Zhengwei Group Holdings Company Limited
正味集团控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2147)

ANNOUNCEMENT OF RESULTS FOR THE EIGHTEEN MONTHS ENDED 30 JUNE 2025

FINANCIAL RESULTS

The board (the "**Board**") of directors (the "**Director(s)**") of Zhengwei Group Holdings Company Limited (the "**Company**") is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the eighteen months ended 30 June 2025 (the "**Reporting Period**") together with comparative figures for the year ended 31 December 2023 ("**FY2023**") as set out below:

HIGHLIGHTS

	For the eighteen months ended 30 June 2025 *RMB'000*	Year ended 31 December 2023 *RMB'000*
Revenue	**938,123**	445,214
Gross (loss) profit	**(12,215)**	147,260
(Loss) profit for the period/year	**(108,752)**	67,517

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE EIGHTEEN MONTHS ENDED 30 JUNE 2025

	Notes	**Eighteen months ended 30 June 2025**	Year ended 31 December 2023
		RMB'000	*RMB'000*
Revenue	*5*	**938,123**	445,214
Cost of sales		**(950,338)**	(297,954)
Gross (loss) profit		**(12,215)**	147,260
Other income	*6*	**4,185**	6,355
Other gains and losses, net	*7*	**(4,948)**	(164)
Distribution and selling expenses		**(13,188)**	(32,821)
Administrative expenses		**(39,839)**	(36,632)
Impairment losses recognised, net of reversal		**(4,386)**	120
Listing expenses		**–**	(4,515)
Finance costs	*8*	**(81)**	(2,904)
(Loss) profit before tax	*9*	**(70,472)**	76,699
Income tax expense	*10*	**(38,280)**	(9,182)
(Loss) profit for the period/year		**(108,752)**	67,517
Other comprehensive income for the period/year, net of tax			
Items that will not be reclassified to profit or loss:			
– Changes in fair value of financial asset at fair value through other comprehensive income ("**FVOCI**")		**–**	121
Other comprehensive income for the period/year		**–**	121
Total comprehensive (expense) income for the period/year		**(108,752)**	67,638
(Loss) earnings per share			
– Basic and diluted (RMB)	*12*	**(0.11)**	0.09

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2025

	Notes	**30 June 2025**	31 December 2023
		RMB'000	*RMB'000*
Non-current assets			
Property, plant and equipment	*13*	**29,294**	107,149
Right-of-use assets		**3,142**	6,032
Goodwill		**–**	269
Intangible assets		**–**	–
Financial asset at fair value through other comprehensive income		**–**	1,354
Prepayment for acquisition of land use rights		**9,525**	9,525
Deferred tax assets, net		**356**	797
		42,317	125,126
Current assets			
Inventories	*14*	**71,970**	98,272
Right of return assets		**266**	156
Trade receivables	*15*	**228,153**	92,300
Prepayments, deposits and other receivables		**7,694**	7,736
Income tax recoverable		**3,160**	–
Cash and cash equivalents		**54,644**	199,186
		365,887	397,650

	Notes	**30 June 2025** *RMB'000*	31 December 2023 *RMB'000*
Current liabilities			
Trade payables	*16*	**46,722**	48,360
Other payables and accruals	*16*	**8,871**	16,774
Income tax payable		**–**	2,415
Borrowings		**–**	18,199
Lease liabilities		**–**	84
Contract liabilities		**–**	9
		55,593	85,841
Net current assets		**310,294**	311,809
Total assets less current liabilities		**352,611**	436,935
Net assets		**352,611**	436,935
Equity attributable to owners of the Company			
Share capital	*17*	**78,398**	55,580
Reserves		**274,213**	381,355
Total equity		**352,611**	436,935

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE EIGHTEEN MONTHS ENDED 30 JUNE 2025

1. GENERAL INFORMATION

Zhengwei Group Holdings Company Limited (the "**Company**") was incorporated in the Cayman Islands on 30 June 2020, as an exempted company with limited liability under the Companies Act, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited ("**Stock Exchange**") since 13 January 2023. The addresses of the registered office and principal place of business of the Company are disclosed in the Corporate Information section to the annual report.

The directors consider that the ultimate parent of the Company is Shengyao Investment Group Limited, a company incorporated in the British Virgin Islands ("**BVI**"). The ultimate controlling parties of the Company are Mr. Yang Shengyao ("**Mr. Yang**") and Ms. Lin Qiuyun ("**Ms. Lin**"), the spouse of Mr. Yang, who are the executive director/the chairman/Chief Executive Officer and the executive director of the Company (collectively, the "**Controlling Shareholders**"), respectively.

The Company is an investment holding company. The Company and its subsidiaries (the "**Group**") is principally engaged in sourcing, processing and trading of dried delicacies, snacks, dried aquatic products, grains, bakery products, seasonings and others in the PRC.

The consolidated financial statements are presented in Renminbi ("**RMB**"), which is also the functional currency of the Company.

The English names of all the companies established in the Mainland China presented in these consolidated financial statements represent the best efforts made by the directors of the Company for the translation of the Chinese names of these companies to English names as they do not have official English names.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS ("HKFRSs")

Amendments to HKFRSs that are mandatorily effective for the current period

In the current period, the Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") for the first time, which are mandatorily effective for the annual period beginning on 1 January 2024 for the preparation of the consolidated financial statements:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Noncurrent and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The application of the amendments to HKFRSs in the current period has had no material impact on the Group's financial positions and performance for the current period and prior years and/or on the disclosures set out in these consolidated financial statements.

New and amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments[3]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11[3]
Amendments to HKAS 21	Lack of Exchangeability[2]
HKFRS 18	Presentation and Disclosure in Financial Statements[4]

1 Effective for annual periods beginning on or after a date to be determined.
2 Effective for annual periods beginning on or after 1 January 2025.
3 Effective for annual periods beginning on or after 1 January 2026.
4 Effective for annual periods beginning on or after 1 January 2027.

Except for the new and amendments to HKFRSs mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 Presentation and Disclosure in Financial Statements ("**HKFRS 18**"), which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 Presentation of Financial Statements ("**HKAS 1**"). This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and HKFRS 7 Financial instruments: Disclosures ("**HKFRS 7**"). Minor amendments to HKAS 7 Statement of Cash Flows ("**HKAS 7**") and HKAS 33 Earnings per Share are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of HKFRS 18 is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements but has no impact on the Group's financial positions and performance. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Listing Rules**") and by the Hong Kong Companies Ordinance.

Pursuant to the Company's announcement dated 15 November 2024, the Company resolved to change the financial year date of the Company from 31 December to 30 June. Accordingly, the consolidated financial statements for the current period covers a period of eighteen months from 1 January 2024 to 30 June 2025. The corresponding comparative amounts shown for the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows and related notes cover a twelve months period from 1 January 2023 to 31 December 2023 and therefore may not be comparable with amounts shown for the current period.

The directors have, at the time of approving the consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

The consolidated financial statements have been prepared on the historical cost basis at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 Share-based Payment, leasing transactions that are accounted for in accordance with HKFRS 16 Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 Inventories or value in use in HKAS 36 Impairment of Assets.

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

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

- Level 3 inputs are unobservable inputs for the asset or liability.

4. SEGMENT INFORMATION

The following segment information is reported to the board of directors of the Company, being the chief operating decision makers ("**CODM**"), for the purpose of resource allocation and performance assessment.

The Group determines its operating segments based on the reports reviewed by the CODM that are used to make strategic decisions.

The Group's reportable segments are managed separately as each business offers different products and services and requires different business strategies.

The following summary describes the operations in each of the Group's reportable segments:

- Manufacturing business: The Group produces and sells a variety of (i) snacks (including vegetable snacks and meat snacks) such as bamboo shoots crisps and roasted duck necks; (ii) packaged dried food products such as fungi, dried aquatic products, algae, grains and seasonings in the PRC; and (iii) bakery products, such as bread and tarts*.

- Trading business: The Group purchases dried candied fruit, nuts and other products in bulk from suppliers and sell to retailers and corporate customers without further processing in the PRC.

Inter-segment transactions are priced with reference to prices charged to external parties for similar order.

The accounting policies of the operating segments are the same as the Group's accounting policies described in the consolidated financial statement.

Other income and head office expenses are not allocated to the operating segments as they are not included in the measure of the segments' profit that is used by the CODM for assessment of segment performance.

Other than the information disclosed below, no other information is reported to the CODM, for the purposes of resources allocation and performance assessment.

