

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



**CHINA WANTIAN HOLDINGS LIMITED**

**中國萬天控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1854)**

**ANNUAL RESULTS ANNOUNCEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2025**

The board (the “**Board**”) of directors (the “**Directors**”) of China Wantian Holdings Limited (the “**Company**”) is pleased to announce the consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2025, together with the comparative figures for the year ended 31 December 2024, as follows:

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

*For the year ended 31 December 2025*

	<i>Notes</i>	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue	4	<b>1,164,822</b>	788,632
Cost of sales		<u><b>(1,124,445)</b></u>	<u>(736,701)</u>
<b>Gross profit</b>		<b>40,377</b>	51,931
Other income	6	<b>6,621</b>	6,132
Other gains and losses – net	7	<b>(9,393)</b>	323
Gain on disposal of subsidiaries	19	–	42,419
Selling expenses		<b>(47,986)</b>	(38,385)
Administrative expenses		<b>(111,108)</b>	(85,729)
Impairment losses under expected credit loss model	8	<b>(14,456)</b>	(16,290)
Impairment loss on goodwill	13	<u><b>(4,196)</b></u>	<u>–</u>
<b>Operating loss</b>		<u><b>(140,141)</b></u>	<u>(39,599)</u>
Interest income	9	<b>62</b>	541
Finance costs	9	<u><b>(2,561)</b></u>	<u>(1,675)</u>
Finance costs – net	9	<b>(2,499)</b>	(1,134)
Loss on change in fair value of financial assets at fair value through profit or loss	8	<u>–</u>	<u>(605)</u>
<b>Loss before income tax</b>	8	<b>(142,640)</b>	(41,338)
Income tax expense	10	<u><b>(160)</b></u>	<u>(672)</u>
<b>Loss for the year</b>		<u><b>(142,800)</b></u>	<u>(42,010)</u>

	<i>Notes</i>	<b>2025</b> <b>HK\$'000</b>	2024 HK\$'000
<b>Other comprehensive income:</b>			
<i>Item that may be reclassified to profit or loss</i>			
Exchange differences arising from translation of foreign operations		<u>710</u>	<u>53</u>
Other comprehensive income for the year, net of tax		<u>710</u>	<u>53</u>
<b>Total comprehensive income for the year</b>		<b><u>(142,090)</u></b>	<b><u>(41,957)</u></b>
<b>Loss for the year attributable to:</b>			
Equity holders of the Company		<b>(141,986)</b>	(41,994)
Non-controlling interest		<u>(814)</u>	<u>(16)</u>
		<b><u>(142,800)</u></b>	<b><u>(42,010)</u></b>
<b>Total comprehensive income for the year attributable to:</b>			
Equity holders of the Company		<b>(141,219)</b>	(41,941)
Non-controlling interest		<u>(871)</u>	<u>(16)</u>
		<b><u>(142,090)</u></b>	<b><u>(41,957)</u></b>
<b>Loss per share (HK cents)</b>			
Basic	12	<u>(6.97)</u>	<u>(2.17)</u>
Diluted		<u>(6.97)</u>	<u>(2.17)</u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*As at 31 December 2025*

	<i>Notes</i>	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Non-current assets</b>			
Property, plant and equipment		<b>18,123</b>	36,780
Right-of-use assets		<b>44,248</b>	73,489
Goodwill	<i>13</i>	<b>8,625</b>	12,821
Deposits, prepayments and other receivables	<i>14</i>	<b>475</b>	246
		<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
		<b>71,471</b>	123,336
		<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
<b>Current assets</b>			
Inventories		<b>2,632</b>	4,321
Biological assets	<i>15</i>	<b>3,507</b>	–
Trade receivables	<i>14</i>	<b>32,541</b>	46,645
Deposits, prepayments and other receivables	<i>14</i>	<b>24,844</b>	34,498
Amounts due from related parties	<i>18</i>	<b>7,102</b>	8,499
Bank deposits		–	5,020
Restricted bank balances		–	171
Cash and cash equivalents		<b>55,829</b>	67,524
		<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
		<b>126,455</b>	166,678
		<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
<b>Current liabilities</b>			
Trade payables	<i>16</i>	<b>14,184</b>	15,466
Accruals and other payables	<i>16</i>	<b>22,680</b>	14,075
Contract liabilities	<i>16</i>	<b>5,468</b>	1,962
Bank and other borrowings		<b>3,338</b>	7,179
Amounts due to related parties	<i>18</i>	<b>231</b>	750
Lease liabilities		<b>12,329</b>	16,079
Tax payable		<b>90</b>	90
		<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
		<b>58,320</b>	55,601
		<hr style="width: 100%;"/>	<hr style="width: 100%;"/>

	<i>Notes</i>	<b>2025</b> <b>HK\$'000</b>	2024 HK\$'000
<b>Non-current liabilities</b>			
Deferred tax liabilities		<b>1,011</b>	907
Bank and other borrowings		<b>55,316</b>	–
Lease liabilities		<b>7,575</b>	23,133
		<u><b>63,902</b></u>	<u>24,040</u>
<b>Net Current Assets</b>		<u><b>68,135</b></u>	<u>111,077</u>
<b>NET ASSETS</b>		<u><b>75,704</b></u>	<u>210,373</u>
<b>Capital and reserves</b>			
Share capital	<i>17</i>	<b>20,376</b>	20,355
Reserves	<i>17</i>	<b>49,068</b>	189,170
Equity attributable to equity holders of the Company		<b>69,444</b>	209,525
Non-controlling interest		<b>6,260</b>	848
<b>TOTAL EQUITY</b>		<u><b>75,704</b></u>	<u>210,373</u>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

*For the year ended 31 December 2025*

	Equity attributable to owners of the Company							Non- controlling interest	Total equity	
	Share capital	Share premium	Other reserve	Share option reserve	Translation reserve	Capital reserve	Accumulated losses			
	<i>(Note 17)</i>	<i>(Note 17)</i>	<i>(Note 17)</i>	<i>(Note 17)</i>	<i>(Note 17)</i>	<i>(Note 17)</i>	<i>(Note 17)</i>			
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000			
As at 1 January 2024	19,122	223,348	100	4,436	400	-	(50,697)	196,709	-	196,709
Loss for the year	-	-	-	-	-	-	(41,994)	(41,994)	(16)	(42,010)
Other comprehensive income	-	-	-	-	53	-	-	53	-	53
Total comprehensive income	-	-	-	-	53	-	(41,994)	(41,941)	(16)	(41,957)
Incorporation of a subsidiary	-	-	-	-	-	-	-	-	864	864
Issue of new shares upon exercise of share options <i>(Note 17)</i>	683	57,639	-	(11,617)	-	-	-	46,705	-	46,705
Settlement of contingent consideration arrangement classified as equity <i>(Note 17(a)(iii))</i>	550	-	-	-	-	(550)	-	-	-	-
Recognition of equity-settled share-based payments	-	-	-	8,052	-	-	-	8,052	-	8,052
As at 31 December 2024 and 1 January 2025	<u>20,355</u>	<u>280,987</u>	<u>100</u>	<u>871</u>	<u>453</u>	<u>(550)</u>	<u>(92,691)</u>	<u>209,525</u>	<u>848</u>	<u>210,373</u>
Loss for the year	-	-	-	-	-	-	(141,986)	(141,986)	(814)	(142,800)
Other comprehensive income	-	-	-	-	767	-	-	767	(57)	710
Total comprehensive income	-	-	-	-	767	-	(141,986)	(141,219)	(871)	(142,090)
Incorporation of a subsidiary	-	-	-	-	-	-	-	-	5,422	5,422
Issue of new shares upon exercise of share options <i>(Note 17)</i>	21	2,455	-	(477)	-	-	-	1,999	-	1,999
Partial disposal of interest in a subsidiary without loss of control	-	-	(861)	-	-	-	-	(861)	861	-
As at 31 December 2025	<u><u>20,376</u></u>	<u><u>283,442</u></u>	<u><u>(761)</u></u>	<u><u>394</u></u>	<u><u>1,220</u></u>	<u><u>(550)</u></u>	<u><u>(234,677)</u></u>	<u><u>69,444</u></u>	<u><u>6,260</u></u>	<u><u>75,704</u></u>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*For the year ended 31 December 2025*

