

## 五谷磨房

五谷磨房食品國際控股有限公司  
Natural Food International Holding Limited

Stock Code: 1837

2025 | INTERIM  
REPORT

(Registered by way of continuation  
in the Cayman Islands with limited liability)

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# Corporate Information

## BOARD OF DIRECTORS

### Executive Directors

Ms. GUI Changqing

Mr. ZHANG Zejun

### Non-executive Directors

Ms. TSE Cheung On Anne

Mr. WANG Duo

### Independent Non-executive Directors

Mr. ZHANG Senquan

Mr. HU Peng

Mr. OUYANG Liangyi

## AUDIT COMMITTEE

Mr. ZHANG Senquan (Chairman)

Mr. HU Peng

Mr. OUYANG Liangyi

## REMUNERATION COMMITTEE

Mr. HU Peng (Chairman)

Mr. ZHANG Senquan

Mr. OUYANG Liangyi

## NOMINATION COMMITTEE

Mr. OUYANG Liangyi (Chairman)

Ms. GUI Changqing

Mr. HU Peng

## COMPANY SECRETARY

Mr. YUEN Sing Wai Lester, HKICPA

## AUTHORISED REPRESENTATIVES

Mr. ZHANG Zejun

Mr. YUEN Sing Wai Lester, HKICPA

## PLACE OF LISTING AND STOCK CODE

The Stock Exchange of Hong Kong Limited

Stock Code: 01837

## HEAD OFFICE IN THE PEOPLE'S REPUBLIC OF CHINA

7th Floor, West Tower

Baidu International Building

No. 8 Haitian 1st Road

Binhai Community, Yuehai Street

Nanshan District

Shenzhen, PRC

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 1003, 10th Floor, Asia Standard Tower,

59-65 Queens Road Central,

Hong Kong

## REGISTERED OFFICE

Maples Corporate Services Limited

PO Box 309, Ugland House

Grand Cayman, KY1-1104

Cayman Islands

## COMPANY'S WEBSITE

<http://www.szwgmf.com>

## AUDITORS

Ernst & Young

*Certified Public Accountants*

*Registered Public Interest Entity Auditor*

27th Floor, One Taikoo Place

979 King's Road

Quarry Bay

Hong Kong

## Corporate Information

### HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited  
17M Floor  
Hopewell Centre, 183 Queen's Road East  
Wanchai, Hong Kong

### CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Maples Fund Services (Cayman) Limited  
PO BOX 1093, Boundary Hall  
Cricket Square, Grand Cayman  
KY1-1102, Cayman Islands

### PRINCIPAL BANKERS

Ping An Bank  
China Merchants Bank  
China Resources Bank of Zhuhai  
Agricultural Bank of China  
Bank of China  
Bank of Communications  
Bank of Beijing  
Rural Commercial Bank

# Management Discussion and Analysis

## BUSINESS REVIEW

### Branding and Marketing

As a renowned new Chinese dietary nutrition brand in the PRC, Natural Food has long been committed to the brand positioning of “Science-Backed Chinese Dietary Nutrition” (食養有方) by innovatively integrating traditional Chinese homology of medicine and food ancient dietetic formulas with modern nutriology. We insist on protecting customers’ health through food therapy and making functional foods that everyone in the family can enjoy the most.

During the Reporting Period, the Company’s brand building momentum continued to focus on conveying its brand value and positioning of “WUGU MOFANG offers science-backed Chinese dietary nutrition products” to consumers. Leveraging multiple social media matrix, the Company deeply integrated key festive occasions and health needs in different seasons in an effort to comprehensively create a three-dimensional “Science-Backed Chinese Dietary Nutrition” brand image of “Ancient formulas backed by up-to-date science” (配比有方), “Source from the best” (選材有方) and “Perfectly processed” (工藝有方) for Natural Food through delivering rich and vivid content.

The Company builds trust endorsement for its brand and enhances brand momentum through a combination of measures. On one hand, the Company has established the “Grain Nutrition Research Center” (穀物營養研究中心) and the “Research Institute of Black Sesame for Food and Nutrition” (食養黑芝麻研究院) in collaboration with top authoritative research institutions, dedicated to verifying scientific nutrition. The Company has formed a strategic partnership with the Chinese Nutrition Society (中國營養學會) for formulae guidance. Meanwhile, we insist on evidence-based claims. Many of the Company’s products have gone through third-party professional institutions testing with multiple reports justifying their efficacy, such as “hair-nourishing”, “stomach-supporting”, and “cholesterol-lowering”. Furthermore, the Company has launched short videos to allow visualization of the Company’s operations from raw material procurement to production, thereby achieving a closed-loop layout from production to communication, which transforms the hard skills of Natural Food’s “Mum’s Factory” (媽媽工廠) into brand trust and market momentum, and solidifies our position as an industry benchmark.

The Company focused on enhancing the quality of its communication content, innovating communication channels, and deeply engaging with vertical communities to reach more potential consumers. By leveraging multiple social media platforms KOL, KOC and content marketing, we have gradually established consumers’ deep trust in our brand’s scientific credibility.

The Company also actively utilised artificial intelligence to enhance work efficiency in terms of consumer feedback analysis and content creation, so as to further build brand professionalism and reputation.