* *During the eighteen months ended 30 June 2025, the Company extended its Manufacturing business and commenced to produce and sell bakery products, such as bread and tarts.*

(a) Segment revenue and results

Information regarding the reportable segment revenue and results and other information for the eighteen months ended 30 June 2025 and the year ended 31 December 2023 is set out below:

	Eighteen months ended 30 June 2025		
	Manufacturing	**Trading**	**Total**
	RMB'000	***RMB'000***	***RMB'000***
Segment revenue:			
External sales	32,040	906,083	938,123
Inter-segment sales	4,387	5,500	9,887
	36,427	911,583	948,010
Reportable segment (loss) profit	(80,219)	12,998	(67,221)
Other information:			
Depreciation and amortisation	(15,396)	(145)	(15,541)
Interest revenue	67	659	726
Interest expenses	(81)	–	(81)
Impairment loss recognised for:			
– Trade receivables	–	(104)	(104)
– Property, plant and equipment	(4,282)	–	(4,282)
	(4,282)	(104)	(4,386)
Reversal of impairment of inventories	334	–	334
Write-off of inventories	–	(36,880)	(36,880)

	Year ended 31 December 2023		
	Manufacturing	Trading	Total
	RMB'000	*RMB'000*	*RMB'000*
Segment revenue:			
External sales	406,199	39,015	445,214
Inter-segment sales	47,771	–	47,771
	453,970	39,015	492,985
Reportable segment profit	73,199	13,372	86,571
Other information:			
Depreciation and amortisation	(6,437)	(126)	(6,563)
Interest revenue	577	38	615
Interest expenses	(2,852)	(52)	(2,904)
Reversal of impairment loss recognised for:			
– Deposits and other receivables	62	58	120
Impairment of inventories	(334)	–	(334)

(b) Reconciliations of reportable segment revenue and results

Information regarding the reconciliations of reportable segment revenue and results to the consolidated revenue and results for the eighteen months ended 30 June 2025 and the year ended 31 December 2023, respectively is set out below:

	Eighteen months ended 30 June 2025	Year ended 31 December 2023
	RMB'000	*RMB'000*
Revenue		
Reportable segment revenue	**948,010**	492,985
Elimination of inter-segment revenue	**(9,887)**	(47,771)
Consolidated revenue	**938,123**	445,214
Profit before income tax expense		
Reportable segment (loss) profit	**(67,221)**	86,571
Unallocated corporate income	**4**	31
Unallocated gain on Disposal of the Disposal Group	**2,451**	–
Listing expenses	**–**	(4,515)
Unallocated corporate expenses	**(5,706)**	(5,388)
Consolidated (loss) profit before tax	**(70,472)**	76,699

(c) Geographical information

The management determines the Group is domiciled in the PRC, which is the location of the Group's principal office. The Group's revenue information above is based on the delivery destinations of the Group's products requested by the customers. The Group's revenue from external sales is all derived from the customers located in the PRC.

The geographical location of non-current assets (other than deferred tax assets and financial assets) is based on the physical location of the assets or the location of operation to which they are allocated. As at 30 June 2025 and 31 December 2023, all of the Group's non-current assets are located in the PRC.

(d) Information about major customers

Revenue attributed to customers that accounted for 10% or more of the Group's total revenue as follows:

	Eighteen months ended 30 June 2025	Year ended 31 December 2023
	RMB'000	*RMB'000*
Customer A#	**108,185**	N/A
Customer B##	**N/A**	184,803
Customer C##	**–***	70,028
Customer D##	**–***	59,310

* The corresponding revenue did not contribute 10% of the total revenue of the Group for the period/year

\# Revenue from Trading business

\## Revenue from both Manufacturing and Trading business

5. REVENUE

The Group is principally engaged in sourcing, processing and trading of dried delicacies, snacks, dried aquatic products, grains, bakery products and seasonings and others in the PRC.

Revenue represents the net invoiced value of goods supplied and earned by the Group.

(a) Disaggregation of revenue from contracts with customers

(i) The Group derives revenue from the transfer of goods and services by categorisation of major product lines and business

	Eighteen months ended 30 June 2025	Year ended 31 December 2023
	RMB'000	*RMB'000*
Revenue from contracts with customers within the scope of HKFRS 15		
Sale of following types of goods:		
Dried delicacies	**547,028**	112,060
Snacks	**24,091**	232,984
Dried aquatic products	**167,151**	72,888
Grains	**9,831**	22,955
Bakery products	**30,064**	991
Seasonings and others	**159,958**	3,336
	938,123	445,214

(ii) ***The Group derives revenue from the transfer of goods and services by timing of revenue recognition***

	Eighteen months ended 30 June 2025 *RMB'000*	Year ended 31 December 2023 *RMB'000*
Revenue from contracts with customers within the scope of HKFRS 15		
Timing of revenue recognition:		
At a point in time	**938,123**	445,214

(iii) ***The Group derives revenue from the transfer of goods and services by geographical markets***

Information about the Group derives revenue from the transfer of goods and services by geographical markets is set out in Note 4.

(b) Contract balances

	Notes	**30 June 2025** *RMB'000*	31 December 2023 *RMB'000*	1 January 2023 *RMB'000*
Trade receivables	*15*	**228,257**	92,300	64,016
Less: Impairments		**(104)**	–	–
		228,153	92,300	64,016
Contract liabilities		**–**	9	506

(c) Performance obligations for contracts with customers and revenue recognition policies

The Group is principally engaged in sourcing, processing and trading of dried delicacies, snacks, dried aquatic products, grains, bakery products, seasonings and others in the PRC.

Revenue represents the net invoiced value of goods supplied and earned by the Group.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Group's activities.

The Group's performance obligations for contracts with customers and revenue and other income recognition policies are as follows:

Revenue from contracts with customers

Sales of dried delicacies, snacks, dried aquatic products, grains, bakery products and seasonings and others

The Group sells goods and products directly to the customers. Sales are recognised when control of the goods and products has transferred, being when the goods and products are delivered (i.e. at a point of time), the customer has the ability to direct the usage of the goods and product, obtain substantially all of the remaining benefits from it, and there is no unfulfilled obligation that could affect the customer's acceptance of the goods and products. Delivery occurs when the goods and products have been shipped to the specified location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the goods and products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied.

Revenue from these sales is recognised based on the price specified in the contract. No element of financing is deemed present as the invoices are generally 30 to 90 days, which is consistent with the market.

Some contracts for the sales of food products provide customers with rights of return and discounts. The rights of return give rise to variable consideration and the revenue are recorded at the price specified in the sales contracts/invoices, net of the estimated discounts. For contracts which provided a customer with a right of return the goods within a specified period, the expected value method is used to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirement of HKFRS 15 on constraining estimates of variable consideration are applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, a refund liability is recognised. A right-of-return asset (and the corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

Other income

(i) Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

(ii) Government grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same period in which the expenses are incurred.

(d) Transaction price allocated to remaining performance obligation

The Group has applied the practical expedient to its contracts with customers of both manufacturing and trading and therefore the above information does not include information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the contracts that had an original expected duration of one year or less.

6. OTHER INCOME

	Eighteen months ended 30 June 2025	Year ended 31 December 2023
	RMB'000	*RMB'000*
Interest income	**730**	646
Government grants *(Note below)*	**3,455**	5,709
	4,185	6,355

Note: Government grants mainly represent grants received from the PRC local government authority relating to:

(a) incentive for being successfully listed on the Main Board of the Stock Exchange received during the eighteen months ended 30 June 2025 and the year ended 31 December 2023;

(b) incentive of agricultural development for the year ended 31 December 2023 which does not have other unfulfilled obligations;

(c) incentive for revenue growth and new technology industrial enterprise for the year ended 31 December 2023 which does not have other unfulfilled obligations; and

(d) incentive for agricultural brand development for the eighteen months ended 30 June 2025 which does not have other unfulfilled obligations.

7. OTHER GAINS AND LOSSES, NET

	Eighteen months ended 30 June 2025	Year ended 31 December 2023
	RMB'000	*RMB'000*
Gain on Disposal of the Disposal Group	**2,451**	–
Loss on disposal of property, plant and equipment	**(6,503)**	(2)
Net foreign exchange losses, net	**(896)**	(162)
	(4,948)	(164)

8. FINANCE COSTS

	Eighteen months ended 30 June 2025	Year ended 31 December 2023
	RMB'000	*RMB'000*
Interest expenses on bank and other borrowings	**81**	2,902
Interest expenses on leases	**–**	2
	81	2,904

9. (LOSS) PROFIT BEFORE TAX

The Group's (loss) profit before tax is arrived at after charging (crediting):

	Eighteen months ended 30 June 2025	Year ended 31 December 2023
	RMB'000	*RMB'000*
Employee costs (including directors' emoluments) comprise:		
Wages and salaries	**13,574**	40,017
Contributions to retirement benefits scheme	**2,044**	7,376
Other employee benefits	**7,971**	1,548
	23,589	48,941
Depreciation charge:		
– Property, plant and equipment	**15,541**	6,010
– Right-of-use-assets	**332**	223
	15,873	6,233
Amortisation of intangible assets included in:		
– Research and development costs	**–**	330
Cost of sales	**950,338**	297,954
Including:		
Write-off of inventories	**36,880**	–
Impairment loss recognised, net of reversal	**(334)**	334
Others:		
Auditor's remuneration	**915**	660
Research and development costs recognised as an expense	**8,070**	18,319
Listing expenses	**–**	4,515

10. INCOME TAX EXPENSE

The amount of income tax expense in the consolidated statement of profit or loss and other comprehensive income (expense) represents:

	Eighteen months ended 30 June 2025	Year ended 31 December 2023
	RMB'000	*RMB'000*
PRC Enterprise Income Tax (the "**PRC EIT**")		
− Current year	**38,746**	8,926
− (Over) under provision in prior periods/years	**(433)**	107
	38,313	9,033
Deferred tax charge		
− Current year	**(33)**	149
Income tax expense	**38,280**	9,182

The Group is subject to income tax on an entity basis on profits arising in or derived from the tax jurisdictions in which members of the Group are domiciled and operate. Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Company incorporated in the Cayman Islands and the Company's subsidiary incorporated in the BVI are not subject to any income tax.

