half of 2025, China's economy continued to demonstrate remarkable resilience and quality growth. A gross domestic product of RMB66.1 trillion was achieved, representing a robust 5.3% year-on-year increase. Thanks to the proactive fiscal policies and targeted measures adopted by the PRC government to stimulate domestic demand, consumer confidence has been strengthened, driving a notable recovery in various key sectors, including catering and retail – the food consumption market has maintained its upward trajectory, the retail sale of consumer goods has reached an aggregate amount of RMB24.5 trillion, marking a 5% year-on-year increase. In particular, the catering industry has shown an impressive growth momentum, recording a total revenue of RMB2.7 trillion, which is a 4.3% increase when compared to the figure in the same period last year.

BUSINESS REVIEW

During the period, the Group steadfastly advanced its initiatives in alignment with national strategies, driving the comprehensive development of green food and contributing to rural revitalisation. Guided by the visionary mission of “*Letting Every Household Eat Well Every Day* (讓千家萬戶吃好每一天)”, the Group remains deeply committed to its three core business pillars: food supply, catering services, and environmental protection and technology. Upholding the spirit of “*Dedicated to Ensuring the Well-Being of China's Households – No Matter the Challenges*”, the Group continues to strive for excellence as a leading top-tier provider of green, quality lifestyle services. In the current period, this strategy remains the crux of the operations, and we continue to innovate, expand and reinforce our commitment to sustainable growth and societal impact.

In the first half of 2025, the Group further solidified its leadership position as a premier catering service provider in the Greater Bay Area (“**GBA**”), driven by the introduction of innovative dining concepts and the strategic expansion of its multi-brand portfolio – spanning Cantonese, Western, Sichuan and Thai cuisines as well as a specialty cafe and beverage shops.

Strategically locating its catering services business in Zhongshan's central district, the Group has benefited from the area's prime location. The restaurants operated by the Group have now become among some of the most sought-after dining spots in the region.

Capitalising on the economic spillover effects of the Shenzhen-Zhongshan Link, the Group has attracted a growing influx of visitors, further amplified by the strong rebound in tourism and catering demand. This dynamic momentum has driven notable growth in the revenue of the catering services sector, while at the same time enhancing China Wantian's reputation as a trusted, quality brand in the competitive catering industry.

During the period, the Group further bolstered its food supply chain business as a core pillar of operations. Anchored by its three flagship industries – “Giant Seafood, Small Cattle, Worry-Free Vegetables” – the Group has been vertically integrating across the entire marine, land and agricultural supply chains, while developing high-value single products including live cattle and pork. As a crucial link connecting people’s livelihoods with social stability, the food supply business serves as both a key growth driver for the Group and an essential foundation for the well-being of the public. Through strategic partnerships with industry-leading enterprises, the Group continues to expand and diversify its food offerings, aiming to reinforce its revenue growth while at the same time advancing its vision to become a superior green food supplier in China.

By upholding China’s ecological development concept that “lucid waters and lush mountains are invaluable assets,” the Group has made significant advancements in its environmental protection and technology sector. The Group’s flagship initiative – the development of urban sky farms – has now surpassed 300 sites in operation or under construction throughout the GBA.

These innovative agricultural solutions serve a dual purpose: transforming underutilised industrial spaces and idle urban land into productive green zones, while simultaneously promoting urban sustainability and carbon neutrality. The sky farms realise the Group’s commitment to having urban development in harmony with ecological preservation.

Building on this success, the Group plans a strategic expansion of the sky farm model to more cities in the GBA. This growth initiative is designed to both amplify the environmental impact and increase the contribution of green technology division of the Group to its overall revenue mix.

FUTURE OUTLOOK

As a cornerstone of China’s national development strategy, the GBA is rapidly emerging as a strategic hub for the new development paradigm, a model of high-quality growth, and a pioneer of Chinese-style modernisation. This dynamic region, leveraging its robust industrial base and concentrated consumer demand, presents unparalleled opportunities for the food industry’s expansion and innovation.

The Group is poised to capitalise on the GBA’s transformative momentum, particularly after the full operation of the Shenzhen-Zhongshan Link in 2024, which has unlocked unprecedented connectivity across key hubs including Zhongshan, Zhuhai, Shenzhen, Hong Kong and Macao. Together with the Hong Kong-Zhuhai-Macao Bridge, this infrastructure forms a “Golden Inner Bay”, revolutionising logistics efficiency and market integration. The convergence of supportive government policies and a dynamic ecosystem for technological adoption creates a powerful engine for the long-term growth of the GBA market. This stands in contrast to the more established markets such as Hong Kong, where the food and beverage sector is navigating a period of adjustment amid shifting consumer habits and economic headwinds.