# Management Discussion and Analysis

## Products

The Company has always adhered to the principles of “premium ingredients, additive-free, and greater professionalism”. Based on the traditional Chinese concept of “medicinal food”, we combined modern nutritional science to safeguard health with dietary nourishment, creating functional foods that are safe for the whole family.

### ***Black Powder Series***

The “Walnut Sesame Black Bean Powder” (核桃芝麻黑豆粉) has, through years of dedicated development and operation, formed a series matrix including classic canned, portable stick packs, sugar-free as well as organic options, which has gained widespread affection and recognition by consumers. It has consistently ranked as the top-selling product in the dietetic grain powder category in multiple sales platforms for many years.

### ***Dietary Nutrition Gift Box Series***

The concept of gifting health has received widespread popularity, aligning perfectly with Natural Food’s positioning as the Chinese grain-based healthy food. In recent years, the Company has channeled all its efforts to develop gift box products tailored to consumers from different sales channels. From the contents of the gift boxes to their packaging and design, combined with all-round online and offline marketing, the Company has enhanced the brand recognition of the dietary nutrition gift box series of Natural Food. During the 2025 Chinese Lunar New Year, sales of the dietary nutrition gift box series witnessed a rapid year-on-year growth, making it one of the key growth drivers for the Company during the Reporting Period.

### ***Ancient Formulas Series***

The Ancient Formulas Series of the Company select ingredients that are both medicinal food as well as traditional herbal ingredients. The Company conducted research and development work based on seasonal and physical conditions with emphasis on seasonal dietary nutrition, and has launched the “Black Nourishment” for spring dietary nutrition, “Clearing Damp” for summer dietary nutrition, and “Eight Treasures” for dietary nutrition in autumn and winter. During the Reporting Period, the Ancient Formulas Series recorded an excellent performance, with “Clearing Damp” for summer dietary nutrition being one of the main growth drivers.



# Management Discussion and Analysis

## Distribution Channels

During the Reporting Period, the Company continued to strengthen its traditional channels while actively exploring new ones, consistently implementing its omnichannel development strategy.

### **Concessionary Counters**

Continuous efficiency enhancement of concessionary counters remains the top priority in channel operations. During the Reporting Period, the Company continued to uphold its seasonal sales strategy and delivered exceptional shopping experiences for consumers. Meanwhile, our team has focused on enhancing core product sales capabilities and improving organizational efficiency during key periods, achieving both sales scale as well as operational efficiency improvement.

In addition, the Company has been actively exploring opportunities to establish concessionary counters in new retail formats and channels. By introducing brand strategy consulting services, it aims to optimize in-store display logic and consumer flow design, thereby facilitating a systematic upgrade of the brand from visual identity to content communication.

### **E-commerce**

During the Reporting Period, the Company continued to deepen its presence on existing traditional e-commerce and interest-based e-commerce platforms. We also explored more emerging platforms to expand our market penetration. The omnichannel livestreaming and Xiaohongshu marketing campaigns have been proven highly effective. The Company has continued to strengthen its live-streaming efforts on both traditional e-commerce and interest-based e-commerce platforms through differentiated live-streaming room design, tailored content and product offerings, and by leveraging self live-streaming, KOL engagement for large-scale/dedicated live-streaming events to capture channel resources.

The Company has strategically collaborated with high-quality, niche-focused influencers across various social media platforms, whose content aligns strongly with our brand. By deploying targeted marketing content and interactive tools, we have effectively disseminated information about our products' recognition by professional certification institutions. Through continuously enriching our content offerings, we have significantly increased readership metrics while strengthening consumers' efficacy endorsement of our brand and their purchase motivation.

### **New channels**

In terms of key customer maintenance, the Company instantly met the product needs of customers in different seasons and time points through differentiated products and pre-communication of concepts, to deliver richer and more innovative product experiences to consumers. During the Reporting Period, the Company's new products, namely "Eight Treasures Sesame Paste (八珍芝麻糊)" and "Poria Cocos & Lily Congee (茯苓百合美苓粥)", successfully entered the Sam's Club and achieved encouraging sales performance.

In response to the constant emergence of new consumer channels, the Company has maintained close monitoring and frequent engagement to actively explore various channels.

# Management Discussion and Analysis

## FUTURE OUTLOOK

The cultivation and construction of Natural Food's "Science-Backed Chinese Dietary Nutrition" philosophy and the continuous accumulation of brand assets are the long-term commitments of the Company. Ultimately, the brand will be carried forward through its products, reaching millions of households via diverse sales channels. Therefore, the Company will persistently improve its product strength, scientifically validate the nutritious and healthcare value of its products, seize the historic opportunities presented by the ever-changing and complex yet opportunity-rich channels, further focus on "efficiency" and "experience", and pay attention to consumer opportunities in different circles to achieve long-term sustainable growth.

## FINANCIAL REVIEW

### Revenue

For the six months ended 30 June 2025, the Group recorded a revenue of RMB1,134.7 million, representing an increase of 14.3% as compared to the six months ended 30 June 2024 (corresponding period in 2024: RMB992.4 million).