No provision for Hong Kong Profits Tax has been made in the financial statements as the entities in the Group had no assessable profits for both of the period/year presented.

Pursuant to the income tax rules and regulations of the PRC, the provision for PRC EIT of the subsidiaries of the Group is calculated based on the statutory tax rate of 25%, except for the following two subsidiaries. Jiangxi Zhengwei Food Co., Limited and Guangchang County Zhenglian Biotechnology Co., Limited were approved for the High and New Technology Entities ("**HNTE**") qualification under the PRC EIT Law and its relevant regulations and are entitled to a preferential tax rate of 15%.

According to the relevant laws and regulations promulgated by the State Taxation Administration of the PRC, enterprises engaging in research and development activities are entitled to claim 100% (year ended 31 December 2023: 100%) of the research and development expenses as tax deductible expense.

11. DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company during the eighteen months ended 30 June 2025 and the year ended 31 December 2023 and, nor has any dividend been proposed since the end of the reporting period.

12. (LOSS) EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to ordinary equity holders of the Company is based on the following data:

	Eighteen months ended 30 June 2025	Year ended 31 December 2023
(Loss) profit for the period/year attributable to owners of the Company for the purpose of computation of basic and diluted (loss) earnings per share *(RMB'000)*	**(108,752)**	67,517
Weighted average number of ordinary shares for the purpose of calculating basic and detailed earnings per share *('000)*	**965,850**	793,425
Basic and diluted (loss) earnings per share *(RMB)*	**(0.11)**	0.09

The weighted average number of ordinary shares for the purpose of calculating basic earnings per share for the year ended 31 December 2023 has been determined on the assumption that the Capitalisation Issue of 594,736,800 ordinary shares have been effective on 1 January 2023 and the weighted average number of approximately 193,425,000 ordinary shares of the Company issued upon the listing on the Main Board of the Stock Exchange on 13 January 2023.

The weighted average number of ordinary shares for the purpose of calculating basic earnings per share for the eighteen months ended 30 June 2025 has been adjusted for the new issue of shares during the period.

Diluted earnings per share amount for the eighteen months ended 30 June 2025 and for the year ended 31 December 2023 were the same as basic earnings per share amount as there were no potential dilutive ordinary shares outstanding during the period/year.

13. PROPERTY, PLANT AND EQUIPMENT

	Buildings	Leasehold improvement	Plant and machineries	Furniture, electronic and other equipment	Motor Vehicles	Construction in progress ("CIP")	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
Cost							
As at 1 January 2023	28,298	6,555	19,689	2,923	708	–	58,173
Additions	3,285	–	15,154	156	–	52,435	71,030
Disposals	–	–	–	(30)	–	–	(30)
Transfer (from) to	12,715	–	39,720	–	–	(52,435)	–
As at 31 December 2023 and 1 January 2024	**44,298**	**6,555**	**74,563**	**3,049**	**708**	**–**	**129,173**
Additions	**–**	**–**	**–**	**40**	**–**	**–**	**40**
Disposals	**–**	**–**	**(10,369)**	**–**	**–**	**–**	**(10,369)**
Disposal of the Disposal Group	**(44,298)**	**(6,555)**	**(23,982)**	**(3,018)**	**(708)**	**–**	**(78,561)**
As at 30 June 2025	**–**	**–**	**40,212**	**71**	**–**	**–**	**40,283**
Accumulated depreciation							
As at 1 January 2023	3,500	4,860	5,159	1,963	560	–	16,042
Charge for the year	1,828	418	3,323	402	39	–	6,010
Eliminated on disposals	–	–	–	(28)	–	–	(28)
As at 31 December 2023 and 1 January 2024	5,328	5,278	8,482	2,337	599	–	22,024
Charge for the period	5,758	–	9,407	323	53	–	15,541
Eliminated on disposals	–	–	(3,366)	–	–	–	(3,366)
Eliminated on Disposal of the Disposal Group	(11,086)	(5,278)	(7,837)	(2,639)	(652)	–	(27,492)
Impairment loss recognised	–	–	4,282	–	–	–	4,282
As at 30 June 2025	**–**	**–**	**10,968**	**21**	**–**	**–**	**10,989**
Net book value							
As at 30 June 2025	**–**	**–**	**29,244**	**50**	**–**	**–**	**29,294**
As at 31 December 2023	38,970	1,277	66,081	712	109	–	107,149

At 31 December 2023, the Group's buildings with an aggregate carrying amount of approximately RMB24,016,000 were pledged to secure banking facilities granted to the Group.

The above items of property, plant and equipment, after taking into account the residual values, are depreciated on a straight-line basis on the following bases:

Buildings	Shorter of 2% – 3% or period of the lease term
Leasehold improvement	Shorter of 3% – 20% or period of the lease term
Plant and machineries	10% – 20%
Furniture, electronic and other equipment	20%
Motor vehicles	20%

Impairment assessment for plant and machineries under property, plant and equipment

As described in Note 4, during the eighteen months ended 30 June 2025, the Company extended its Manufacturing business and commenced to produce and sell bakery products, such as bread and tarts. However, the financial performance relating to the production and selling of the bakery products was not satisfactory and thus, the management consider that there has an impairment indicator relating to the Group's plant and machineries attributable to the production and selling of bakery products.

Management considers the production and selling of the bakery products as a separately identifiable cash-generating unit and monitors their financial performance for the existence of an impairment indicator, such as the conditions of the plant and machineries and the operating income generated from the respective production line.

The recoverable amount of the cash-generating unit ("**CGU**") has been determined based on the higher of value in use and fair value less costs of disposal using the depreciated replacement cost method as described below. If the carrying amount of the plant and machineries is higher than its recoverable amount, the carrying amount of the plant and machineries shall be impaired down to its recoverable amount, if appropriate.

The Group engages an independent professional qualified valuer to perform the valuation in arriving the fair value less costs of disposal.

In determining the fair value less costs of disposal of the plant and machineries, the management of the Company is responsible to determine the appropriateness of valuation techniques and inputs for fair value measurements. The management works closely with the independent professional qualified valuer to establish the appropriate valuation techniques and inputs to the model. The valuation is based on a depreciated replacement cost method due to absence of a known second hand market. The depreciated replacement cost approach considers the cost to reproduce or replace in new condition the plant and machineries, with allowance for accrued depreciation as evidenced by an observed condition or obsolescence percent, whether arising from physical, functional or economic causesis which is within Level 3 of the fair value hierarchy.

Based on the impairment assessments, as at 30 June 2025, the aggregate carrying amounts of those identified plant and machineries amounted to approximately RMB33,526,000 which was higher than its estimated recoverable amount of approximately RMB29,244,000 and accordingly, impairment losses of approximately RMB4,282,000 were recognised and charged to profit or loss for the eighteen months ended 30 June 2025 to reduce the carrying amounts of the plant and machineries to their recoverable amounts.

14. INVENTORIES

	30 June 2025	31 December 2023
	RMB'000	*RMB'000*
Raw materials	**–**	50,340
Finished goods	**–**	43,536
Finished goods – purchased merchandise	**71,970**	4,730
	71,970	98,606
Less: Impairments	**–**	(334)
	71,970	98,272

15. TRADE RECEIVABLES

	30 June 2025	31 December 2023
	RMB'000	*RMB'000*
Trade receivables contract with customers	**228,257**	92,300
Less: Impairments	**(104)**	–
	228,153	92,300

As at 1 January 2023, trade receivable from contracts with customers amounted to RMB64,016,000.

The Group's trading term with customers are mainly on credit. The credit terms are generally 30 to 90 days.