### 1. GENERAL INFORMATION

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

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

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

### 2. CHANGES IN ACCOUNTING POLICIES

#### (a) Adoption of amended HKFRS Accounting Standards — from 1 January 2025

The Group has adopted amendments to HKAS 21 Lack of Exchangeability for the first time for the current year’s financial statements. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective.

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted in and the functional currencies of overseas subsidiaries for translation into the Group’s presentation currency were exchangeable, the amendments did not have any impact on the Group’s financial statements.

**(b) New and amended HKFRS Accounting Standards that have been issued but are not yet effective**

The Group has not applied the following new and amended HKFRS Accounting Standards, that have been issued but are not yet effective, in these financial statements. The Group intends to apply these new and amended HKFRS Accounting Standards, if applicable, when they become effective.

HKFRS 18	Presentation and Disclosure in Financial Statements <sup>2</sup>
HKFRS 19 and its amendments	Subsidiaries without Public Accountability: Disclosures <sup>2</sup>
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments <sup>1</sup>
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity <sup>1</sup>
Amendments to HKFRS 10 and HKAS 28 (2011)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup>
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency <sup>2</sup>
Annual Improvements to HKFRS Accounting Standards – Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7 <sup>1</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2026

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2027

<sup>3</sup> No mandatory effective date yet determined but available for adoption

These amendments are either currently not relevant to the Group or are not expected to have a material impact on the Group in the current or future reporting periods and in the foreseeable future, except for HKFRS 18, which is expected to have a material effect on the presentation and disclosure of certain items on the Group's consolidated financial statements.

### 3. BASIS OF PREPARATION

#### (a) Statement of compliance

The consolidated financial statements have been prepared in accordance with all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations (hereinafter collectively referred to as the “HKFRS Accounting Standards”) and the disclosure requirements of the Hong Kong Companies Ordinance. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities (the “Listing Rules”) on the Main Board of the Stock Exchange.

#### (b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis, except for the biological assets, which are measured at fair values less cost to sell, 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.

#### (c) Functional and presentation currencies

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is the same as the functional currency of the Company and all values are rounded to the nearest thousand (HK\$’000) except otherwise stated.

### 4. REVENUE

An analysis of the Group’s disaggregation of revenue from contracts with customers for the year is as follows:

	2025 <i>HK\$’000</i>	2024 <i>HK\$’000</i>
<b>Revenue from contracts with customers within the scope of HKFRS 15</b>		
Food supply	1,108,689	750,389
Catering services	55,572	37,424
Environmental protection and technology services	561	819
	<u>1,164,822</u>	<u>788,632</u>
<b>Timing of revenue recognition</b>		
At a point in time	1,164,261	787,813
Transferred over time	561	819
	<u>1,164,822</u>	<u>788,632</u>

## 5. SEGMENT INFORMATION

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

The Group has three reportable segments, namely:

- (a) Food supply, which includes sourcing, processing and supplying of consumable fresh food ingredients in Hong Kong and the People’s Republic of China (“**PRC**”);
- (b) Catering services, which include catering services to provide food and beverages in the restaurant network of the Group in the PRC; and
- (c) Environmental protection and technology services, which include the design of environmental green projects, construction and installation services in the PRC.

### (a) Segment revenue and results

The following is an analysis of the Group’s revenue and results by reportable segments for the years ended 31 December 2025 and 2024, respectively:

	Food supply		Catering services		Environmental protection and technology services		Unallocated		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment revenue										
Revenue from external customers	<u>1,108,689</u>	<u>750,389</u>	<u>55,572</u>	<u>37,424</u>	<u>561</u>	<u>819</u>	<u>-</u>	<u>-</u>	<u>1,164,822</u>	<u>788,632</u>
Loss for the year before the following items:	(29,470)	(6,052)	(54,430)	(30,656)	(980)	(848)	(42,398)	(44,785)	(127,278)	(82,341)
(Loss)/gain on disposal of property, plant and equipment	(113)	221	(8,724)	-	-	-	94	(168)	(8,743)	53
Gain on modification of lease	-	-	75	-	-	-	-	-	75	-
Gain/(loss) on termination of leases	-	-	219	270	-	-	(218)	-	1	270
Gain on disposal of subsidiaries	-	42,419	-	-	-	-	-	-	-	42,419
Impairment loss on goodwill	(4,196)	-	-	-	-	-	-	-	(4,196)	-
Loss on change in fair value of financial assets at fair value through profit or loss	-	-	-	-	-	-	-	(605)	-	(605)
Interest income	12	480	3	7	-	-	47	54	62	541
Finance costs	(901)	(564)	(1,187)	(618)	-	-	(473)	(493)	(2,561)	(1,675)
(Loss)/profit before taxation	<u>(34,668)</u>	<u>36,504</u>	<u>(64,044)</u>	<u>(30,997)</u>	<u>(980)</u>	<u>(848)</u>	<u>(42,948)</u>	<u>(45,997)</u>	<u>(142,640)</u>	<u>(41,338)</u>
Income tax expense	<u>(160)</u>	<u>(672)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(160)</u>	<u>(672)</u>
Segment results	<u>(34,828)</u>	<u>35,832</u>	<u>(64,044)</u>	<u>(30,997)</u>	<u>(980)</u>	<u>(848)</u>	<u>(42,948)</u>	<u>(45,997)</u>	<u>(142,800)</u>	<u>(42,010)</u>

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales during the year.

The accounting policies of the reportable segments are the same as the Group's accounting policies. Revenue and expenses are allocated to the reportable segments with reference to the revenue generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments. Segment results represent the profit earned or loss incurred by each segment. This is the measure reported to the CODM for the purpose of resource allocation and assessment of segment performance.