The Group sells its products through an extensive network of offline channels, including offline concessionary counters and new channel business, as well as online channels, including major e-commerce platforms and WeChat member stores. The following table sets out details of the Group's revenue by sales channel, each expressed in the absolute amount and as a percentage to the total revenue, for the period indicated:

|   | For the six months ended 30 June |              |         |       |
|---|----------------------------------|--------------|---------|-------|
|   | 2025                             |              | 2024    |       |
|   | RMB'000                          | %            | RMB'000 | %     |
| <b>Offline channels</b>                               | <b>680,929</b>                   | <b>60.0</b>  | 535,568 | 54.0  |
| Offline concessionary counter                         | <b>472,193</b>                   | <b>41.6</b>  | 385,833 | 38.9  |
| New channel business                                  | <b>208,736</b>                   | <b>18.4</b>  | 149,735 | 15.1  |
| <b>Online channels</b>                                | <b>453,784</b>                   | <b>40.0</b>  | 456,815 | 46.0  |
| E-commerce platforms (including WeChat member stores) | <b>453,784</b>                   | <b>40.0</b>  | 456,815 | 46.0  |
| <b>Total</b>  | <b>1,134,713</b>                 | <b>100.0</b> | 992,383 | 100.0 |

For the six months ended 30 June 2025, the revenue resulted from the offline channel business of the Group recorded a greater growth, representing an increase of approximately 27.1% as compared to the corresponding period in 2024, while the revenue generated from sales through online channels slightly decreased. The growth in the offline channel business was mainly due to the Group's effective enhancement of the operational efficiency of offline concessionary counters and the effective implementation of new channel business development strategy.



# Management Discussion and Analysis

During the Reporting Period, as a percentage to the total revenue, revenues generated from sales through the offline channels was 60.0% of the total revenue of the Group, representing an increase as compared to the corresponding period in 2024 (the corresponding period in 2024: 54.0%), while revenue generated from sales through the online channels accounted for 40.0% of the total revenue, representing a decrease as compared to the corresponding period in 2024 (corresponding period in 2024: 46.0%).

## Cost of Sales, Gross Profit and Gross Profit Margin

The Group's cost of sales increased by approximately 14.4% from RMB342.4 million for the corresponding period in 2024 to RMB391.6 million for the Reporting Period, which was mainly due to an increase in sales volume and production volume that led to the increase in raw material costs, packing and other material costs, direct labor costs, manufacturing costs and transportation costs.

Gross profit for the Group increased by approximately 14.3% from approximately RMB650.0 million for the corresponding period in 2024 to approximately RMB743.1 million for the Reporting Period. During the Reporting Period, gross profit margin remained stable at 65.5% (corresponding period in 2024: 65.5%).

## Other Income and Gains

Other income and gains of the Group increased from approximately RMB9.1 million for the corresponding period in 2024 to approximately RMB12.9 million for the Reporting Period, which was mainly attributable to the government grants of approximately RMB3.2 million obtained during the Reporting Period.

## Selling and Distribution Expenses

The Group's selling and distribution expenses primarily consist of advertising and promotional expenses, commission expenses, labour service expenses of salesmen, salary and employee benefit expenses, sales promotion expenses and others. The selling and distribution expenses increased from approximately RMB512.2 million for the corresponding period in 2024 to approximately RMB584.7 million for the Reporting Period, which was mainly attributable to the increase in commission expenses and employee remuneration expenses in line with the sales growth.

## Administrative Expenses

The Group's administrative expenses primarily comprise salary and employee benefit, research and development expenses, depreciation and amortisation, other taxes and fees and intermediary service expenses. The administrative expenses increased slightly from approximately RMB40.3 million for the corresponding period in 2024 to approximately RMB43.8 million for the Reporting Period. Such increase was due to the increase in other taxes and fees, salary and employee benefit expenses during the Reporting Period.

# Management Discussion and Analysis

## Impairment of Financial Assets

The Group recorded an impairment of financial assets of approximately RMB657 thousand for the Reporting Period, while the Group recorded a reversal of financial assets of approximately RMB121 thousand for the corresponding period in 2024, which was mainly attributable to the longer ageing of trade receivables at the end of the Reporting Period.

## Other Business Expenses

Other business expenses of the Group decreased from approximately RMB955 thousand for the corresponding period in 2024 to approximately RMB930 thousand for the Reporting Period, primarily due to a slight decrease in donation compared to the corresponding period in 2024.

## Finance Costs

During the Reporting Period, the Group's finance costs increased from approximately RMB109 thousand for the corresponding period in 2024 to approximately RMB204 thousand, primarily attributable to an increase in the interest expense on lease liabilities.

## Profit before Tax

As a result of the foregoing, the Group recorded a profit before tax of approximately RMB125.8 million for the Reporting Period, while a profit before tax of approximately RMB105.8 million was recorded for the corresponding period in 2024.

## Income Tax Expense

The Group's income tax expense was RMB19.0 million for the Reporting Period, while the income tax expense was RMB15.6 million for the corresponding period in 2024, which was mainly due to the increase in PRC income tax charges for the Reporting Period.

## Profit for the Period

The Group recorded a profit of approximately RMB106.8 million for the Reporting Period, while a profit of approximately RMB90.1 million was recorded for the corresponding period in 2024, representing an increase of approximately 18.4%.