An ageing analysis, based on the date of invoice, which approximates the respective revenue recognition dates (before impairment), as of the end of each reporting period is as follows:

	30 June 2025	31 December 2023
	RMB'000	*RMB'000*
Within 1 month	**109,028**	62,392
1 to 2 months	**56,963**	29,908
2 to 3 months	**41,784**	–
3 to 6 months	**20,482**	–
	228,257	92,300

Movements on the Group's provision for impairment on trade receivables are as follows:

	Eighteen months ended 30 June 2025	Year ended 31 December 2023
	RMB'000	*RMB'000*
At beginning of the period/year	**–**	–
Impairment losses recognised	**104**	–
At end of the period/year	**104**	–

16. TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS

	30 June 2025	31 December 2023
	RMB'000	*RMB'000*
Trade payables	**46,722**	48,360
Other payables and accruals		
– Amount due to shareholder	**3,092**	–
– Other tax payables	**4,026**	2,462
– Accrued salaries	**285**	8,266
– Accrued expenses	**1,468**	6,046
	8,871	16,774

An ageing analysis of trade payables as at the respective reporting dates, based on the invoice dates, is as follows:

	30 June 2025	31 December 2023
	RMB'000	*RMB'000*
0 – 60 days	**46,722**	48,360
61 – 90 days	**–**	–
	46,722	48,360

The Group's trade payables are non-interest bearing and generally have payment terms of up to 30 days.

17. SHARE CAPITAL

	Number	Par value per share *US$*	Amount *US$'000*	Amount *RMB$'000*
Ordinary shares				
Authorised				
As at 1 January 2023, 31 December 2023, 1 January 2024 and 30 June 2025	8,000,000,000	0.01	80,000	1,272
Issued and fully paid				
As at 1 January 2023	5,263,200	0.01	53	372
Issuance of shares for Capitalisation Issue *(Note (a)(i) below)*	594,736,800	0.01	5,947	41,313
Issuance of new shares upon listing *(Note (a)(ii) below)*	200,000,000	0.01	2,000	13,895
As at 31 December 2023 and 1 January 2024 (Ordinary shares of HK$0.1 each)	800,000,000	0.01	8,000	55,580
First placing of shares *(Note (b)(i) below)*	**160,000,000**	**0.01**	**1,600**	**11,364**
Second placing of share *(Note (b)(ii) below)*	**160,000,000**	**0.01**	**1,600**	**11,454**
As at 30 June 2025	**1,120,000,000**	**0.01**	**11,200**	**78,398**

The movements of the authorised and issued share capital of the Company during the year ended 31 December 2023 and the eighteen months ended 30 June 2025 are as following:

(a) During the year ended 31 December 2023

(i) Issuance of shares of Capitalisation Issue

Pursuant to a resolutions of the shareholders passed on 16 December 2022, subject to the share premium account of the Company being credited as a result of the share offer, the directors were authorised to allot and issue a total of 594,736,800 shares credited as fully paid at par to the holders of the shares on the register of members of the Company at the close of business on 15 December 2022 in proportion to their shareholdings by way of capitalisation of the sum of HK$5,947,368 standing to the credit of the share premium account of the Company (the "**Capitalisation Issue**"). The Capitalisation Issue is effective upon listing on 13 January 2023, pursuant to the written resolutions of the shareholders passed on 16 December 2022. The shares allotted and issued rank pari passu in all respects with the existing issued shares.

(ii) Issuance of new shares upon listing

On 13 January 2023, the Company issued 200,000,000 new shares at a price of HK$0.68 per share, which gave rise to gross proceeds of HK$136,000,000 (equivalent to approximately RMB121,491,000) (before share issue expenses).

(b) During the eighteen months ended 30 June 2025

(i) First placing of shares

Pursuant to the Company's announcement on 14 May 2024, at the same date, the Company entered into an agreement (the "**First Placing Agreement**") with a placing agent (the "**First Placing Agent**"), pursuant to which the First Placing Agent has conditionally agreed, as placing agent of the Company, to procure, on a best effort basis, the placing of a maximum of 160,000,000 placing shares (the "**First Placing Shares**") to certain placees (the "**First Placing Placees**") at the placing price of HK$0.138 (the "**First Placing Price**") per First Placing Share (the "**First Placing**").

The First Placing Shares represented: (i) 20.00% of the total existing issued shares as at 23 December 2023; and (ii) approximately 16.67% of the total issued shares as enlarged by the allotment and issue of the First Placing Shares.

The First Placing Price of HK$0.138 per First Placing Share represented (i) a discount of approximately 4.83% to the closing price of HK$0.145 per share as quoted on the Stock Exchange on 14 May 2024; and (ii) a discount of approximately 4.83% to the average of the closing prices of approximately HK$0.145 per share as quoted on the Stock Exchange for the five consecutive trading days immediately preceding 14 May 2024.

The First Placing Shares were allotted and issued under the general mandate granted to the directors of the Company by resolution of the shareholders passed at the annual general meeting held on 31 May 2023.

Pursuant to the Company's announcement dated 5 June 2024, the Company announced that all the conditions set out in the First Placing Agreement have been fulfilled and completion of the First Placing took place on 5 June 2024.

The directors consider that the First Placing Placees and their respective ultimate beneficial owners are Independent Third Parties of its connected persons.

The net proceeds from the First Placing amounted to approximately HK$20.72 million, representing a net issue price of approximately HK$0.138 per First Placing Share. The Company intends to apply the net proceeds of the First Placing as general working capital of the Group.

Further details of the above are set out in the Company's announcements dated 14 May 2024, 23 May 2024 and 5 June 2024.

(ii) Second placing of shares

Pursuant to the Company's announcement on 18 November 2024, at the same date, the Company entered into an agreement (the "**Second Placing Agreement**") with a placing agent (the "**Second Placing Agent**"), pursuant to which the Second Placing Agent has conditionally agreed, as placing agent of the Company, to procure, on a best effort basis, the placing of a maximum of 160,000,000 placing shares (the "**Second Placing Shares**") to certain placees (the "**Second Placing Placees**") at the placing price of HK$0.038 (the "**Second Placing Price**") per Second Placing Share (the "**Second Placing**").

The Second Placing Shares represented: (i) 16.67% of the total existing issued shares as at 18 November 2024; and (ii) approximately 14.29% of the total issued shares as enlarged by the allotment and issue of the Second Placing Shares.

The Second Placing Price of HK$0.038 per Second Placing Share represented (i) a discount of approximately 19.15% to the closing price of HK$0.047 per share as quoted on the Stock Exchange on 18 November 2024; and (ii) a discount of approximately 11.21% to the average of the closing prices of approximately HK$0.0428 per share as quoted on the Stock Exchange for the five consecutive trading days immediately preceding 18 November 2024.

The Second Placing Shares were allotted and issued under the general mandate granted to the directors of the Company by resolution of the shareholders passed at the annual general meeting held on 31 May 2024.

Pursuant to the Company's announcement dated 6 January 2025, all the conditions set out in the Second Placing Agreement have been fulfilled and completion of the Second Placing took place on 6 January 2025.

The directors consider that the Second Placing Placees and their respective ultimate beneficial owners are Independent Third Parties of its connected persons.

The net proceeds from the Second Placing amounted to approximately HK$5.76 million, representing a net issue price of approximately HK$0.038 per Second Placing Share. The Company intends to apply the net proceeds of the Second Placing for the general working capital of the Group.

Further details of the above are set out in the Company's announcements dated 18 November 2024, 9 December 2024 and 6 January 2025.

The above new issued shares during the year ended 31 December 2023 and the eighteen months ended 30 June 2025 rank *pari passu* in all respects with each other in the share capital of the Company.

18. DISPOSAL OF THE DISPOSAL GROUP

Pursuant to the announcement of the Company dated 2 June 2025, the Company announced that on 8 October 2024, 屏南縣安旺貿易有限公司 (Pingnan County Anwang Trading Co., Ltd., "Pingnan County Anwang Trading", a food supplier of the Group) and 福建佳之味食品有限公司 (Fujian Jiazhiwei Food Co., Ltd., "Fujian Jiazhiwei Food", an indirectly wholly-owned subsidiary of the Company), entered into a sale and purchase contract (the "**Contract**"), pursuant to which, Pingnan County Anwang Trading agreed to sell, and Fujian Jiazhiwei Food agreed to purchase, food supplies at a total sum of RMB38,190,000 (the "**Goods Payment Sum**"). Pingnan County Anwang Trading alleged that whilst it had discharged its obligations under the Contract, Fujian Jiazhiwei Food had failed to perform its obligations, primarily the payment of the food supplies procured from Pingnan County Anwang Trading (the "**Non-Performance**").

On 6 February 2025, in view of the Non-Performance of the Contract by Fujian Jiazhiwei Food, the Company agreed to pledge 100% equity interest (the "**Share Pledge**") held by it in 江西正味食品有限公司 (Jiangxi Zhengwei Food Co., Limited, "Jiangxi Zhengwei Food", an indirectly wholly-owned subsidiary of the Company, together with Fujian Jiazhiwei Food and the Company, collectively referred to as the "**Defendants**") to Pingnan County Anwang Trading. However, as Pingnan County Anwang Trading alleged that the Goods Payment Sum remained unpaid and the Share Pledge was not registered at the time of claim, Pingnan County Anwang Trading lodged a claim against the Defendants on 3 April 2025 (the "**Legal Proceedings**").

