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HENG TAI CONSUMABLES GROUP LIMITED
亨泰消費品集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 00197)

VOLUNTARY ANNOUNCEMENT - BUSINESS UPDATE

This announcement is made by Heng Tai Consumables Group Limited (the "**Company**", together with its subsidiaries as the "**Group**") on a voluntary basis to update the shareholders (the "**Shareholders**") and potential investors of the Company on the latest business development of the Group.

The board (the "**Board**") of directors (the "**Directors**") of the Company would like to inform the Shareholders and potential investors of the Company that the Group intends to expand its current trading of packaged foods, beverages and household consumable products business ("**FMCG Trading Business**") by exploring different variety of new product options for export from China to Asian and European markets. This initiative is being contemplated due to the great improvement in the quality of Chinese products and their price advantage, coupled with the increasingly fierce market competition adversely impacting the Group's existing import trading business. As the domestic brands are price competitive and employ advertising activities to increase market share, there has been a growing preference among Chinese consumers for domestic goods, leading to unfavourable market conditions for the imported goods under the FMCG Trading Business. In light of the above fierce market competition, the Group has been carrying on a continuous review to trim down its operations for imported goods and will closely scrutinise the market conditions to streamline and scale down its trading business for unprofitable imported goods as well as to minimise the operation costs and overheads to maintain the competitiveness of the FMCG Trading Business under the current competitive trading environment. In addition, the Group also intends to expand its operations of the agri-processing centre in Dongguan, the People's Republic of China (the "**PRC**"). The processing centre is a vital hub for the domestic fresh produce trading business and has been sustaining a steady growth in demand and revenue after the pandemic. It currently serves and provides pre-processed as well as processed and ready-to-cook fresh produce products to a number of established fast-food chain

brands and school dining halls. The Group will further explore its expansion in the PRC local market.

The Directors believe that venturing into new markets will help diversify the Group's revenue streams and address the challenges currently facing by the FMCG Trading Business. The Company is confident that the Group's established supply chains and market expertise in China will contribute to the development of the export and the domestic fresh produce trading businesses. In order to facilitate and implement the above business plans, the Company may conduct fund raising exercise(s) and further announcement(s) will be made by the Company in accordance with the Listing Rules as and when appropriate.

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

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

Hong Kong, 29 August 2025

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