# Management Discussion and Analysis

## FINANCIAL RESOURCES REVIEW

### Working Capital and Financial Resources

|  | As at<br>30 June<br>2025<br>(RMB million) | As at<br>31 December<br>2024<br>(RMB million) |
|--|---|---|
| Trade and bills receivables                    | 216.7                                     | 223.7   |
| Trade payables                                 | 108.6                                     | 114.0   |
| Inventories                                    | 84.7                                      | 94.6  |
| Trade receivables turnover days <sup>(1)</sup> | 36  | 39  |
| Trade payables turnover days <sup>(2)</sup>    | 52  | 55  |
| Inventory turnover days <sup>(3)</sup>         | 42  | 49  |

Notes:

- (1) Trade receivables turnover days = 365 days x (average balance of trade and bills receivables at the beginning and at the end of the relevant period)/revenue in the reporting period.
- (2) Trade payables turnover days = 365 days x (average balance of the trade payables at the beginning and at the end of the relevant period)/cost of sales in the reporting period.
- (3) Inventory turnover days = 365 days x (average balance of inventory at the beginning and at the end of the relevant period) and cost of sales in the reporting period.

The decrease in trade and bills receivables was primarily attributable to good collection of trade receivables. During the Reporting Period, the trade receivables turnover days were 36 days (for the year ended 31 December 2024: 39).

The decrease in trade payables was mainly attributed to the tight control of the credit terms granted from suppliers and inventory reduction. During the Reporting Period, the trade payables turnover days were 52 days (for the year ended 31 December 2024: 55).

The inventories book value was approximately RMB84.7 million as at 30 June 2025 (as at 31 December 2024: RMB94.6 million). The decrease in inventories and the decrease in inventory turnover days was primarily attributable to the Group's implementation of rigid inventory control measures during the Reporting Period.

# Management Discussion and Analysis

## Liquidity and Financial Resources

As at 30 June 2025, the Group's cash and bank deposits amounted to RMB1,154.5 million, representing an increase of approximately 3.9% from RMB1,111.6 million as at 31 December 2024.

During the Reporting Period, the Group's primary uses of cash were payment to suppliers, daily operating expenses, renovation and maintenance of plant, purchase of items of equipment, purchase of time deposit and financial assets (i.e. wealth management products) at fair value through profit or loss. The Group financed its liquidity requirements through cash flows generated from its operating activities.

As at 30 June 2025, the Group had no interest-bearing borrowings (as at 31 December 2024: Nil).

Net cash flows from operating activities were RMB150.3 million in the Reporting Period, as compared with net cash flows from operating activities of RMB142.2 million in the corresponding period in 2024. Net cash flows from investing activities were RMB233.5 million in the Reporting Period, as compared with net cash flows from investing activities of RMB89.7 million in the corresponding period in 2024. Net cash flows used in financing activities were RMB82.7 million in the Reporting Period, as compared with net cash flows used in financing activities of RMB73.9 million in the corresponding period in 2024.

As at 30 June 2025, the Group had net current asset of RMB1,209.9 million, as compared with net current asset of RMB1,182.7 million as at 31 December 2024.

## Capital Commitments

As at 30 June 2025, the Group had contracted but not provided for capital commitments of approximately RMB2.8 million, which were primarily related to the purchase of property, plant and equipment to be used for the construction of new manufacturing facility in Nansha District, Guangzhou, as compared with the capital commitments of approximately RMB0.9 million as at 31 December 2024.

## Currency Exposure and Management

The Group operates its business in China and conducts domestic business in RMB. Substantially all of the Group's assets are denominated in RMB, and the Group mainly incurs cost in HK\$ and RMB. The Group is exposed to foreign exchange risk with respect mainly to HK\$ which may affect the Group's performance. The management is aware of the possible exchange rate exposure due to the continuing fluctuation of the exchange rate between HK\$ and RMB and will closely monitor its impact on the performance of the Group to see if any hedging policy is necessary. The Group currently does not have any foreign currency hedging policy.

## Contingent Liabilities

As at 30 June 2025, the Group had no contingent liabilities (as at 31 December 2024: Nil).

# Management Discussion and Analysis

## Pledge of Assets

As at 30 June 2025, the Group had no pledge of assets (as at 31 December 2024: Nil).

## Interest-bearing Gearing Ratio

As at 30 June 2025, the Group's interest-bearing gearing ratio (calculated by dividing total lease liabilities by total assets as of the end of each reporting period) was approximately 0.5% (as at 31 December 2024: 0.6%).

## Employees and Remuneration Policy

As at 30 June 2025, the Group had 720 employees, as compared with 670 employees as at 31 December 2024. For the Reporting Period, costs of employees, excluding Directors' emoluments, amounted to a total of RMB80.1 million, representing an increase of approximately 4.7% from RMB76.5 million during the corresponding period in 2024. The Group will regularly review its remuneration policy and the benefits granted to its employees with reference to market practice and the performance of individual employees. The Company has adopted a sound in-house training policy whereby management, technical and other trainings are provided to employees on a regular basis by in-house trainers or third party consultants.

Determination of directors' remuneration and the remuneration of the senior management of the Company: the Remuneration Committee of the Company makes recommendations to the Board with reference to the prevailing market remuneration levels, based on the qualifications and experience of each director, their responsibilities undertaken and contribution to the Group. The Board is authorized by the shareholders of the Company at the annual general meeting to determine the directors' remuneration and the remuneration of the senior management, having regard to the Group's operating results, individual performance and comparable market statistics.