On 7 May 2025, Pingnan County Anwang Trading and the Defendants have entered into a civil mediation agreement (the "**Civil Mediation Agreement**") to reach settlement in respect of the Legal Proceedings through mediation conducted by 福建省福州市鼓樓區人民法院 ("**Fujian Province Fuzhou Gulou People's Court**", the "**Court**"). Pursuant to the Civil Mediation Agreement issued by the Court, it is agreed that (i) the Legal Proceedings shall be settled; (ii) Fujian Jiazhiwei Food shall pay the Goods Payment Sum to Pingnan County Anwang Trading in three instalments: out of which RMB10,000,000 shall be paid by 9 May 2025; RMB15,000,000 shall be paid by 9 June 2025; and RMB13,190,000 shall be paid by 9 July 2025 (collectively referred to as the "**Repayment Obligation**"); (iii) the Company, together with Jiangxi Zhengwei Food shall be jointly and severally liable for the Repayment Obligation on the part of Fujian Jiazhiwei Food; and (iv) if Fujian Jiazhiwei Food fails to discharge its Repayment Obligation and the Company and Jiangxi Zhengwei Food fail to repay on behalf of Fujian Jiazhiwei Food, Fujian Jiazhiwei Food is subject to a default interest on the Goods Payment Sum and Pingnan County Anwang Trading is entitled to deal with the assets of the Defendants, including to dispose of the 100% equity interest of Jiangxi Zhengwei Food by way of auction. However, up to 2 June 2025, as the Defendants failed to comply with the abovementioned Civil Mediation Agreement, inter alia, failure to discharge the Repayment Obligation due to the delay in fund transfer, thereby failing to meet the prescribed timeline of the Repayment Obligation as stated in the Civil Mediation Agreement, Pingnan County Anwang Trading has filed an application to deal with or otherwise to sell of the 100% equity interest of Jiangxi Zhengwei Food by way of auction.

Jiangxi Zhengwei Food and its subsidiaries (collectively referred to as the "**Disposal Group**") is principally engaged in investment holding, processing and trading of snacks and performing research developing in the PRC.

Pursuant to the 執行調解書 ("**Execution of Mediation Agreement**") entered into between Pingnan County Anwang Trading, Fujian Jiazhiwei Food, the Company and Jiangxi Zhengwei Food dated 28 May 2025, the Company agreed to dispose (the "**Disposal**") of its entire equity interest in Jiangxi Zhengwei Food to an independent third party, 屏南県行天下科技有限公司 ("Pingnan County Xuxing Tianxia Technology Co., Ltd., the "**Disposal Group Purchaser**") and the considerations include: (i) settlement the balance of Repayment Obligation of RMB36,140,000; (ii) cash consideration of RMB5,860,000; and (iii) the right to use of the factory premises and the land use right owned by Jiangxi Zhengwei Food for a term of two years without any charges (collectively referred to as the "**Settlement Amounts**").

Upon the completion on the Disposal of Jiangxi Zhengwei Food to the Disposal Group Purchaser on 13 June 2025 (the "**Date of Disposal**"), the Group had loss of control of the Disposal Group and the assets and liabilities of that the Disposal Group are derecognised accordingly. A gain of approximately RMB2,451,000 is recognised which was credited to profit or loss of the Group for the eighteen months ended 30 June 2025 and is calculated as the difference between (i) the aggregate of the fair value of the Settlement Amounts and (ii) the carrying amount of the assets, and liabilities of the Disposal Group attributable to the owners of the Company at the Date of Disposal. The Company then surrendered all the books and records of the Disposal Group, including but not limited to the management accounts, ledgers and sub-ledgers accounts, vouchers, bank statements, agreements and other documentations to the Disposal Group Purchaser and the financial statements of the Disposal Group were then derecognised from the consolidated financial statements of the Company with effective from the Date of Disposal.

When the Company preparing the consolidated financial statements of the Company for the eighteen months ended 30 June 2025, in view of the non-cooperation of the Disposal Group Purchaser, the management of the Company was unable to access sufficient books and records of the deconsolidated Disposal Group and the books and records which are available and were retained by the Company were not found to be of a sufficient level for the purposes of audit and thus, the management of the Company consider that they were unable to have sufficient appropriate books and record to ascertain whether the assets and liabilities of the Disposal Group as at 1 January 2023, 31 December 2023 and the Date of Disposal and the income and expenses of the Disposal Group during the period from 1 January 2023 up to the Date of the Disposal of the Disposal Group as set out below are fairly stated and properly reflected, despite the fact that the directors of the Company have taken all reasonable steps and have used their best endeavours to resolve the matter.

Financial information of the Disposal Group

Set out below is the financial information relating to the assets and liabilities of the Disposal Group as at 31 December 2023 and the Date of Disposal and the income and expenses of the Disposal Group during the period from 1 January 2023 up to the Date of Disposal as included in the consolidated financial statements of the Group, which is based on the best information available and retained books and records of the Company:

(a) Gain on Disposal of the Disposal Group

An analysis of the gain on Disposal of the Disposal Group and the net assets of the Disposal Group at the Date of Disposal is as following:

	RMB'000
Settlement Amounts comprise:	
– Settlement of Repayment Obligation (included in the trade payables)	36,140
– Cash consideration	5,860
– Right-of-use of factory premises (note below)	3,279
	45,279
Analysis of assets and liabilities over which control was lost:	
Property, plant and equipment	51,069
Right-of-use assets	5,837
Goodwill	269
Financial asset at fair value through other comprehensive income	1,354
Deferred tax assets	474
Right of return assets	156
Income tax payable	172
Prepayments, deposits and other receivables	9,915
Cash and cash equivalents	1,369
Other payables and accruals	(26,877)
Lease liabilities	(84)
Net assets disposed of	43,654
Gain on Disposal of the Disposal Group	
Settlement Amounts received and receivables	45,279
Net assets disposed of	(43,654)
Reclassification of property valuation reserve upon Disposal of the Disposal Group	826
Gain on Disposal of the Disposal Group	2,451
An analysis on net inflows of bank balances and cash in respect of the Disposal of the Disposal Group is as follows:	
Cash consideration	5,860
Less: Bank balances and cash disposed of	(1,369)
Net cash inflows	4,491

Note: The amount represents the fair value of the right-of-use of the factory premises and the land use right owned by Jiangxi Zhengwei Food for a term of two years without any charges which was based on a valuation conducted by an independent professional valuer.

(b) Unaudited income and expenses of the Disposal Group

An analysis of the income and expenses of the Disposal Group during the year ended 31 December 2023 and the period from 1 January 2024 up to Date of Disposal of the Disposal Group is as following:

	Period from 1 January 2024 to the Date of Disposal	Year ended 31 December 2023
	RMB'000	*RMB'000*
Revenue	**12,531**	444,223
Cost of sales and service	**(100,744)**	(297,251)
Gross (loss) profit	**(88,213)**	146,972
Other income, gains and losses, net	**(2,969)**	6,312
Selling and distribution expenses	**(1,965)**	(32,677)
Administrative and operating expenses	**(22,231)**	(28,838)
Finance costs	**(81)**	(2,903)
(Loss) profit before taxation	**(115,459)**	88,866
Income tax expenses	**(20,668)**	(9,183)
(Loss) profit for the period/year	**(136,127)**	79,683

(c) Unaudited assets and liabilities of the Disposal Group

An analysis of the assets and liabilities of the Disposal Group as at 31 December 2023 is as following:

	RMB'000
Property, plant and equipment	52,869
Right-of-use assets	6,032
Goodwill	269
Financial asset at fair value through other comprehensive income	1,354
Deferred tax assets	797
Right of return assets	156
Inventories	97,856
Trade receivables	91,635
Prepayments, deposits and other receivables	4,743
Cash and cash equivalents	199,099
Trade payables	(47,859)
Other payables and accruals	(38,623)
Income tax payable	(2,415)
Lease liabilities	(84)
Bank borrowing	(18,199)
Contract liabilities	(9)
Net assets of the Disposal Group	347,621

In view of the lack of sufficient financial information of the Disposal Group as described above, no other financial information, including the cash inflows and outflows of the Disposal Group during the period from 1 January 2023 up to the Date of the Disposal of the Disposal Group was presented.

The management of the Company considers that the above information represents the best information available to the management of the Company, if appropriate.

The directors also consider that, in view of the Disposal of the Disposal Group was completed and the financial statements of the Disposal Group were derecognised during the eighteen months ended 30 June 2025 and thus, the Disposal of the Disposal Group will not have any significant financial impacts to the consolidated financial position of the Company as at 30 June 2025 and the consolidated financial performance of the Company subsequent to 30 June 2025.