**(b) Segment assets and liabilities**

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

	Food supply		Catering services		Environmental protection and technology services		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Assets before following items:	141,373	134,399	20,479	59,267	471	495	162,323	194,161
Goodwill	8,625	12,821	-	-	-	-	8,625	12,821
Segment assets	149,998	147,220	20,479	59,267	471	495	170,948	206,982
Unallocated assets							26,978	83,032
Consolidated assets							197,926	290,014
Segment liabilities	83,867	28,804	28,017	38,279	177	264	112,061	67,347
Unallocated liabilities							10,161	12,294
Consolidated liabilities							122,222	79,641

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

- All assets are allocated to reportable segments except for certain assets which are managed on a group basis, including bank balances and cash of HK\$13,555,000. Assets used jointly by operating segments are allocated on the basis of revenues earned by individual operating segments.
- All liabilities are allocated to reportable segments except for certain financial liabilities which are managed on a group basis. Liabilities for which reportable segments are jointly liable are allocated in proportion to segment liabilities.

(c) **Other segment information**

	Food supply		Catering services		Environmental protection and technology services		Unallocated		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Additions to non-current assets (Note)	6,745	7,370	11,830	40,557	2	-	4,524	12,826	23,101	60,753
Depreciation of property, plant and equipment	1,799	2,726	6,385	3,744	-	-	1,009	815	9,193	7,285
Depreciation on right-of-use assets	4,919	2,034	8,575	4,080	-	-	6,012	5,227	19,506	11,341
Gain on disposal of subsidiaries (Note 19)	-	(42,419)	-	-	-	-	-	-	-	(42,419)
Impairment losses under expected credit loss model	14,278	16,142	133	135	45	13	-	-	14,456	16,290
Provision for/(reversal of) impairment loss on property, plant and equipment	-	-	13,635	-	-	-	625	(351)	14,260	(351)
Provision for/(reversal of) impairment loss on right-of-use assets	-	-	5,819	(1,275)	-	-	2,186	(732)	8,005	(2,007)
Impairment loss on goodwill	4,196	-	-	-	-	-	-	-	4,196	-

Note: Additions to non-current assets included the additions of property, plant and equipment and right-of-use assets.

(d) **Information about major customers**

Revenue from customers of the corresponding year contributing over 10% of the total revenue of the Group is as follows:

	2025 HK\$'000	2024 HK\$'000
Customer A from food supply segment	191,665	-
Customer B from food supply segment	789,272	436,018

(e) **Geographical information**

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

	Revenue from external customers		Non-current assets (Note)	
	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000
Hong Kong	96,867	139,901	62,936	62,220
PRC	1,067,955	648,731	8,535	61,116
	1,164,822	788,632	71,471	123,336

Note: Non-current assets excluded financial instruments.

## 6. OTHER INCOME

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Government grants	9	–
Sundry income	887	440
Service income from the intermediate holding company ( <i>Note 18</i> )	2,692	2,937
Service income from related parties ( <i>Note 18</i> )	2,802	2,116
Handling income	231	639
	<u>6,621</u>	<u>6,132</u>

## 7. OTHER GAINS AND LOSSES – NET

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Net (loss)/gain on disposal of property, plant and equipment	(8,743)	53
Gain on termination of leases	1	270
Gain on modification of leases	75	–
Written off of deposit	(726)	–
	<u>(9,393)</u>	<u>323</u>

## 8. LOSS BEFORE INCOME TAX

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

	<b>2025</b>	2024
	<b>HK\$'000</b>	HK\$'000
Cost of inventories	<b>1,098,697</b>	710,183
Employee benefit expenses	<b>74,921</b>	75,391
Employee benefit expenses – including directors' emoluments	<b>74,921</b>	67,339
Share-based payment expenses	–	8,052
Auditor's remuneration		
– Audit-related services	<b>1,680</b>	1,500
Depreciation of property, plant and equipment	<b>9,193</b>	7,285
Depreciation on right-of-use assets	<b>19,506</b>	11,341
Impairment losses under expected credit loss model	<b>14,456</b>	16,290
Provision for/(reversal of) impairment loss on property, plant and equipment	<b>14,260</b>	(351)
Provision for/(reversal of) impairment loss on right-of-use assets	<b>8,005</b>	(2,007)
Loss on change in fair value of financial assets at fair value through profit or loss	–	605
Operating leases (short-term leases)	<b>1,387</b>	1,142
Low-value assets lease expenses	<b>205</b>	224
Transportation expenses	<b>10,067</b>	13,254
Professional and consulting fees	<b>8,729</b>	4,587
Foreign exchange differences, net	<b>(7)</b>	192

## 9. FINANCE COSTS – NET

	<b>2025</b>	2024
	<b>HK\$'000</b>	HK\$'000
Interest expenses on bank and other borrowings	<b>570</b>	546
Interest expenses on lease liabilities	<b>1,991</b>	1,129
Finance costs	<b>2,561</b>	1,675
Interest income	<b>(62)</b>	(541)
Finance costs – net	<b>2,499</b>	1,134

## 10. INCOME TAX EXPENSE

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

### Hong Kong Profits Tax

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

### PRC Enterprise Income Tax

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for the year ended 31 December 2025 (2024: 25%).

Certain subsidiaries have been approved as small low-profit enterprises. The entitled subsidiaries are subject to a preferential income tax rate of 5% for the year ended 31 December 2025 (2024: 5%).

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

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Current income tax</b>		
Hong Kong Profits Tax	55	328
PRC Enterprise Income Tax	3	239
Over-provision in prior year	(2)	–
	<u>56</u>	<u>567</u>
<b>Deferred income tax</b>		
– Current year provision	104	105
	<u>160</u>	<u>672</u>

## 11. DIVIDEND

The board does not recommend the payment of a final dividend for the year ended 31 December 2025 (2024: HK\$nil).

**12. LOSS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY FOR THE YEAR – BASIC AND DILUTED**

	2025	2024
Loss attributable to equity holders of the Company (HK\$'000)	<u>(141,986)</u>	<u>(41,994)</u>
Weighted average number of ordinary shares for the purpose of basic loss per share	<u>2,036,676,000</u>	<u>1,937,938,000</u>

The diluted loss per share is the same as the basic loss per share for the years ended 31 December 2025 and 2024 as the impact of the dilution of share options as mentioned in Note 17 is anti-dilutive.

**13. GOODWILL**

	<i>HK\$'000</i>
<b>COST</b>	
As at 1 January 2024, 31 December 2024, 1 January 2025 and 31 December 2025	<u>42,752</u>
<b>ACCUMULATED IMPAIRMENT</b>	
As at 1 January 2024, 31 December 2024 and 1 January 2025	29,931
Impairment loss recognised in the year	<u>4,196</u>
As at 31 December 2025	<u>34,127</u>
<b>NET BOOK VALUE</b>	
As at 31 December 2024	<u>12,821</u>
As at 31 December 2025	<u>8,625</u>

Goodwill arose because the consideration paid for the acquisition effectively included amounts in relation to the benefits of revenue growth, future market development and the assembled workforce. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. None of the goodwill or impairment thereof recognised is expected to be deductible for income tax purposes.