Looking ahead, the Group will concentrate its resources on capturing the growth within the high-potential GBA market and remain committed to its dual mission: powering the GBA’s food security and quality living standards as well as ensuring sustainable, resilient growth. Through continuous innovation in supply chain resilience, culinary excellence and green technologies, China Wantian has strategically positioned itself as a leading, trusted provider of quality food solutions, contributing to both regional prosperity and national food industry advancement.

FINANCIAL REVIEW

The Group's operating results for the financial period covering six months from 1 January 2025 to 30 June 2025 (the “**Period**”) were contributed by its three business segments, namely (i) food supply; (ii) catering services; and (iii) environmental protection and technology services.

Revenue

The Group's revenue for the Period was approximately HK\$614.9 million (for the six months ended 30 June 2024: HK\$251.8 million).

The food supply business remains the main revenue stream of the Group. The revenue generated from the food supply business amounted to approximately HK\$580.8 million for the Period, accounting for approximately 94.5% of the total revenue (for the six months ended 30 June 2024: HK\$239.5 million, 95.1%). During the Period, the revenue derived from the GBA market (excluding Hong Kong) was approximately HK\$530.4 million, accounting for approximately 91.3% of the revenue from the food supply segment (for the six months ended 30 June 2024: HK\$155.4 million, 64.9%). Revenue derived from the Hong Kong market, which mainly comprised the provision of food ingredients, frozen food and vegetables and fruits, amounted to approximately HK\$50.4 million, representing approximately 8.7% of the segment revenue (for the six months ended 30 June 2024: HK\$84.1 million, 35.1%). The increase of approximately 142.6% in the Group's segment revenue from the food supply business for the Period as compared to the period ended 30 June 2024 was mainly attributable to the increase in revenue derived from the supply of more fresh food items in the PRC, including live cattle and fresh beef.

The catering services business, comprising the operation of various restaurants in the city of Zhongshan, contributed a revenue of approximately HK\$33.5 million for the Period, representing approximately 5.5% of the Group's total revenue (for the six months ended 30 June 2024: HK\$11.9 million, 4.7%). The revenue in the Group's segment revenue from the catering services business for the Period increased by 181.4%, which was mainly due to the increase in the number of restaurants in operation and the improved operating performance of the restaurants resulting from the increase in customer flow after the opening of the Shenzhen-Zhongshan Link.

The environmental protection and technology services business, comprising the provision of services for building comprehensive practice bases to promote the ideas of green, environmental protection and low-carbon concepts, recorded a revenue of approximately HK\$0.5 million during the Period, accounting for approximately 0.1% of the Group's total revenue (for the six months ended 30 June 2024: HK\$0.4 million, 0.2%).

Gross profit and gross profit margin

The Group's gross profit for the Period was approximately HK\$25.3 million, representing a gross profit margin of approximately 4.1% (for the six months ended 30 June 2024: HK\$33.8 million, representing a gross profit margin of approximately 13.4%).

The gross profit derived from the Group's food supply business for the Period was approximately HK\$8.3 million, representing a gross profit margin of approximately 1.4% (for the six months ended 30 June 2024: HK\$28.9 million, representing a gross profit margin of approximately 12.1%). The gross profit margin decreased by 10.7 percentage points, which was due to the fact that the Group had to spend time securing new customers and new sales orders when faced with a different and competitive environment, hence impacting on its profitability for the Period.

The gross profit derived from the Group's catering services business for the Period was approximately HK\$16.9 million (for the six months ended 30 June 2024: HK\$4.9 million, representing a gross profit margin of approximately 50.4% (for the six months ended 30 June 2024: 41.2%). The gross profit margin increased by 9.2 percentage points, which was mainly due to the Group's continuous adoption of more effective cost control, which helped maintain the ingredient costs at a reasonable level.

The gross profit derived from the Group's environmental protection and technology business for the Period was approximately HK\$28,000, representing a gross profit margin of approximately 5.2% (for the six months ended 30 June 2024: 11.1%).

Other income

The Group's other income for the Period was approximately HK\$3.3 million (for the six months ended 30 June 2024: HK\$2.9 million). The increase was primarily due to the recognition of the service income from the intermediate holding company and a related party.

Other (losses)/gains – net

The Group's other losses for the Period was approximately HK\$0.2 million (for the six months ended 30 June 2024: other gains HK\$0.2 million). The losses were due to the increase in the loss on the disposal of property, plant and equipment for the Period.