EXTRACT OF THE INDEPENDENT AUDITOR'S REPORT ON THE COMPANY'S CONSOLIDATED FINANCIAL STATEMENTS FOR THE EIGHTEEN MONTHS ENDED 30 JUNE 2025

SFAI (HK) CPA Limited, the independent auditor of the Company, expressed a qualified opinion on the Group's consolidated financial statements for the eighteen months ended 30 June 2025. The sections headed "Qualified Opinion" and "Basis for Qualified Opinion" set out below are extracted from the independent auditor's report:

QUALIFIED OPINION

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 June 2025, and of its consolidated financial performance and its consolidated cash flows for the eighteen months ended 30 June 2025 in accordance with HKFRS Accounting Standards ("**HKFRSs**") issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIC FOR QUALIFIED OPINION

Insufficient accounting records relating to Disposal of the Disposal Group during the eighteen months ended 30 June 2025

As described in Note 32 to the consolidated financial statements, upon the completion on the disposal (the "**Disposal**") of 江西正味食品有限公司 (Jiangxi Zhengwei Food Co., Limited, a former indirectly wholly-owned subsidiary of the Company and its subsidiaries, the "**Disposal Group**") to the Disposal Group purchaser (the "**Disposal Group Purchaser**") on the date of Disposal (the "**Date of Disposal**"), the Group had loss of control of the Disposal Group and the assets and liabilities of that Disposal Group are derecognised accordingly. A gain of approximately RMB2,451,000 on Disposal of the Disposal Group is recognised which was credited to the profit or loss of the Group for the eighteen months ended 30 June 2025. The Company then surrendered all the books and records of the Disposal Group, including but not limited to the management accounts, ledgers and sub-ledgers accounts, vouchers, bank statements, respective agreements and supporting documentations to the Disposal Group Purchaser and the financial statements of the Disposal Group were then derecognised from the consolidated financial statements of the Company with effective from the Date of Disposal.

When the management preparing the consolidated financial statements of the Company for the eighteen months ended 30 June 2025, in view of the non-cooperation of the Disposal Group Purchaser, the management of the Company was unable to access sufficient books and records of the deconsolidated Disposal Group and the books and records which are available and were retained by the Company were not found to be of a sufficient level for the purposes of audit and thus, the management of the Company consider that they were unable to have sufficient appropriate books and record to ascertain whether the assets and liabilities of the Disposal Group as at 1 January 2023, 31 December 2023 and the Date of Disposal and the income and expenses of the Disposal Group during the period from 1 January 2023 up to the Date on Disposal of the Disposal Group as set out in Note 32 to the consolidated financial statements are fairly stated and properly reflected, despite the fact that the directors of the Company have taken all reasonable steps and have used their best endeavours to resolve the matter.

As a result, we were unable to carry out sufficient appropriate audit evidence and there were no alternative audit procedures to satisfy ourselves as to whether the assets and liabilities of the Disposal Group as at 1 January 2023, 31 December 2023 and the Date of Disposal and the income and expenses of the Disposal Group during the period from 1 January 2023 up to the Date on Disposal of the Disposal Group are fairly stated and properly reflected, and the segment information and other related disclosure notes thereof, and also the gain on the Disposal of the Disposal Group was properly credited to the profit or loss for the eighteen months ended 30 June 2025 have been accurately recorded and properly accounted for which were included in the consolidated financial statements of the Company for the eighteen months ended 30 June 2025.

Any adjustments to the figures as described above might have a consequential effect on the Group's consolidated financial performance and its consolidated cash flows for the year ended 31 December 2023 and the eighteen months ended 30 June 2025, and the consolidated financial position of the Group as at 1 January 2023 and 31 December 2023 and the related disclosures thereof in the consolidated financial statements.

We conducted our audit in accordance with Hong Kong Standards on Auditing ("**HKSAs**") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "**Code**"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

VIEWS OF THE BOARD AND THE AUDIT COMMITTEE ON THE QUALIFIED OPINION

The Board and the audit committee of the Company (the "**Audit Committee**") noted that the consolidated financial statements of the Company for the eighteen months ended 30 June 2025 were subject to the qualified opinion (the "**Qualified Opinion**") of the auditors, on the basis as set out in the section headed "Basis for Qualified Opinion" in the independent auditor's report.

The Board and the Audit Committee did not express different views from that of the auditors. The audit committee meeting (the "**AC Meeting**") was held on 30 September 2025, among others, to consider and approve the consolidated financial statements of the Company and the independent auditor's report for the eighteen months ended 30 June 2025. During the AC Meeting, the auditors have reported their audit work performed for the independent auditor's report of the Company for the eighteen months ended 30 June 2025. Due to the non-cooperation of the Disposal Group Purchaser, the management of the Company was unable to access sufficient books and records of the deconsolidated Disposal Group and the books and records which are available were retained by the Company were not found to be of a sufficient level for the purposes of audit, as detailed in the paragraph "Basis for Qualified Opinion" above, and as a result, the auditors were unable to carry out sufficient appropriate audit evidence and there were no alternative audit procedures to satisfy themselves as to whether the assets and liabilities of the Disposal Group as at 1 January 2023, 31 December 2023 and the Date of Disposal and the income and expenses of the Disposal Group during the period from 1 January 2023 up to the Date on Disposal of the Disposal Group are fairly stated and properly reflected, and the segment information and other related disclosure notes thereof, and also the gain on the Disposal of the Disposal Group was properly credited to the profit or loss for the eighteen months ended 30 June 2025 have been accurately recorded and properly accounted for which were included in the consolidated financial statements of the Company for the eighteen months ended 30 June 2025.

The Board considered that they have already taken all reasonable steps and have used their best endeavours to communicate with the Disposal Group Purchaser in order to access all the books and records of the Disposal Group yet the Disposal Group Purchaser remained uncooperative leading the above result.

The Audit Committee critically reviewed the above matter after discussion with the auditors and the Board, and confirmed that it agreed with the Board position and basis of the Qualified Opinion.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group mainly trades, and to a lesser extent produces, dried agricultural food products and bakery products in Jiangxi Province in the PRC, and to a lesser extent, Fujian Province and Hubei Province in the PRC.

Manufacturing business

For the manufacturing business, the Group produced and sold a variety of packaged dried food products, bakery products and frozen poultry products, such as fungi, dried aquatic products, lotus and chicken feet, etc. in the PRC. The Group generally (i) sourced raw materials from its suppliers; (ii) processed the raw materials and package products at its own production facilities; and (iii) sold the products under the Group's own "Shengyao (聲耀)" brand to customers including retailers such as supermarkets and grocery stores, corporate customers and other individual customers in the PRC. The Group's manufacturing business ceased production in 2025, resumption of which will depend on future business/product developments.

Trading business

For the trading business, the Group purchases dried candied fruit, nuts and other products in bulk from suppliers and sell to retailers and corporate customers without further processing in the PRC.

Sales channels and customer base

Having over 20 years of history and experience in dried food production and the continuous commitment and effort in maintaining high quality product and emphasis on food safety, the Group has established a solid customer base, including retailers such as supermarkets and grocery stores, corporate customers and other individual customers. Some of the Group's products sold in supermarkets, with the Company's long-standing brand benefits, drive end consumers' interests and needs, and enhance the Company's sales in other markets. During the Reporting Period, the Group's products were mainly sold and delivered to customers located in Jiangxi Province, Fujian Province, Zhejiang Province and Sichuan Province in the PRC.

Production facilities

As at the date of this announcement, the Group has one production facility in Nanchang, Jiangxi Province, the PRC. Nanchang plant is specialised in the processing and packaging of bakery products.

PROSPECT

As consumers are constantly evolving with their tastes and preferences, the Group will continuously develop and introduce new snack products to keep up with consumer trends. The Group will conduct internal research on popularity of different snacks products and obtain feedback from its retailer customers on acceptance of new flavours and purchase pattern of end consumers in the market. With the long-term and established relationship with the Group's retailer customers, the Directors consider that the Group already has stable sales channels to sell and market new snack products readily.

In the future, the Group will continue to enhance marketing efforts and expand sales channels to maximise the exposure of its own brands and the accessibility of products to end consumers across the PRC in order to maximise returns for shareholders. In particular, the Group intends to (i) expand sales network and concessionary counter network in supermarkets in Southeast China, in particular, in Fujian Province, the PRC; (ii) strengthen marketing and promotional efforts in cooperation with supermarket chain customers; and (iii) expand marketing efforts by advertising snacks products through traditional media such as television and commercial broadcasts, at high-traffic locations and social media such as WeChat.

FINANCIAL REVIEW

Revenue

During the Reporting Period, the revenue of the Group mainly represents the sales from trading of bakery products, snacks and dried food products. For the Reporting Period, the Group recorded total revenue of approximately RMB938.1 million, representing an increase of approximately 110.7% from approximately RMB445.2 million for FY2023. The increase was mainly attributable to the increase in sales from trading of dried food products, seasonings and others of approximately RMB685.9 million.

Cost of sales

The cost of sales of the Group mainly comprised of (i) direct materials costs; (ii) production costs; (iii) direct labour costs; and (iv) others.

For the Reporting Period, the Group's cost of sales was approximately RMB950.3 million, representing an increase of approximately 218.9% from approximately RMB298.0 million for FY2023. The above increase was mainly due to the increase in direct material costs.