Goodwill is allocated to the Group’s cash-generating unit (“CGU”) identified according to the business as follows:

	<b>2025</b> <i>HK\$’000</i>	2024 <i>HK\$’000</i>
Acquisition of Champion Point Limited (“ <b>Champion Point</b> ”) in the food supply segment	<u><b>8,625</b></u>	<u>12,821</u>

Goodwill associated with the above-mentioned business arose when the business combination was completed on 25 November 2022.

For the year ended 31 December 2025, the directors of the Company determine that impairment loss of approximately HK\$4,196,000 has been recognised to the carrying amount of goodwill of this CGU included in the food supply segment (2024: HK\$nil).

#### 14. TRADE RECEIVABLES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	<b>2025</b> <i>HK\$’000</i>	2024 <i>HK\$’000</i>
Trade receivables		
– Related parties	<b>164</b>	164
– Third parties	<u><b>61,945</b></u>	<u>62,995</u>
	<b>62,109</b>	63,159
Less: loss allowance	<u><b>(29,568)</b></u>	<u>(16,514)</u>
	<u><b>32,541</b></u>	<u>46,645</u>
Trade deposits paid – non-refundable	<b>7,791</b>	6,950
Trade deposits paid – refundable	<b>9,943</b>	20,454
Prepayments	<b>11,503</b>	9,279
Other receivables	<b>4,278</b>	1,727
Deposits	<u><b>2,515</b></u>	<u>5,443</u>
	<b>36,030</b>	43,853
Less: loss allowance	<u><b>(10,711)</b></u>	<u>(9,109)</u>
Total deposits, prepayments and other receivables	<b>25,319</b>	34,744
Less: non-current portion: deposits, prepayments and other receivables	<u><b>(475)</b></u>	<u>(246)</u>
Deposits, prepayments and other receivables included in current assets	<u><b>24,844</b></u>	<u>34,498</u>

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

The Group normally grants credit terms to its customers ranging from 0 to 120 days (2024: 0 to 120 days). The ageing analysis of the trade receivables based on invoice date is as follows:

	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
1 to 30 days	<b>24,299</b>	31,199
31 to 60 days	<b>4,630</b>	6,238
61 to 90 days	<b>2,267</b>	2,739
91 to 120 days	<b>492</b>	550
Over 120 days	<b>30,421</b>	22,433
	<hr/>	<hr/>
Total	<b>62,109</b>	63,159
	<hr/> <hr/>	<hr/> <hr/>

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

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

## 15. BIOLOGICAL ASSETS

The biological assets of the Group are live cattle raised for sale. As at 31 December 2025, the Group had 303 live cattle (2024: Nil) and none were sold during the year (2024: Nil).

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

	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade payables ( <i>Note</i> )	<b>14,184</b>	15,466
	<hr/>	<hr/>
Other payables and accruals		
– Accruals for staff costs	<b>5,432</b>	5,483
– Renovation payables	<b>4,629</b>	3,908
– Other payables and other accruals	<b>12,619</b>	4,684
	<hr/>	<hr/>
	<b>22,680</b>	14,075
	<hr/>	<hr/>
Contract liabilities	<b>5,468</b>	1,962
	<hr/>	<hr/>
	<b>42,332</b>	31,503
	<hr/> <hr/>	<hr/> <hr/>

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

	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
0 to 30 days	<b>10,389</b>	14,726
31 to 60 days	<b>883</b>	328
61 to 90 days	<b>742</b>	126
91 to 120 days	<b>2,170</b>	286
	<b>14,184</b>	15,466

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

## 17. SHARE CAPITAL AND RESERVES

### (a) Share capital

	<b>Number of ordinary shares (in thousand)</b>	<b>Nominal value of ordinary shares <i>HK\$'000</i></b>
<b>Authorised share capital</b>		
Ordinary shares of HK\$0.01 each		
As at 1 January 2024	2,000,000	20,000
Increase in authorised share capital ( <i>Note (i)</i> )	8,000,000	80,000
	<b>10,000,000</b>	<b>100,000</b>
<b>Issued and fully paid</b>		
Ordinary shares of HK\$0.01 each		
As at 1 January 2024	1,912,214	19,122
Issue of new shares upon exercise of share options ( <i>Note (ii)</i> )	68,256	683
Settlement of contingent consideration arrangement classified as equity ( <i>Note (iii)</i> )	55,010	550
	<b>2,035,480</b>	<b>20,355</b>
As at 31 December 2024 and 1 January 2025	<b>2,035,480</b>	<b>20,355</b>
Issue of new shares upon exercise of share options ( <i>Note (ii)</i> )	<b>2,150</b>	<b>21</b>
	<b>2,037,630</b>	<b>20,376</b>
As at 31 December 2025	<b>2,037,630</b>	<b>20,376</b>

*Notes:*

- (i) Following the passing of an ordinary resolution at the extraordinary general meeting of the Company held on 6 February 2024, the increase in authorised share capital became unconditional and effective. As of 6 February 2024, the authorised share capital of the Company has increased to HK\$100,000,000, divided into 10,000,000,000 ordinary shares of HK\$0.01 each.
  
- (ii) Pursuant to the share option scheme adopted on 26 September 2016:
  - 25,852,987 new shares were issued on 23 May 2024 upon exercise of share options;
  - 952,782 new shares were issued on 5 June 2024 upon exercise of share options;
  - 39,450,000 new shares were issued on 30 October 2024 upon exercise of share options;
  - 300,000 new shares were issued on 28 November 2024 upon exercise of share options;
  - 1,700,000 new shares were issued on 13 December 2024 upon exercise of share options;
  - 450,000 new shares were issued on 25 February 2025 upon exercise of share options;
  - 600,000 new shares were issued on 2 May 2025 upon exercise of share options;
  - 300,000 new shares were issued on 13 May 2025 upon exercise of share options;
  - 400,000 new shares were issued on 19 June 2025 upon exercise of share options;
  - 400,000 new shares were issued on 19 December 2025 upon exercise of share options.
  
- (iii) Pursuant to the share purchase agreement dated 7 November 2022, in respect of the acquisition of 100% equity interest in Champion Point and its subsidiary on acquisition date, 55,010,000 new shares were issued to Mr. Kwong Ping Man on 13 December 2024.
  
- (iv) All the new shares issued rank *pari passu* with the existing shares in all respects.

**(b) Reserves**

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

**(i) Share premium**

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

**(ii) Other reserve**

Other reserve of the Company mainly represents the difference of the nominal value of the shares issued and the net asset value of the subsidiaries of the Company upon the reorganisation in 2016, and a partial disposal of interest in a subsidiary without loss of control in 2025.