Emolument policies of the Group's employees are formulated by management with the authorization by the Board with reference to the qualification and experience of each employee, their responsibilities undertaken, contribution to the Group, and the prevailing market level of remuneration for employees of similar position.

Emolument policies include cash and equity incentives. The Group has also adopted a share option scheme and a share award scheme for the purpose of providing incentives to directors, eligible employees and third party service providers. Further details in relation to these schemes will be set out in the "Corporate Governance and Other Information – Share Option Scheme" and "Corporate Governance and Other Information – Share Award Scheme" sections of this report.

## Significant Acquisition, Disposal or Investment

During the Reporting Period, the Group did not have any significant acquisition and disposals of subsidiaries, joint ventures and associated companies, nor significant investment.

## Future Plans for Significant Investments or Capital Assets

There were no significant investments or capital asset plans during the Reporting Period and up to the date of this Report.



# Corporate Governance and Other Information

## CORPORATE GOVERNANCE

The Company is committed to fulfilling its responsibilities to its Shareholders and protecting and enhancing Shareholders' value through good corporate governance.

The Directors recognise the importance of incorporating elements of good corporate governance in the management structures, internal control and risk management procedures of the Group so as to achieve effective accountability.

The Company is committed to the view that the Board should include a balanced composition of executive Directors and independent non-executive Directors so that there is a strong independent element on the Board, which can effectively exercise independent judgement.

The Board continues to review and monitor the corporate governance of the Company with reference to the Corporate Governance Code and Corporate Governance Report set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") so as to maintain a high standard of corporate governance of the Company.

The Company has applied the principles and code provisions of the Corporate Governance Code as set out in Part 2 of Appendix C1 to the Listing Rules as its own code of corporate governance.

The Board is of the view that during the six months ended 30 June 2025, the Company has complied with applicable code provisions as set out in the Corporate Governance Code.

## MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as contained in Appendix C3 to the Listing Rules as its own code of conduct governing the securities transactions by the Directors. Following specific enquiries made by the Company on each of the Directors, all Directors have confirmed that they had complied with the Model Code during the Reporting Period.

The Board has also adopted the Model Code as guidelines for its relevant employees who are likely to be in possession of inside information of the Company in respect of their dealings in the securities of the Company. No incident of non-compliance of the Model Code by the relevant employees was noted by the Company during the Reporting Period.



# Corporate Governance and Other Information

## INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVES IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2025, the interests or short positions of the Directors or chief executives of the Company then in office in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest or short positions which they were taken or deemed to have under such provisions of the SFO) or which would be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which would be required to be notified to the Company and the Stock Exchange, pursuant to the Model Code, were as follows:

Long position in ordinary shares of the Company:

| Name of Director           | Nature of Interest               | Number of Shares | Approximate percentage of Shareholding |
|----------------------------|----------------------------------|------------------|--|
| Mr. ZHANG Zejun (Note 2)   | Founder of a discretionary trust | 930,000,000 (L)  | 42.49%                                 |
| Ms. GUI Changqing (Note 2) | Beneficiary of trust             | 930,000,000 (L)  | 42.49%                                 |

Long position in share options (being physically settled unlisted derivatives) of the Company:

| Name of Director   | Number of share options beneficially owned |
|--------------------|--|
| Ms. GUI Changqing  | 2,000,000                                  |
| Mr. ZHANG Zejun    | 2,000,000                                  |
| Mr. ZHANG Senquan  | 2,000,000                                  |
| Mr. HU Peng        | 2,000,000                                  |
| Mr. OUYANG Liangyi | 2,000,000                                  |

Notes:

- (1) The letter "L" denotes the person's long position in such shares.
- (2) Trident Trust Company (HK) Limited, the trustee of the Paddy Aroma Trust, holds the entire issued share capital of Paddy Aroma Investment Limited. Paddy Aroma Investment Limited in turn holds the entire issued share capital of Natural Capital Holding Limited, which in turn directly holds 930,000,000 Shares. The Paddy Aroma Trust is a discretionary trust established by Mr. ZHANG Zejun (as the settlor) and the discretionary beneficiaries of which include Mr. ZHANG Zejun, Ms. GUI Changqing (the wife of Mr. ZHANG Zejun) and his children. Accordingly, each of Mr. ZHANG Zejun, Ms. GUI Changqing, Trident Trust Company (HK) Limited, Paddy Aroma Investment Limited are deemed to be interested in the 930,000,000 Shares held by Natural Capital Holding Limited.

Save as disclosed above, as at 30 June 2025, none of the Directors or chief executive of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required: (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she was taken or deemed to have under such provisions of the SFO), (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein, or (c) pursuant to the Model Code to be notified to the Company and the Stock Exchange.