Gross (loss) profit

For the Reporting Period, the Group recorded gross loss of approximately RMB12.2 million, as compared to a gross profit of approximately RMB147.3 million for FY2023. It was mainly due to the significant increase in direct material costs resulting in the significant increase in cost of sales outweighing the corresponding increase in revenue and the write-off of inventories for the Reporting Period.

Other income

Other income comprised government grants and interest income from bank deposits. Government grants were one-off in nature and mainly represented grants received from the PRC local government authority as subsidies to the Group.

Other income of the Group decreased from approximately RMB6.4 million for FY2023 to approximately RMB4.2 million for the Reporting Period, which was mainly attributable to the decrease in government grants of approximately RMB2.3 million and increase in interest income of RMB84,000.

Other gain and losses

Other gains and losses of the Group decreased from a loss of RMB164,000 for FY2023 to a loss of approximately RMB4.9 million for the Reporting Period. Such decrease was primarily due to the loss on disposal of property, plant and equipment of approximately RMB6.5 million (FY2023: loss of RMB2,000), net foreign exchange losses of RMB896,000 (FY2023: net losses of RMB162,000) and gain on Disposal of the Disposal Group of approximately RMB2.5 million which no such gain was recognized in FY2023.

Distribution and selling expenses

Distribution and selling expenses of the Group decreased from approximately RMB32.8 million for FY2023 to approximately RMB13.2 million for the Reporting Period, which was mainly due to the decrease in material consumption, staff salaries and advertising fee.

Administrative expenses

Administrative expenses of the Group mainly comprised of research and development, staff cost, legal and professional expenses, depreciation and amortization, other taxes, entertainment and transportation expenses, office expenses and others. The administrative expenses of the Group increased from approximately RMB36.6 million for FY2023 to approximately RMB39.8 million for the Reporting Period, which was mainly due to the combined effects of the decrease in staff salaries and listing fee and the increase of depreciation charges.

Finance costs

Finance costs of the Group mainly represented interest expenses on bank and other borrowings. The decrease in finance costs from approximately RMB2.9 million for FY2023 to RMB81,000 for the Reporting Period was mainly due to the decrease in interest expenses on bank and other borrowings as a result of the decrease in amount of bank and other borrowings for the Reporting Period.

Income Tax Expense

Income tax expense increased from approximately RMB9.2 million for FY2023 to approximately RMB38.3 million for the Reporting Period, which was mainly due to (i) tax paid for distributable profit of the Group's PRC subsidiaries of RMB21 million; and (ii) no subsidiaries entitled preferential tax rate of 15% due to High and New Technology Entities qualification under PRC Enterprise Income Tax.

Loss for the Reporting Period

As a result of the foregoing, the Group's loss for the Reporting Period was approximately RMB108.8 million, as compared to a profit of approximately RMB67.5 for FY2023.

Net current assets

The net current assets of the Group remained relatively stable at approximately RMB311.8 million as at 31 December 2023 and approximately RMB310.3 million as at 30 June 2025.

Liquidity and capital resources

To manage liquidity risk, the Board closely monitors the Group's liquidity position and its compliance with lending covenants in order to maintain sufficient reserves of cash and adequate committed lines of funding from major banks to meet its liquidity requirements in the short and long term.

	The Reporting Period *RMB'000*	FY2023 RMB'000
Net cash (used in) generated from operating activities	**(157,197)**	36,595
Net cash generated from (used in) investing activities	**5,681**	(79,909)
Net cash generated from financing activities	**6,974**	85,669
Net (decrease) increase in cash and cash equivalents	**(144,542)**	42,355

As at 30 June 2025, the Group's cash and cash equivalents amounted to approximately RMB54.6 million, representing a decrease of approximately 72.6% from approximately RMB199.2 million as at 31 December 2023.

Gearing ratio

The gearing ratio decreased from approximately 4.0% for FY2023 to nil for the Reporting Period. Such decrease was mainly attributable to the decrease in the Group's total borrowings of approximately RMB18.2 million as at 30 June 2025.

Significant investment held

The Group had no significant investment held for the Reporting Period.

Material acquisitions and disposals of subsidiaries, associates and joint ventures

Reference is made to the announcement of the Company dated 2 June 2025 in relation to the settlement of legal proceedings, enforcement of civil mediation and the disposal of Jiangxi Zhengwei Food Co., Limited* (江西正味食品有限公司), a former indirectly wholly-owned subsidiary of the Company.

On 8 October 2024, Pingnan County Anwang Trading Co., Ltd.* (屏南縣安旺貿易有限公司) (the "**Plaintiff**") and Fujian Jiazhiwei Food Co., Ltd.* (福建佳之味食品有限公司) (the "**1st Defendant**"), an indirectly wholly-owned subsidiary of the Company, entered into a sale and purchase contract (the "**Contract**"), pursuant to which, the Plaintiff agreed to sell, and the 1st Defendant agreed to purchase, food supplies at a total sum of RMB38,190,000 (the "**Goods Payment Sum**"). The Plaintiff alleged that whilst it had discharged its obligations under the Contract, the 1st Defendant had failed to perform its obligations, primarily the payment of the food supplies procured from the Plaintiff (the "**Non-Performance**"). On 6 February 2025, in view of the Non-Performance of the Contract by the 1st Defendant, the Company (the "**2nd Defendant**") agreed to pledge 100% equity interest (the "**Share Pledge**") held by it in Jiangxi Zhengwei Food Co., Limited* (江西正味食品有限公司) (the "**3rd Defendant**", together with the 1st Defendant and 2nd Defendant, collectively, the "**Defendants**") to the Plaintiff. As the Plaintiff alleged that the Goods Payment Sum remained unpaid and the Share Pledge was not registered at the time of claim, the Plaintiff lodged a claim against the Defendants on 3 April 2025 (the "**Legal Proceedings**").

On 7 May 2025, the Plaintiff and the Defendants have entered into a civil mediation agreement* (民事調解書) (the "**Civil Mediation Agreement**") to reach settlement in respect of the Legal Proceedings through mediation conducted by Fujian Province Fuzhou Gulou People's Court* (福建省福州市鼓樓區人民法院) (the "**Court**"). Pursuant to the Civil Mediation Agreement issued by the Court, it is agreed that (i) the Legal Proceedings shall be settled; (ii) the 1st Defendant shall pay the Goods Payment Sum to the Plaintiff in three instalments, out of which RMB10,000,000 shall be paid by 9 May 2025, RMB15,000,000 shall be paid by 9 June 2025, and RMB13,190,000 shall be paid by 9 July 2025 (the "**Repayment Obligation**"); (iii) the Company, as the 2nd Defendant, together with the 3rd Defendant shall be jointly and severally liable for the Repayment Obligation on the part of the 1st Defendant; and (iv) if the 1st Defendant fails to discharge its Repayment Obligation and the 2nd Defendant and 3rd Defendant fail to repay on behalf of the 1st Defendant, the 1st Defendant is subject to a default interest on the Goods Payment Sum and the Plaintiff is entitled to deal with the assets of the Defendants, including to dispose of the 100% equity interest of the 3rd Defendant by way of auction. As the Defendants failed to comply with the abovementioned Civil Mediation Agreement, inter alia, failure to discharge the Repayment Obligation due to the delay in fund transfer, thereby failing to meet the prescribed timeline of the Repayment Obligation as stated in the Civil Mediation Agreement, the Plaintiff has filed an application to deal with or otherwise dispose of the 100% equity interest of the 3rd Defendant by way of auction (the "**Disposal**").

Pursuant to the 執行調解書 ("**Execution of Mediation Agreement**") entered into between the Plantiff, the 1st Defendant, the 2nd Defendant and the 3rd Defendant dated 28 May 2025, the Company agreed to dispose of its entire equity interest in the 3rd Defendant to an independent third party, 屏南県行天下科技有限公司 ("Pingnan County Xuxing Tianxia Technology Co., Ltd., the "**Disposal Group Purchaser**") and the considerations include: (i) settlement the balance of Repayment Obligation of RMB36,140,000; (ii) cash consideration of RMB5,860,000; and (iii) the right to use of the factory premises and the land use right owned by the 3rd Defendant for a term of two years without any charges (collectively referred to as the "**Settlement Amounts**").

Upon the completion on the Disposal of the 3rd Defendant to the Disposal Group Purchaser on 13 June 2025 (the "**Date of Disposal**"), the 3rd Defendant and its subsidiaries were no longer subsidiaries of the Company and the financial statements of the 3rd Defendant and its subsidiaries were then derecognised from the consolidated financial statements of the Company with effective from the Date of Disposal.

The 3rd Defendant and its subsidiaries are principally engaged in investment holding, processing and trading of snacks and performing research developing in the PRC, and, in the opinion of the Board, are not major subsidiaries of the Company. As such, the Company consider that the deconsolidation of the financial statements of the 3rd Defendant and its subsidiaries from that of the Group would not have any material adverse impact on the Group's business operation and financial position.