**(iii) Translation reserve**

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

**(iv) Capital reserve**

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

**18. RELATED PARTY TRANSACTIONS**

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

The directors are of the view that the following companies were related parties that had material transactions or balances with the Group during the years ended 31 December 2025 and 2024:

<b>Name of the related party</b>	<b>Relationship with the Group</b>
Macy Catering Limited	Mr. Liu Chi Ching ("Mr. Liu"), who was an executive director (resigned with effect from 14 July 2025) and is a substantial shareholder of the Company, has beneficial interest

Name of the related party	Relationship with the Group
Mr. Liu	Mr. Liu, who was an executive director (resigned with effect from 14 July 2025) and is a substantial shareholder of the Company, has beneficial interest
WG International Group Limited	This company is controlled by Dr. Hooy Kok Wai (“ <b>Dr. Hooy</b> ”) and Mr. Zhong Xueyong (“ <b>Mr. Zhong</b> ”), who are executive directors and substantial shareholders of the Company
Classic Line Holdings Limited	This company is controlled by Mr. Liu, who was an executive director (resigned with effect from 14 July 2025) and is a substantial shareholder of the Company
China Wantian International Group Limited (“ <b>China Wantian International</b> ”)	This company was the intermediate holding company of the Group
Greater Bay Area Association of Listed Companies Limited	This company is managed and controlled by Dr. Hooy and Mr. Zhong, who are executive directors and substantial shareholders of the Company
Zhongshan Wangu Sky Farm Co., Limited* (中山萬谷天空農場有限公司)	This company is controlled by Dr. Hooy and Mr. Zhong, who are executive directors and substantial shareholders of the Company
Zhongshan Wangu Property Management Co., Ltd.* (中山市萬谷物業管理有限公司)	This company is controlled by Dr. Hooy and Mr. Zhong, who are executive directors and substantial shareholders of the Company
Zhongshan Wangu Business Management Co., Ltd.* (中山萬谷商業管理有限公司)	This company is controlled by Dr. Hooy and Mr. Zhong, who are executive directors and substantial shareholders of the Company
Zhongshan Wangu Real Estate Investment and Development Co., Ltd.* (中山市萬谷房地產投資開發有限公司)	This company is controlled by Dr. Hooy and Mr. Zhong, who are executive directors and substantial shareholders of the Company
Zhongshan Wangu Basket Plaza Investment and Management Co., Ltd.* (中山市萬谷菜籃子廣場投資管理有限公司)	This company is controlled by Dr. Hooy and Mr. Zhong, who are executive directors and substantial shareholders of the Company

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

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

(a) **Transactions with related parties**

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Related parties' transactions</b>		
Sales of goods to related company		
– Macy Catering Limited	925	939
Purchase of goods from a related party		
– Zhongshan Wangu Sky Farm Co., Limited* (中山萬谷天空農場有限公司)	(31)	(411)
Sales of subsidiaries to a related party		
– Mr. Liu	–	41,954
Short-term lease, management fees and utilities expenses paid to		
– Zhongshan Wangu Property Management Co., Ltd.* (中山市萬谷物業管理有限公司)	(6)	–
– Zhongshan Wangu Business Management Co., Ltd.* (中山萬谷商業管理有限公司)	(7,760)	(4,639)
– Zhongshan Wangu Real Estate Investment and Development Co., Ltd.* (中山市萬谷房地產投資開發有限公司)	–	(841)
– Zhongshan Wangu Basket Plaza Investment and Management Co., Ltd.* (中山市萬谷菜籃子廣場投資管理有限公司)	(10,205)	(5,511)
Service fee received from the intermediate holding company		
– China Wantian International	2,692	2,937
Service fee received from related parties		
– Greater Bay Area Association of Listed Companies Limited	1,959	2,116
– WG International Group Limited	843	–

(b) **Balances with related parties**

Except as disclosed in Note 14, the amounts due from/(to) related companies are non-trade in nature, unsecured, interest-free and repayable on demand.

## 19. DISPOSAL OF SUBSIDIARIES AND SALES AND LEASEBACK

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

The following summarises the consideration received and the carrying amount of the assets and liabilities at the date of disposal.

	<i>HK\$'000</i>
Property, plant and equipment ( <i>Note (a)</i> )	9,294
Right-of-use assets ( <i>Note (a)</i> )	5,856
Other receivables and deposits	81
Amount due to C.Y. Food Trading (HK) Company Limited (“ <b>C.Y. Food</b> ”)	(14,366)
Cash and cash equivalents	6
Accruals and other payables	(200)
Deferred tax liabilities	(1,136)
	<hr/>
<b>Net liabilities disposed of</b>	<b>(465)</b>
	<hr/> <hr/>
<b>Gain on the disposal</b>	
Cash consideration	56,320
Assignment of amount due to C.Y. Food from Healthy Cheer to Purchaser	(14,366)
	<hr/>
Net cash consideration received	41,954
Net liabilities disposed of	465
	<hr/>
Gain on the disposal	42,419
	<hr/> <hr/>
<b>Net cash flow on the disposal of subsidiaries</b>	
Net cash proceeds received	41,954
Less: cash and cash equivalents disposed of	(6)
	<hr/>
<b>Net inflow of cash and cash equivalents in respect of the disposal</b>	<b>41,948</b>
	<hr/> <hr/>

*Notes:*

- (a) The consideration was settled in cash by the Purchaser on or before 12 December 2024. The sale shares represent the entire issued shares of Lion Metro held by Eminent Ace, which in turn indirectly holds the entire interest of the Properties (as defined below) through a 100% owned subsidiary, Healthy Cheer. The principal assets of Healthy Cheer are the properties located at Workshops A & B, 1st Floor, Sunking Factory Building, Nos. 1–7 Shing Chuen Road, Shatin, New Territories, Hong Kong (the “**Properties**”) and are currently used in the operation of the Group’s food supply business in Hong Kong.

The fair value of the Properties as at 31 August 2024 was approximately HK\$51,200,000. The fair value was determined by management with reference to a valuation carried out by an independent valuer on direct comparison method assuming the sales of each property interests in their existing state and making references to comparable market observable transactions of similar properties in the same locations and conditions as available in the relevant market. The fair value of the consideration for the disposal, amounting to HK\$56,320,000, represents 110% of the fair value of the Properties.

- (b) Out of the additions of right-of-use assets and lease liabilities during the year ended 31 December 2024, a new lease agreement was entered into by Healthy Cheer (the landlord/lessor) and C.Y. Food (the tenant/lessee) on 12 December 2024, for the lease of the Properties for a period of 2 calendar years commencing from 12 December 2024 to 11 December 2026 and at a monthly rent of HK\$200,000.

## 20. CAPITAL COMMITMENTS

At the end of the reporting period, the Group had the following capital expenditure commitments:

	2025 <i>HK\$’000</i>	2024 <i>HK\$’000</i>
Contracted but not provided for, net of deposit paid		
– Acquisition of plant and equipment	–	2,723
Total capital commitments	–	2,723

## MANAGEMENT DISCUSSION AND ANALYSIS

The year 2025 marked a pivotal phase in China's post-pandemic economic recovery, characterised by a deliberate shift towards high-quality growth and structural optimisation. According to the National Bureau of Statistics of China, China's Gross Domestic Product (GDP) grew by 5.0% year-on-year in 2025, reaching approximately RMB136 trillion, with the tertiary sector – particularly services and consumption – contributing significantly to its economic resilience. Retail sales of consumer goods increased by 7.2% while catering revenue surpassed RMB6.1 trillion, both reflecting the robust domestic demand and a continuing recovery in social consumption.