# Corporate Governance and Other Information

## SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS

As at 30 June 2025, the following persons (other than the Directors and chief executives of the Company) had or were deemed or taken to have an interest and/or short position in the Shares or the underlying Shares which would fall to be disclosed under the provisions of Division 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company under section 336 of SFO, or who was, directly or indirectly, interested in 5% or more of the issued share capital of the Company:

| Name  | Capacity                             | Number of Shares | Approximate percentage of Shareholding |
|---|--------------------------------------|------------------|--|
| Trident Trust Company (HK) Limited (Note 2) | Trustee of a trust                   | 930,000,000 (L)  | 42.49%                                 |
| Paddy Aroma Investment Limited (Note 2)     | Interest in a controlled corporation | 930,000,000 (L)  | 42.49%                                 |
| Natural Capital Holding Limited (Note 2)    | Beneficial owner                     | 930,000,000 (L)  | 42.49%                                 |
| PepsiCo, Inc.                               | Beneficial owner                     | 566,506,000 (L)  | 25.88%                                 |
| Mr. YANG Guangning (Note 3)                 | Interest in a controlled corporation | 150,000,000 (L)  | 6.85%                                  |
| Beadvance Investments Limited (Note 3)      | Beneficial owner                     | 150,000,000 (L)  | 6.85%                                  |

Notes:

- (1) The letter "L" denotes the person's long position in such shares.
- (2) Trident Trust Company (HK) Limited, the trustee of the Paddy Aroma Trust, holds the entire issued share capital of Paddy Aroma Investment Limited. Paddy Aroma Investment Limited in turn holds the entire issued share capital of Natural Capital Holding Limited, which in turn directly holds 930,000,000 Shares. The Paddy Aroma Trust is a discretionary trust established by Mr. ZHANG Zejun (as the settlor) and the discretionary beneficiaries of which include Mr. ZHANG Zejun, Ms. GUI Changqing (the wife of Mr. ZHANG Zejun) and his children. Accordingly, each of Mr. ZHANG Zejun, Ms. GUI Changqing, Trident Trust Company (HK) Limited, Paddy Aroma Investment Limited are deemed to be interested in the 930,000,000 Shares held by Natural Capital Holding Limited. For details of interests held by Mr. ZHANG Zejun and Ms. GUI Changqing in the shares and underlying shares of the Company, please refer to the section headed "Corporate Governance and Other Information – Interests and Short Positions of Directors and Chief Executives in the Shares, Underlying Shares and Debentures" of this Report.
- (3) Mr. YANG Guangning holds the entire issued share capital of Beadvance Investments Limited, which in turn directly holds 150,000,000 Shares. Accordingly, Mr. YANG Guangning is deemed to be interested in the 150,000,000 Shares held by Beadvance Investments Limited.

Save as disclosed above, as at 30 June 2025, so far as the Directors or chief executive of the Company are aware, no other persons (other than a Director or the chief executive of the Company) or entities had any interests or short positions in the Shares or underlying Shares, which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were required, pursuant to section 336 of the SFO, to be recorded in the register referred to therein.

# Corporate Governance and Other Information

## EQUITY-LINKED AGREEMENTS

Other than the Share Option Scheme and Share Award Scheme as disclosed below, no equity-linked agreements were entered into by the Company or existed during the Reporting Period.

## SHARE OPTION SCHEME

On 19 November 2018, the Shareholders approved and conditionally adopted the Share Option Scheme to enable the Company to grant options to eligible participants as incentives and rewards for their contribution to the Group. The Share Option Scheme became effective on the Listing Date.

The following is a summary of the principal terms of the Share Option Scheme:

### (1) Purpose:

The purpose of the Share Option Scheme is to incentivise and reward the Eligible Persons (as defined in paragraph 2 below) for their contribution to the Group and to align their interests with that of the Company so as to encourage them to work towards enhancing the value of the Company.

### (2) Participants:

The Board (including any committee or delegate of the Board appointed by the Board to perform any of its functions pursuant to the rules of the Share Option Scheme) may, at its absolute discretion, offer to grant an option to subscribe for such number of Shares as the Board may determine to an employee (whether full time or part-time) or a director of a member of our Group or associated companies of the Company, consultant, advisor, customer, supplier, agent, partner or contractor to the Group ("**Eligible Persons**").

### (3) Total number of Shares available for issue:

The maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme shall not in aggregate exceed 222,100,000 Shares, representing 10% of the total number of issued Shares as at the Listing Date and 10% of the total number of issued Shares as at the date of this Report.

## Corporate Governance and Other Information

### (4) Maximum entitlement of each participant:

No options shall be granted to any Eligible Person under the Share Option Scheme and any other schemes of the Company which, if exercised, would result in such Eligible Person becoming entitled to subscribe for such number of Shares as, when aggregated with the total number of Shares already issued or to be issued to him under all options granted to him (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of offer of such options, exceeds 1% of the Shares in issue at such date.

Any further grant of options to an Eligible Person in excess of this 1% limit shall be subject to the approval of the Shareholders in general meeting with such Eligible Person and his close associates (or if such Eligible Person is a connected person of the Company, his associates) abstaining from voting.

Each grant of options to a Director (including an independent non-executive Director) of any member of our Group or associated company of the Company, chief executive or substantial shareholder of the Company, or any of their respective associates, under the Share Option Scheme must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the proposed grantee of the options).