Selling expenses

The Group's selling expenses for the Period were approximately HK\$28.4 million (for the six months ended 30 June 2024: HK\$13.6 million). The increase was mainly due to the increase in the payroll expenses and the depreciation on the right-of-use assets incurred for the purpose of expanding the Group's catering services business.

Administrative expenses

The Group's administrative expenses for the Period were approximately HK\$43.8 million (for the six months ended 30 June 2024: HK\$36.7 million). The increase was mainly attributable to (i) the increase in staff costs for business expansion purposes; and (ii) increase in the depreciation on right-of-use assets arising from the entering into of the aforesaid leaseback agreement in 2024 for the purpose of operating the Group's food supply business in Hong Kong.

Impairment losses under expected credit loss model

The Group recorded impairment losses under expected credit loss model of approximately HK\$1.9 million for the Period (for the six months ended 30 June 2024: HK\$2.8 million), which was due to the increase in the balance of trade receivables.

Finance costs – net

The Group's finance costs – net for the Period were approximately HK\$1.2 million (for the six months ended 30 June 2024: HK\$0.3 million). The increase was mainly attributable to the increase in interest expenses on lease liabilities arising from the Group's entering into of the leaseback agreement in the second half of 2024 for the purpose of operating the food supply segment and expanding the catering services segment.

Loss for the Period

Taking into consideration the above-mentioned factors, loss for the Period was approximately HK\$46.9 million (for the six months ended 30 June 2024: approximately HK\$17.2 million).

USE OF NET PROCEEDS FROM RIGHTS ISSUE

On 13 June 2023, the Company allotted and issued 309,504,000 ordinary shares with a nominal value of HK\$0.01 each in the share capital of the Company (the “**Shares**”) by way of a rights issue on the basis of one rights share for every five existing shares then held on the record date on 18 May 2023 (the “**Rights Issue**”) and raised net proceeds of approximately HK\$102.31 million. Details of the Rights Issue were set out in the prospectus of the Company dated 19 May 2023 (the “**Prospectus**”) and the announcements of the Company dated 11 April 2023 and 12 June 2023.

As disclosed in the Prospectus, 30% of the net proceeds from the Rights Issue had been allocated for financing the launching of a live cattle breeding site project with an aim to develop the Group's related upstream supply chain business. After further evaluation of the factors relevant to the setting up of live cattle breeding site, including the initial site setup, the breeding cycle and the overall operation, the Board considered that it is not the best timing for the Group to expand its business to related upstream supply chain business amidst ongoing uncertainties in the global economy. Further, the Board was of the view that a more prudent business development strategy would be desirable at the present time.

As stated in the announcement of the Company dated 27 March 2024, the Board resolved to change the use of the then unutilised net proceeds from the Rights Issue, which amounted to approximately HK\$30.69 million, from launching a live cattle breeding site project to expanding the Group's fresh food supply business, considering the prominent performance of the business segment. The then unutilised net proceeds of approximately HK\$8.16 million will remain being used for the repayment of the Group's outstanding borrowing and, based on the best estimation of the updated repayment schedule, are expected to be fully utilised by 31 December 2025.

As at 30 June 2025, approximately HK\$2.68 million out of the net proceeds from the Rights Issue had not been utilised, which are expected to be fully utilised on or before 31 December 2025.

Set out below are the details of the net proceeds from the Rights Issue, including the original allocation (in terms of percentage and amount), the revised allocation, the amount of actual use during the Period and the amount unutilised as at 30 June 2025:

	Original allocation of the net proceeds as shown in the Prospectus		Revised allocation of the net proceeds	Unutilised net proceeds as at 1 January 2025	Actual use of net proceeds during the Period	Unutilised net proceeds as at 30 June 2025
	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million
	%	(approx.)	(approx.)	(approx.)	(approx.)	(approx.)
Launching of a live cattle breeding site project	30	30.69	–	–	–	–
Development of live cattle trading business	25	25.58	–	–	–	–
Expansion of fresh food supply business	10	10.23	30.69	–	–	–
Development of catering business	10	10.23	–	–	–	–
Repayment of outstanding borrowing	10	10.23	8.16	4.57	1.89	2.68
Enhancement and upgrading of offices in the GBA	5	5.12	–	–	–	–
General working capital of the Group	10	10.23	–	–	–	–
Total	100	102.31	38.85	4.57	1.89	2.68

USE OF PROCEEDS FROM THE DISPOSAL

On 27 September 2024, the Group entered into a share purchase agreement with a connected party, pursuant to which the Group agreed to sell its entire equity interest in its subsidiary, Lion Metro Limited (“**Lion Metro**”) and Lion Metro’s subsidiary, Healthy Cheer International Limited (“**Healthy Cheer**”), at a cash consideration of HK\$56,320,000 (the “**Disposal**”). The Disposal was completed on 12 December 2024. After the Disposal, Lion Metro and Healthy Cheer ceased to be subsidiaries of the Company and the Group ceased to have any interest in Lion Metro and Healthy Cheer.