Amidst a complex global economic landscape, China deepened its implementation of the “dual circulation” strategy, emphasising the importance of both domestic demand and external opening-up. The policies introduced under the “14th Five-Year Plan” further endorsed supply chain modernisation, food safety governance, and green and low-carbon transformation. The PRC government also advanced the “rural revitalisation” and “common prosperity” initiatives, creating a favourable regulatory and market environment for enterprises engaged in agriculture, food supply and sustainable urban development. These macroeconomic and policy tailwinds provided a strategic foundation for the Group's recalibration of its business focus in 2025.

### Business Review

During the year ended 31 December 2025, the Group had executed a targeted operational realignment so as to concentrate its resources on the most commercially compelling and scalable sectors among its businesses, which was consistent with the strategic direction set out in the Chairman's statement to be issued in the annual report for the year 2025. The macroeconomy and policy conditions in 2025 continued to be favourable to quality consumption, supply chain resilience, rural revitalisation and strengthened food safety. Against this backdrop, the Group refined its portfolio focus to prioritise the development of food supply chain and the curated catering models while moderating the pace of new environmental project rollouts.

During the year 2025, the Group intensified its focus on the food supply chain through the tightening of supplier due diligence, the strengthening of procurement oversight and the implementation of longer-term sourcing arrangements with key suppliers. Instead of refraining from direct infrastructure investment, the Group concentrated on improving supplier reliability and product consistency through enhanced governance and contract management. These actions were taken to ensure product quality as well as customer confidence while at the same time maintaining a disciplined capital deployment.

In 2025, the Group recalibrated its catering strategy from broad expansion to targeted development of concept stores and experiential retail formats. These compact, innovation-driven outlets are designed to showcase the Group’s culinary concepts and selected branded products sourced through its supply channels. The Group prioritised culinary concept refinement, service training and in-store merchandising to ensure consistent, premium customer experience. The Group has been using concept stores as an effective platform for product testing and market feedback, so that the Group is able to evaluate new offerings and consumer preferences without having to be committed to large-scale rollouts. This capital-efficient approach is geared towards strengthening brand recognition and improving the per-customer yield as well as maintaining rigorous food safety and quality controls.

In alignment with its selected capital allocation strategy, the Group slowed the pace of new sky-farm and urban hortiscape deployments in 2025. While the Group’s commitment to green development remains intact, activities in this segment were reoriented towards optimisation of the existing installations, improvement of operational efficiency and exploration of commercialisation pathways for proven concepts. This measured posture preserves the strategic option value of the Group’s environmental capabilities while enabling management to prioritise resources for its supply chain enhancement and curated catering initiatives.

During the year, the Group had attracted strategic support from investors and partners who recognised the Company’s sharpened focus on supply chain excellence and branded food offerings. The capital and strategic collaboration secured was directed to help the Group strengthen the processing capacity, implement traceability systems, support product development and launch concept stores.

Throughout the year, the Group maintained rigorous governance, risk management and transparent stakeholder communication. The Group continues to apply operational discipline and cost control measures to secure margins and enhance resilience. Environmental, social and governance considerations remain integral to decision-making across sourcing, processing and retail operations. Despite the slowing down of new environmental rollouts, the Group upholds its sustainability standards – committed to responsible procurement, food safety and community engagement.

Looking ahead, the Group will initiate a strategic transformation in the current year, beginning with the divestment of its loss-making food supply and catering operations to streamline the asset base and sharpen strategic focus. In line with the national policy that emphasises “high-quality development” and “new quality productive forces”, the Group will also pursue the deep integration of technological innovation with industrial innovation. Further, the Group plans to embed technology across its industrial ecosystem, and aims to transform into a technology-driven modern industrial enterprise, thereby enhancing capital market recognition, strengthening core competitiveness and establishing a more resilient and sustainable development framework.

## FINANCIAL REVIEW

The Group's operating results for the year ended 31 December 2025 (the "Year" or the "year") were contributed by its three businesses, namely (i) food supply; (ii) catering services; and (iii) environmental protection and technology services.

### Revenue

The Group's revenue for the Year was approximately HK\$1,164.8 million (2024: approximately HK\$788.6 million).

The food supply business remains the main revenue stream of the Group. The revenue generated from the food supply business amounted to approximately HK\$1,108.7 million for the Year, accounting for approximately 95.2% of the total revenue (2024: approximately HK\$750.4 million, 95.2%). During the year, the revenue derived from the Greater Bay Area market (excluding Hong Kong) was approximately HK\$1,011.8 million and accounted for approximately 91.3% of the revenue from the food supply segment (2024: approximately HK\$610.5 million, 81.4%). Revenue derived from the Hong Kong market, which was mainly the provision of frozen food, vegetables and fruits in Hong Kong, amounted to approximately HK\$96.9 million, representing approximately 8.7% of the segment revenue (2024: approximately HK\$139.9 million, 18.6%). The increase of approximately 47.7% in the Group's segment revenue from the food supply business for the Year as compared to the year ended 31 December 2024 was mainly attributable to the increase in the revenue derived from the supply of more food supply items in the PRC, including live cattle and frozen pork.

The catering services business, comprising the operation of various restaurants in the city of Zhongshan, contributed a revenue of approximately HK\$55.6 million for the Year, representing approximately 4.8% of the Group's total revenue (2024: approximately HK\$37.4 million, 4.7%). The revenue in the Group's segment revenue from the catering services business increased by approximately 48.5% from the year ended 31 December 2024 to the Year was mainly due to the improved operating performance of the restaurants resulting from the increase in customer flow after the opening of the Shenzhen-Zhongshan Link.

The environmental protection and technology services business, comprising the provision of services for building comprehensive practice bases to promote the ideas of green, environmental protection and low-carbon concepts, recorded a revenue of approximately HK\$0.6 million during the Year, accounting for approximately 0.1% of the Group's total revenue (2024: approximately HK\$0.8 million, 0.1%).

## **Gross profit and gross profit margin**

The Group's gross profit for the Year was approximately HK\$40.4 million, representing a gross profit margin of approximately 3.5% (2024: approximately HK\$51.9 million, approximately 6.6%).

The gross profit derived from the Group's food supply business for the Year was approximately HK\$11.8 million, representing a gross profit margin of approximately 1.1% (2024: approximately HK\$35.1 million, 4.7%). The gross profit margin decreased by 3.6 percentage points, which was due to the fact that the Group had to spend time securing new customers and new sales orders when faced with a different and competitive environment, hence impacting on its profitability for the year.