Where any grant of options to a substantial shareholder or an independent non-executive Director of the Company, or any of their respective associates, would result in the Shares issued and to be issued upon exercise of all options already granted and to be granted under the Share Option Scheme (including options exercised, cancelled and outstanding) to such person in the 12 month period up to and including the date of such grant:

- (i) representing in aggregate over 0.1% of the Shares in issue; and
- (ii) having an aggregate value, based on the closing price of the securities at the date of each grant, in excess of HK\$5 million,

such further grant of options by the Board must be approved by the Shareholders in general meeting. Any Shareholder who is a connected person of the Company must abstain from voting on the resolution to approve such further grant of options, except that such a connected person may vote against such resolution subject to the requirements of the Listing Rules. The Company shall send to the Shareholders a circular containing the information required under the Listing Rules for the purpose of seeking the approval of the Shareholders.

## Corporate Governance and Other Information

### (5) Period during which the options must be exercised to subscribe for Shares:

Any option shall be vested on an option-holder immediately upon his acceptance of the offer of options provided that if any vesting schedule and/or conditions are specified in the offer of the option, such option shall only be vested on an option-holder according to such vesting schedule and/or upon the fulfillment of the vesting conditions (as the case may be). Any vested option which has not lapsed and which conditions have been satisfied or waived by the Board in its sole discretion may, unless the Board determines otherwise in its absolute discretion, be exercised at any time from the next business day after the offer of options has been accepted. Any option which remain unexercised shall lapse upon the expiry of the option period, which period shall be determined by the Board and shall not exceed ten years from the offer date of the option.

### (6) Minimum period for which an option must be held before it can be exercised:

There is no minimum period for which an option granted must be held before it can be exercised except otherwise imposed by the Board.

### (7) Amount payable on application or acceptance of the option and the period within which payments or calls must or may be made, or loans for such purposes must be repaid:

An offer of options shall be open for acceptance for such period (not exceeding 30 days inclusive of, and from, the date of offer) as the Board may determine and notify to the Eligible Person concerned provided that no such offer shall be open for acceptance after the expiry of the duration of the Share Option Scheme. An offer of options not accepted within this period shall lapse. An amount of HK\$1.00 is payable upon acceptance of the grant of an option and such payment shall not be refundable and shall not be deemed to be a part payment of the exercise price.

### (8) Basis of determining the exercise price:

Subject to any adjustment made as set out in the section headed “Effect of alternation to share capital” in the Prospectus, the exercise price shall be such price as determined by the Board and notified to an option-holder and which shall not be less than the higher of:

- (i) the closing price of the Shares as stated in the Stock Exchange’s daily quotation sheets on the date of offer of the option;
- (ii) the average of the closing price of the Shares as stated in the Stock Exchange’s daily quotation sheets for the five trading days immediately preceding the date of offer of the option; and
- (iii) the nominal value of the Shares.

### (9) Remaining life of the Share Option Scheme:

The Share Option Scheme shall be valid and effective for a period of ten years commencing on 12 December 2018, subject to earlier termination by the Company in general meeting or by the Board. As at the date of this Report, the remaining life of the Share Option Scheme is approximately three years and three months.



## Corporate Governance and Other Information

The Company granted 74,019,823 share options on 12 June 2019 at an exercise price of HK\$1.468 per share and exercisable from the 12 June 2019 to 11 December 2028 (both days inclusive). The closing price of the Shares immediately before the date of grant of such Share Options was HK\$1.45. Among the 74,019,823 Share Options granted, (i) 61,468,366 Share Options were granted to the employees of the Group, and (ii) 12,551,457 Share Options were granted to Directors (including the independent non-executive Director), chief executive and/or substantial shareholder (as defined in the Listing Rules) of the Company and directors of subsidiaries of the Company.

As of 30 June 2025, relevant details are set out as follows:

| Name of grantee    | Position in the Company                           | Number of Share Options |
|--------------------|---|-------------------------|
| Ms. GUI Changqing  | Chairman and Executive Director                   | 2,000,000               |
| Mr. ZHANG Zejun    | Chief executive officer and Executive Director    | 2,000,000               |
| Mr. ZHANG Senquan  | Independent non-executive Director                | 2,000,000               |
| Mr. HU Peng        | Independent non-executive Director                | 2,000,000               |
| Mr. OUYANG Liangyi | Independent non-executive Director                | 2,000,000               |
| Mr. GUI Xuejun     | A director of certain subsidiaries of the Company | 1,279,021               |
| Mr. LIAO Longxiang | A director of certain subsidiaries of the Company | 100,000                 |
| Mr. ZHANG Zefei    | A director of certain subsidiaries of the Company | 100,000                 |

None of the grant of Share Options was subject to Shareholders' approval. The Share Options granted shall vest in the proposed grantees in accordance with the timetable below:

- (i) 13,860,000 Share Options shall be subject to a vesting period as follows:

| Vesting date                     | Percentage of Share Options to vest               |
|----------------------------------|---|
| 12 June 2020 to 11 December 2028 | 100% of the total number of Share Options granted |

- (ii) 22,000,000 Share Options shall be subject to a vesting period as follows:

| Vesting date                         | Percentage of Share Options to vest              |
|--------------------------------------|--|
| 12 December 2019 to 11 December 2028 | 50% of the total number of Share Options granted |
| 12 December 2020 to 11 December 2028 | 50% of the total number of Share Options granted |