The net proceeds from the Disposal amounted to approximately HK\$55.7 million. Details of the Disposal were set out in the announcement of the Company dated 27 September 2024 and the circular of the Company dated 7 November 2024 (the “**Circular**”). As at 30 June 2025, approximately HK\$11.1 million out of the net proceeds from the Disposal had not been utilised, which are expected to be fully utilised on or before 31 December 2025.

Set out below are the details of the net proceeds from the Disposal, including the allocation (in terms of percentage and amount), the amount of actual use during the Period, the amount unutilised as at 30 June 2025 and the expected timeline for the utilisation of the net proceeds:

	Allocation of the net proceeds shown in the Circular		Actual use of net proceeds during the Period	Unutilised net proceeds as at 30 June 2025	Expected timeline for fully utilising the net proceeds
	%	HK\$ million (approx.)	HK\$ million (approx.)	HK\$ million (approx.)	
Development of a new product line and setting up of a new distribution channel for fresh fruit trading	20	11.1	–	11.1	On or before 31 December 2025
Expansion of the existing product line and distribution channel for fresh meat trading	40	22.3	22.3	–	
Development of the catering business in the GBA (including funding capital expenditure for newly-opened eateries)	20	11.1	11.1	–	
General working capital	20	11.2	11.2	–	
Total	100	55.7	44.6	11.1	

CAPITAL STRUCTURE

There has been no change in the capital structure of the Group during the Period and up to the date of this announcement. The capital of the Group only comprises ordinary shares.

LIQUIDITY AND FINANCIAL RESOURCES

The Group has funded the liquidity and capital requirements principally from cash generated from operations, bank borrowings, the proceeds from the issue of new Shares upon the Rights Issue and share option scheme and the proceeds from the Disposal.

As at 30 June 2025, the Group had bank borrowings of approximately HK\$5.3 million (as at 31 December 2024: approximately HK\$7.2 million), which were denominated in Hong Kong dollars. The Group's bank borrowings were primarily obtained at variable rates and used in financing the working capital requirement for its operations and the purchase of the existing premises.

As at 30 June 2025, the Group had approximately HK\$20.6 million in cash and cash equivalents and HK\$nil bank deposits (as at 31 December 2024: approximately HK\$67.5 million and HK\$5.0 million, respectively). The Directors believe that the Group is in a healthy financial position to maintain and expand its core business and to achieve its business objectives.

As at 30 June 2025, total assets, which comprised current assets of approximately HK\$121.4 million (as at 31 December 2024: approximately HK\$166.7 million) and non-current assets of approximately HK\$119.7 million (as at 31 December 2024: approximately HK\$123.3 million), decreased by approximately 16.9% to approximately HK\$241.1 million (as at 31 December 2024: approximately HK\$290.0 million) which was mainly due to the decrease in cash and cash equivalents used in the operating activities for business expansion purposes.

As at 30 June 2025, total liabilities, which comprised current liabilities of approximately HK\$56.0 million (as at 31 December 2024: approximately HK\$55.6 million) and non-current liabilities of approximately HK\$18.4 million (as at 31 December 2024: approximately HK\$24.0 million), decreased by approximately 6.6% to approximately HK\$74.4 million (as at 31 December 2024: approximately HK\$79.6 million), which was mainly due to the repayment of bank borrowings and lease liabilities during the Period.

As at 30 June 2025, the current ratio of the Group, being current assets divided by current liabilities, decreased to approximately 2.2 (as at 31 December 2024: approximately 3.0), which was mainly attributable to the decrease of assets used for business expansion purposes. The Group maintains the capability to cover its short-term debts, ensuring a healthy financial position.

GEARING RATIO

As at 30 June 2025, the gearing ratio of the Group, being total borrowings (including total lease liabilities) divided by total equity, increased to approximately 23.7% (as at 31 December 2024: approximately 22.1%), which was primarily due to the partial settlement of bank borrowings and the decrease in cash and cash equivalents used in the operating activities for business expansion purpose.

CHARGE ON GROUP ASSETS

As at 30 June 2025, the Group had pledged its leasehold lands under right-of-use assets and buildings under property, plant and equipment with a net book value amounting to approximately HK\$39.2 million (as at 31 December 2024: approximately HK\$40.0 million) for the banking facilities granted to the Group.