The gross profit derived from the Group's catering business for the Year was approximately HK\$28.6 million, representing a gross profit margin of approximately 51.4% (2024: approximately HK\$16.7 million, 44.7%). The gross profit margin increased by 6.7 percentage points, which was mainly due to the Group's continuous adoption of more effective cost control, which helped maintain the ingredient costs at a reasonable level.

The gross loss derived from the Group's environmental protection and technology business for the Year was approximately HK\$23,000, representing a gross loss margin of approximately 4.1% (2024: approximately HK\$84,000, representing a gross profit margin of 10.3%).

## **Other income**

The Group's other income for the Year were approximately HK\$6.6 million (2024: approximately HK\$6.1 million). The increase was primarily due to the increase of service income received from the related parties.

## **Other gains and losses – net**

The Group's other gains and losses – net for the Year recorded a loss of approximately HK\$9.4 million (2024: a gain of approximately HK\$0.3 million). The recording of loss for the Year was primarily due to the loss on disposal of property, plant and equipment arising from closure of several underperforming restaurants.

## **Finance costs, net**

The Group's finance costs, net for the Year were approximately HK\$2.5 million (2024: approximately HK\$1.1 million). The increase was mainly attributable to the increase in interest expenses on lease liabilities arising from the Group's entering into of the leaseback agreement in the second half of 2024 for the purpose of operating the food supply segment and expanding the catering services segment.

## **Selling expenses**

The Group's selling expenses for the Year were approximately HK\$48.0 million (2024: approximately HK\$38.4 million). The increase was mainly due to the additional payroll expenses and the depreciation on property, plant and equipment and right-of-use assets incurred for the purpose of expanding the Group's catering services business in the first half of 2025.

## **Administrative expenses**

The Group's administrative expenses for the Year were approximately HK\$111.1 million (2024: approximately HK\$85.7 million). The increase was mainly due to the provision for impairment losses on right-of-use assets and property, plant and equipment derived from cash generating unit impairment assessment.

## **Impairment losses under expected credit loss model**

The Group recorded impairment losses under expected credit loss model of approximately HK\$14.5 million for the Year (2024: approximately HK\$16.3 million). The decrease was due to the decrease in the outstanding balance from the Group's trade debtors as at year end.

## **Gain on disposal of subsidiaries**

No disposal of subsidiaries took place for the year ended 31 December 2025 while the Group's gain on disposal of subsidiaries for the year ended 31 December 2024 was approximately HK\$42.4 million, which resulted from the Disposal (as defined below).

## **Loss for the Year**

Taking into consideration the abovementioned factors, loss for the Year was approximately HK\$142.8 million (2024: approximately HK\$42.0 million).

## **USE OF NET PROCEEDS FROM RIGHTS ISSUE**

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

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

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

As at 31 December 2025, the proceeds from the Rights Issue had been fully utilised.

Set out below are the details of the net proceeds from the Rights Issue, including the original allocation (in terms of percentage and amount), the revised allocation, the amount of actual use during the Year and the amount unutilised as at 31 December 2025:

	Original allocation of the net proceeds as shown in the Prospectus		Revised allocation of the unutilised net proceeds	Unutilised net proceeds as at 1 January 2025	Actual use of net proceeds during the Year	Unutilised net proceeds as at 31 December 2025
	<i>HK\$ million</i>	<i>HK\$ million</i>	<i>HK\$ million</i>	<i>HK\$ million</i>	<i>HK\$ million</i>	<i>HK\$ million</i>
	<i>%</i>	<i>(approx.)</i>	<i>(approx.)</i>	<i>(approx.)</i>	<i>(approx.)</i>	<i>(approx.)</i>
Launching of a live cattle breeding site project	30	30.69	-	-	-	-
Development of live cattle trading business	25	25.58	-	-	-	-
Expansion of fresh food supply business	10	10.23	30.69	-	-	-
Development of catering business	10	10.23	-	-	-	-
Repayment of outstanding borrowing	10	10.23	8.16	4.57	4.57	-
Enhancement and upgrading of offices in the Greater Bay Area	5	5.12	-	-	-	-
General working capital of the Group	10	10.23	-	-	-	-
Total	100	102.31	38.85	4.57	4.57	-

## USE OF PROCEEDS FROM THE DISPOSAL

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

The net proceeds from the Disposal amounted to approximately HK\$55.7 million, which had not been utilised as at 31 December 2024. Details of the Disposal were set out in the announcement of the Company dated 27 September 2024 and the circular of the Company dated 7 November 2024 (the “**Circular**”).

Set out below are the details of the net proceeds from the Disposal, including the allocation (in terms of percentage and amount), the amount of actual use during the Year, the amount unutilised as at 31 December 2025 and the expected timeline for the utilisation of the net proceeds:

	Allocation of the net proceeds shown in the Circular		Unutilised net proceeds as at 1 January 2025	Actual use of net proceeds during the Year	Unutilised net proceeds as at 31 December 2025	Expected timeline for utilising the net proceeds
	<i>%</i>	<i>HK\$ million (approx.)</i>	<i>HK\$ million (approx.)</i>	<i>HK\$ million (approx.)</i>	<i>HK\$ million (approx.)</i>	
Development of a new product line and setting up of a new distribution channel for fresh fruit trading	20	11.1	11.1	–	11.1	On or before 30 June 2026
Expansion of the existing product line and distribution channel for fresh meat trading	40	22.3	22.3	22.3	–	
Development of the catering business in the Greater Bay Area (including funding capital expenditure for newly-opened eateries)	20	11.1	11.1	11.1	–	
General working capital	20	11.2	11.2	11.2	–	
<b>Total</b>	<b>100</b>	<b>55.7</b>	<b>55.7</b>	<b>44.6</b>	<b>11.1</b>	

## **CAPITAL STRUCTURE**

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

## **LIQUIDITY AND FINANCIAL RESOURCES**

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

As at 31 December 2025, the Group had bank and other borrowings of approximately HK\$58.7 million (2024: approximately HK\$7.2 million), which were denominated in Hong Kong dollars. The Group's bank and other borrowings were primarily obtained at variable rates and fixed rate respectively and were used in financing the working capital requirement for its operations and the purchase of the existing premises.

The Group had approximately HK\$55.8 million in cash and cash equivalents and no bank deposits as at 31 December 2025 (2024: approximately HK\$67.5 million and HK\$5.0 million respectively). The Directors believe that the Group is in a healthy financial position to expand its core business and to achieve its business objectives.

As at 31 December 2025, total assets, which comprised current assets of approximately HK\$126.5 million (2024: approximately HK\$166.7 million) and non-current assets of approximately HK\$71.5 million (2024: approximately HK\$123.3 million), decreased by approximately 31.7% to approximately HK\$198.0 million, which was primarily attributable to (i) the impairment loss made on the property, plant and equipment and right-of-use assets in respect of the Group's catering business; (ii) the impairment loss made on goodwill in respect of the Group's food supply business; (iii) the decrease in trade and other receivables, arising from the impairment losses under expected credit loss model; and (iv) the decrease in cash and cash equivalents because of the Group's utilisation of funds in the operating activities for business expansion purposes.