Save as disclosed above, the Group had no material acquisition or disposal of subsidiaries, associates and joint ventures during the Reporting Period.

Contingent liabilities

As at 30 June 2025, the Group had no contingent liabilities.

Foreign exchange risks

The Group currently does not have a foreign currency hedging policy. However, management of the Group monitors foreign exchange exposure and will consider appropriate hedging measures in the future should the need arise.

Placing of new shares under general mandate

On 14 May 2024, the Company entered into a placing agreement (the "**Matrix Placing Agreement**") with Matrix Securities Limited ("**Matrix**") pursuant to which the Company appointed Matrix as its agent to procure not less than six placees to subscribe up to 160,000,000 new ordinary shares ("**Share(s)**") of the Company (the "**First Batch of Placing Share(s)**") at an issue price of HK$0.138 per Share on a best effort basis on the terms and subject to the condition of the Matrix Placing Agreement (the "**First Placing**"). The price of HK$0.138 per First Batch of Placing Share was determined after arm's length negotiations between the Company and Matrix with reference to the prevailing market price of the Shares on the Stock Exchange. The placing price represents: (a) a discount of approximately 4.83% to the closing price of HK$0.145 per Share as quoted on the Stock Exchange on 14 May 2024, being the last day on which the Shares were traded on the Stock Exchange prior to the issue of the announcement dated 14 May 2024 (the "**Last Trading Day of the First Placing**"); and (b) a discount of approximately 4.83% to the average closing price of HK$0.145 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the Last Trading Day of the First Placing. The net price per First Batch of Placing Share is approximately HK$0.1295.

The Directors consider that the First Placing offers a good opportunity to raise further capital of the Company thereby increasing the liquidity of the Shares as well as to strengthen the financial position of the Group.

On 5 June 2024, the Company completed the First Placing to allot and issue the First Batch of Placing Shares at HK$0.138 each in accordance with the terms and conditions of the Matrix Placing Agreement. The net proceeds from the First Placing (the "**First Placing Proceeds**") were approximately HK$20.72 million. As at 30 June 2025, the Company has fully utilised the First Placing Proceeds for general working capital in accordance with the use of proceeds as disclosed in the announcement of the Company dated 14 May 2024.

Details of the First Placing were disclosed in the announcements of the Company dated 14 May 2024 and 23 May 2024.

On 18 November 2024, the Company entered into a placing agreement (the "**CNI Placing Agreement**") with CNI Securities Group Limited ("**CNI**") pursuant to which the Company appointed CNI as its agent to procure not less than six placees to subscribe up to 160,000,000 new Shares (the "**Second Batch of Placing Share(s)**") at a price of HK$0.038 per Share on a best effort basis on the terms and subject to the condition of the CNI Placing Agreement (the "**Second Placing**").

The price of HK$0.038 per Second Batch of Placing Share was determined after arm's length negotiations between the Company and CNI with reference to, among other things, the prevailing market price of the Shares and the liquidity of the Shares on the Stock Exchange. The placing price represents: (a) a discount of approximately 19.15% to the closing price of HK$0.047 per Share as quoted on the Stock Exchange on 18 November 2024, being the last day on which the Shares were traded on the Stock Exchange prior to the issue of the announcement dated 18 November 2024 (the "**Last Trading Day of the Second Placing**"); and (b) a discount of approximately 11.21% to the average closing price of HK$0.0428 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the Last Trading Day of the Second Placing. The net price per Second Batch of Placing Share is approximately HK$0.036.

The Directors are of the view that the Second Placing can strengthen the financial position of the Group and provide additional working capital to the Group to meet any future development and obligations. The Second Placing also represents good opportunities to broaden the shareholders' base and the capital base of the Company.

On 6 January 2025, the Company completed the Second Placing to allot and issue the Second Batch of Placing Shares at HK$0.038 each in accordance with the terms and conditions of the CNI Placing Agreement. The net proceeds from the Second Placing (the "**Second Placing Proceeds**") were approximately HK$5.76 million. As at 30 June 2025, the Company has fully utilised the Second Placing Proceeds for general working capital in accordance with the use of proceeds as disclosed in the announcement of the Company dated 18 November 2024.

Details of the Second Placing were disclosed in the announcements of the Company dated 18 November 2024 and 9 December 2024.

Employees and remuneration

As at 30 June 2025, the Group had a total of 32 employees, compared to 755 employees as at 31 December 2023. The decrease in the number of employees was primarily due to the lay off of production and sales staff. The Group's remuneration policies were determined with reference to the performance, qualification and experience of individual employee, as well as the results of the Group and the latest market condition. The Group contributed to the PRC social security funds including, pension insurance, medical insurance, unemployment insurance, occupational injury insurance, insurance for maternity leave and housing provident fund contributions as required under the applicable PRC laws and regulations for its employees.

EVENTS AFTER REPORTING PERIOD

There are no material subsequent events after the end of the Reporting Period and up to the date of this announcement.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

The Group did not have future plans for material investments or capital assets as at 30 June 2025.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor its subsidiary purchased, redeemed or sold any of the Company's listed securities (including treasury shares (as defined in the Listing Rules, if any)) during the Reporting Period.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high corporate governance standards. The Board believes that high corporate governance standards are essential in providing a framework for the Company to safeguard the interests of shareholders of the Company (the "**Shareholder(s)**") and to enhance corporate value and accountability.

The Company's corporate governance practices are based on principles and code provisions as set out in the Corporate Governance Code as set out in Appendix C1 to the Listing Rules (the "**CG Code**"). During the Reporting Period, save for the deviation from code provision C.2.1 of the CG Code as disclosed in the paragraph headed "Chairman and Chief Executive Officer" below, the Board considers that the Company has complied with all the applicable code provisions as set out in the CG Code.

Chairman and Chief Executive Officer

Code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be segregated and should not be performed by the same individual. Mr. Yang is the chairman of the Board and the chief executive officer of the Company. Considering that Mr. Yang has been operating and managing the Group since its foundation, the Board believes that it is in the best interest of the Group to have Mr. Yang taking up both roles for effective management and business development. Therefore, the Board considers that the deviation from code provision C.2.1 of the CG Code is appropriate in such circumstance. The Board will continue to review and consider splitting the roles of chairman and chief executive officer at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has also adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix C3 to the Listing Rules as its code of conduct regarding securities transactions by the Directors. Having made specific enquiries to all Directors of the Company, all Directors confirmed that they have complied with the required standards set out in the Model Code during the Reporting Period.

FINAL DIVIDEND

The Board did not recommend the payment of a final dividend for the Reporting Period (FY2023: nil). There is no arrangement that a Shareholder has waived or agreed to waive any dividend.

AUDIT COMMITTEE

The Company established the Audit Committee with written terms of reference. The Audit Committee currently comprises three independent non-executive Directors, Mr. Hu Ruiwo, Mr. Ye Sangzhi and Mr. Yu Chi Kit. Mr. Yu Chi Kit is the chairman of the Audit Committee. The primary duties of the Audit Committee include but not limited to supervising the Group's internal control, risk management, financial information disclosure and financial reporting matters. Their composition and written terms of reference are in line with the CG Code.

The Group's audited annual results for the Reporting Period have been reviewed by the Audit Committee. The Audit Committee considered that the preparation of the relevant financial statements complied with the applicable accounting standards and requirements and that adequate disclosure has been made. There is no disagreement between the Board and the Audit Committee regarding the accounting treatment adopted by the Company. The Audit Committee has also reviewed the accounting principles and practices adopted by the Company, and selection and appointment of the external auditors.

SCOPE OF WORK OF THE COMPANY'S AUDITOR

The figures in respect of the Group's consolidated statement of financial position as at 30 June 2025, consolidated statement of profit or loss and other comprehensive income for the eighteen months ended 30 June 2025 and the related notes thereto as set out in this announcement have been agreed by the Company's auditor to the amounts set out in the Group's consolidated financial statements for the year. The work performed by the Company's auditor, SFAI (HK) CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards in Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by SFAI (HK) CPA Limited on this announcement.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the best knowledge of the Directors as at the date of this announcement, the Company has maintained a sufficient public float as required by the Listing Rules as at the date of this announcement.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This annual results announcement is published on the websites of the Stock Exchange (www.hkex.com.hk) and the Company (www.zhengwei100.com). The annual report for the Reporting Period containing all the information required by Appendix D2 to the Listing Rules will be available on the same websites in due course.

APPRECIATION

The Group would like to express its sincere gratitude to its loyal shareholders, partners and customers for their continuous support and to its staff for their dedication.

By order of the Board
Zhengwei Group Holdings Company Limited
Mr. Yang Shengyao
Chairman

Hong Kong, 30 September 2025

As at the date of this announcement, the executive Directors are Mr. Yang Shengyao and Ms. Lin Qiuyun; and the independent non-executive Directors are Mr. Hu Ruiwo, Mr. Ye Sangzhi and Mr. Yu Chi Kit.