SIGNIFICANT INVESTMENT HELD AND FUTURE PLANS FOR MATERIAL INVESTMENT OR CAPITAL ASSET

Save as disclosed in this announcement, the Group had no significant investment with a value of 5% or more of the Group's total assets as at 30 June 2025. There was no material acquisition and disposal of subsidiaries, associates or joint ventures by the Group during the Period. There were no other plans for material investment or capital asset as at 30 June 2025.

FOREIGN EXCHANGE EXPOSURE

Foreign exchange risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group's revenue, expenses, assets and liabilities are denominated in HK\$ and Renminbi ("RMB"). The appreciation or devaluation of RMB against HK\$ may have an impact on the Group's results. The Group does not have any currency hedging policy and has not entered into any hedging or other instrument to reduce currency risks. The Group will continue to closely monitor the foreign currency exposure and take appropriate measures to minimise the risk when necessary.

TREASURY POLICY

The Directors will continue to follow a prudent policy in managing the Group's cash balances and maintain strong and healthy liquidity to ensure that the Group is well placed to take advantage of future growth opportunities.

CONTINGENT LIABILITIES

The Group did not have any material contingent liabilities as at 30 June 2025 (as at 31 December 2024: HK\$nil).

CAPITAL COMMITMENTS

As at 30 June 2025, the Group did not have capital commitments in respect of acquisition of property, plant and equipment (as at 31 December 2024: approximately HK\$2.7 million).

SEGMENT INFORMATION

The Group has three reportable segments, namely (i) food supply; (ii) catering services; and (iii) environmental protection and technology services.

INFORMATION ON EMPLOYEES

As at 30 June 2025, the Group had 313 employees working in Hong Kong and the PRC (as at 31 December 2024: 473). Employees are remunerated based on their qualifications, position and performance. The remuneration offered to employees generally includes salaries, allowances and discretionary bonuses. Various types of trainings are provided to the employees from time to time. The total staff costs (including remuneration of Directors and mandatory provident fund contributions) for the Period amounted to approximately HK\$42.4 million (for the six months ended 30 June 2024: approximately HK\$28.5 million).

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the Period (for the six months ended 30 June 2024: HK\$nil).

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Period.

DIRECTORS' SECURITIES TRANSACTIONS

The Company adopted the Model Code as set out in Appendix C3 to the Listing Rules as the code of conduct regarding Directors' securities transactions in the securities of the Company. Based on specific enquiries with the Directors, all Directors confirmed that they had complied with the required standard of dealings set out in the Model Code and there was no event of non-compliance during the Period.

CORPORATE GOVERNANCE PRACTICE

The Company is dedicated to achieving and maintaining high standards of corporate governance as the Board believes that good and effective corporate governance practices are key to obtaining and maintaining the trust of the shareholders and other stakeholders of the Company, and are essential for encouraging accountability and transparency so as to sustain the success of the Group and to promote the interests of the shareholders of the Company. Accordingly, the Company has adopted sound corporate governance principles that emphasise a quality Board, effective internal control, stringent disclosure practices, transparency and accountability to all stakeholders.

The Company's corporate governance practices are based on the code provisions set out in the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 to the Listing Rules and amended from time to time. To the best knowledge and belief of the Directors, the Company had complied with the applicable code provisions of the CG Code throughout the Period.

AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”) was established on 26 September 2016 and comprises the three independent non-executive Directors, namely Ms. Lui Choi Yiu Angela (Chairman), Mr. Siu Chun Pong Raymond and Mr. Lam Chi Wing, with Ms. Lui Choi Yiu Angela possessing the appropriate professional qualifications or accounting or related financial management expertise. None of the members of the Audit Committee is a former partner of the Company's existing external auditors.

The Group's unaudited condensed consolidated financial statements for the Period have not been audited nor reviewed by the Company's independent auditor, but have been reviewed by the Audit Committee. The Audit Committee is of the opinion that the unaudited condensed consolidated financial statements of the Group for the Period comply with the applicable accounting standards and the Listing Rules, and that adequate disclosures have been made.

By order of the Board
China Wantian Holdings Limited
Hooy Kok Wai
Chairman and Executive Director

Hong Kong, 28 August 2025

As at the date of this announcement, the Board comprises Dr. Hooy Kok Wai and Mr. Zhong Xueyong as executive Directors; and Ms. Lui Choi Yiu Angela, Mr. Siu Chun Pong Raymond and Mr. Lam Chi Wing as independent non-executive Directors.

* *The English translation is not the official name and is for reference purposes only.*