As at 31 December 2025, total liabilities, which comprised current liabilities of approximately HK\$58.3 million (2024: approximately HK\$55.6 million) and non-current liabilities of approximately HK\$63.9 million (2024: approximately HK\$24.0 million), increased by approximately 53.5% to approximately HK\$122.2 million, which was mainly due to an increase in borrowings for the Group's business development in the food supply business.

As at 31 December 2025, the current ratio of the Group, being current assets divided by current liabilities, decreased to approximately 2.2 (2024: approximately 3.0), which was mainly due to the decrease in current assets because of business expansion purposes and impairment losses under expected credit loss model on the trade receivables. Nevertheless, the Group still maintains the capability to cover its short-term debts, ensuring a healthy financial position.

## **GEARING RATIO**

As at 31 December 2025, the gearing ratio of the Group, being total borrowings (including bank borrowings and lease liabilities) divided by total equity, increased to approximately 103.8% (2024: approximately 22.1%), which was primarily due to the increase in borrowings from the limited partnership fund for the Group's business development in the food supply business.

## **CHARGE ON GROUP ASSETS**

As at 31 December 2025, the Group had pledged its leasehold land under right-of-use assets and buildings under property, plant and equipment with a net book value amounting to approximately HK\$38.3 million (2024: approximately HK\$40.0 million) for the banking facilities granted to the Group.

## **MAJOR CUSTOMERS AND SUPPLIERS**

The Group's largest customer accounted for approximately 67.8% (2024: approximately 55.3%) of the Group's total revenue while the Group's five largest customers in aggregate accounted for approximately 88.4% (2024: approximately 68.8%) of the Group's total revenue for the Year.

The Group's largest supplier accounted for approximately 32.1% (2024: approximately 45.5%) of the Group's total purchases while the Group's five largest suppliers in aggregate accounted for approximately 87.2% (2024: approximately 76.4%) of the Group's total purchases for the Year.

None of the Directors, or any of their close associates or shareholders (which, to the best knowledge of the Directors, own more than 5% of the issued Shares), has any beneficial interest in the Group's five largest customers or suppliers.

## **FOREIGN EXCHANGE EXPOSURE**

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

## **TREASURY POLICY**

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

## **SIGNIFICANT INVESTMENT HELD, MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES, AND FUTURE PLANS FOR MATERIAL INVESTMENT OR CAPITAL ASSETS**

Save as disclosed in this announcement, (i) the Group had no significant investment with a value of 5% or more of the Group's total assets as at 31 December 2025; (ii) there was no material acquisition and disposal of subsidiaries, associates or joint ventures by the Group during the Year; and (iii) there were no other plans for material investment or capital assets as at 31 December 2025.

## **CONTINGENT LIABILITIES**

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

## **CAPITAL COMMITMENTS**

The Group did not have any capital commitments in respect of acquisition of plant and equipment as at 31 December 2025 (2024: approximately HK\$2.7 million).

## **SEGMENT INFORMATION**

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

## **INFORMATION ON EMPLOYEES**

As at 31 December 2025, the Group had 275 employees working in Hong Kong and the PRC (2024: 473). Employees are remunerated based on their qualifications, position and performance. The remuneration offered to employees generally includes salaries, allowances and discretionary bonuses. Various types of trainings are provided to the employees from time to time. The total staff cost (including remuneration of Directors and mandatory provident fund contributions) for the Year amounted to approximately HK\$74.9 million (2024: approximately HK\$75.4 million).

## **FINAL DIVIDENDS**

The Board does not recommend the payment of a final dividend for the Year (2024: nil).

## **EVENTS AFTER THE REPORTING PERIOD**

On 9 January 2026, the Company entered into a share purchase agreement (the “**2026 Share Purchase Agreement**”) with Mr. Lee Wing Sun (the “**Purchaser**”), an independent third party, pursuant to which the Company conditionally agreed to sell and the Purchaser conditionally agreed to purchase the entire issued shares of Better Joy Limited. Better Joy Limited indirectly holds (i) the entire interest of the landed properties situate at Workshops A, E, F and J on 3/F of Block 1, Kwai Tak Industrial Centre, Nos. 15-33 Kwai Tak Street, Kwai Chung, New Territories, Hong Kong (the “**Properties**”) via its direct wholly-owned subsidiary, Jade Royal Limited; and (ii) the entire interest of the landed properties situate at (a) Workshop D (including flat-roof appurtenant thereto) on 4/F of Block 1, Kwai Tak Industrial Centre, 15-33 Kwai Tak Street, Kwai Chung, New Territories, Hong Kong; and (b) Car Park Nos. 78, 79 and 80 on Ground Floor; Kwai Tak Industrial Centre, Nos. 15-33 Kwai Tak Street, Kwai Chung, New Territories, Hong Kong via its another direct wholly-owned subsidiary, Wise Sino Limited, at a total consideration of HK\$46,500,000.

Pursuant to the 2026 Share Purchase Agreement, it is a condition to completion that Jade Royal Limited shall enter into a leaseback agreement with the Company or a subsidiary of the Company as nominated by the Company on or before the completion date for the leasing back of the Properties to the Group for a period of one (1) year commencing from the completion date at an aggregate monthly rental of HK\$120,000. Details of the disposal of the property holding subsidiaries and the leaseback of the Properties are set out in the announcement of the Company dated 9 January 2026 and 22 January 2026.

## **CORPORATE GOVERNANCE**

To the best knowledge and belief of the Directors, the Company has complied with the applicable code provisions of the Corporate Governance Code, which is set out in Appendix C1 to the Listing Rules and amended from time to time, throughout the Year.

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

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

## **DIRECTORS’ SECURITIES TRANSACTIONS**

The Company adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules (the “**Model Code**”) as the code of conduct regarding Directors’ securities transactions. Based on specific enquiry with the Directors, all Directors confirmed that they had complied with the Model Code throughout the Year.

## **AUDIT COMMITTEE**

The Audit Committee was established on 26 September 2016 in accordance with Appendix C1 to the Listing Rules. The Audit Committee comprises three independent non-executive Directors, namely Ms. Chan Sze Man (Chairman), Mr. Lam Chi Wing and Mr. Hui Chun Kin Norman.

The Audit Committee has reviewed the accounting standards and practices adopted by the Group and to discuss matters regarding internal control and financial reporting, including the review of the Group's annual results for the Year.

## **SCOPE OF WORK OF BDO LIMITED**

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of comprehensive income and the related notes thereto for the Year as set out in the preliminary announcement have been agreed by the Company's auditor, BDO Limited ("**BDO**"), to the amounts set out in the Group's audited consolidated financial statements for the Year. The work performed by BDO in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on 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 opinion or assurance conclusion has been expressed by BDO on the preliminary announcement.

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

Hong Kong, 30 March 2026

*As at the date of this announcement, the Board comprises Dr. Hooy Kok Wai, Mr. Zhong Xueyong as executive Directors; and Ms. Chan Sze Man, Mr. Lam Chi Wing and Mr. Hui Chun Kin Norman as independent non-executive Directors.*