## Corporate Governance and Other Information

(iii) 23,159,823 Share Options shall be subject to a vesting period as follows:

| Vesting date                     | Percentage of Share Options to vest              |
|----------------------------------|--|
| 12 June 2019 to 11 December 2028 | 40% of the total number of Share Options granted |
| 12 June 2020 to 11 December 2028 | 30% of the total number of Share Options granted |
| 12 June 2021 to 11 December 2028 | 30% of the total number of Share Options granted |

(iv) 15,000,000 Share Options shall be subject to a vesting period as follows:

| Vesting date                     | Percentage of Share Options to vest              |
|----------------------------------|--|
| 12 June 2020 to 11 December 2028 | 20% of the total number of Share Options granted |
| 12 June 2021 to 11 December 2028 | 20% of the total number of Share Options granted |
| 12 June 2022 to 11 December 2028 | 20% of the total number of Share Options granted |
| 12 June 2023 to 11 December 2028 | 20% of the total number of Share Options granted |
| 12 June 2024 to 11 December 2028 | 20% of the total number of Share Options granted |

During the six months ended 30 June 2025, no share options were cancelled and no share options were exercised. As at 30 June 2025, 61,892,503 share options were outstanding.

The total number of Shares that may be issued in respect of options granted under the Share Option Scheme of the Company during the Reporting Period divided by the weighted average number of the Shares in issue during the Reporting Period is 2.86%.

## Corporate Governance and Other Information

Details of the share options granted under the Share Option Scheme and outstanding as at 30 June 2025 are as follows:

| Name and class of grantees                          | Date of grant | Balance<br>as at<br>1 January<br>2025 | Number of share options   |   | Cancelled/<br>Lapsed<br>during the<br>six months<br>ended<br>30 June<br>2025 | Balance<br>as at<br>30 June<br>2025 | Exercise<br>price<br>per share<br>(HK\$) | Exercisable<br>period |
|---|---------------|---------------------------------------|---|---|--|-------------------------------------|--|-----------------------|
|   |               |                                       | Granted<br>during the<br>six months<br>ended<br>30 June<br>2025 | Exercised<br>during the<br>six months<br>ended<br>30 June<br>2025 |  |                                     |  |                       |
| Executive Directors                                 |               |                                       |   |   |  |                                     |  |                       |
| Ms. GUI Changqing                                   | 12 June 2019  | 2,000,000                             | –   | –   | –  | 2,000,000                           | 1.468                                    | Note a                |
| Mr. ZHANG Zejun                                     | 12 June 2019  | 2,000,000                             | –   | –   | –  | 2,000,000                           | 1.468                                    | Note a                |
| Independent non-executive Directors                 |               |                                       |   |   |  |                                     |  |                       |
| Mr. ZHANG Senquan                                   | 12 June 2019  | 2,000,000                             | –   | –   | –  | 2,000,000                           | 1.468                                    | Note a                |
| Mr. HU Peng   | 12 June 2019  | 2,000,000                             | –   | –   | –  | 2,000,000                           | 1.468                                    | Note a                |
| Mr. OUYANG Liangyi                                  | 12 June 2019  | 2,000,000                             | –   | –   | –  | 2,000,000                           | 1.468                                    | Note a                |
| Directors' associates                               |               |                                       |   |   |  |                                     |  |                       |
| Mr. GUI Xuejun<br>(Ms. GUI Changqing's associate)   | 12 June 2019  | 1,279,021                             | –   | –   | –  | 1,279,021                           | 1.468                                    | Note b                |
| Mr. ZHANG Zefei<br>(Mr. ZHANG Zejun's associate)    | 12 June 2019  | 100,000                               | –   | –   | –  | 100,000                             | 1.468                                    | Note d                |
|   |               | 10,000,000                            | –   | –   | –  | 10,000,000                          |  | Note e                |
| Continuous contract employees                       |               |                                       |   |   |  |                                     |  |                       |
|   | 12 June 2019  | 2,200,000                             | –   | –   | –  | 2,200,000                           | 1.468                                    | Note a                |
|   | 12 June 2019  | 17,242,503                            | –   | –   | –  | 17,242,503                          | 1.468                                    | Note b                |
|   | 12 June 2019  | 19,000,000                            | –   | –   | –  | 19,000,000                          | 1.468                                    | Note c                |
|   | 12 June 2019  | 12,450,000                            | –   | –   | –  | 12,450,000                          | 1.468                                    | Note d                |
|   |               | 50,892,503                            | –   | –   | –  | 50,892,503                          |  |                       |
| Those who have or may have contributed to the Group |               |                                       |   |   |  |                                     |  |                       |
|   | 12 June 2019  | 1,000,000                             | –   | –   | –  | 1,000,000                           | 1.468                                    | Note a                |
|   |               | 1,000,000                             | –   | –   | –  | 1,000,000                           |  |                       |
|   |               | 61,892,503                            | –   | –   | –  | 61,892,503                          |  |                       |

# Corporate Governance and Other Information

- (a) 20% of the share options are exercisable commencing from 12 June 2020, 20% of the share options are exercisable commencing from 12 June 2021, 20% of the share options are exercisable commencing from 12 June 2022, 20% of the share options are exercisable commencing from 12 June 2023, 20% of the share options are exercisable commencing from 12 June 2024 respectively to 11 December 2028.
- (b) 40% of the share options are exercisable commencing from 12 June 2019, 30% of the share options are exercisable commencing from 12 June 2020, 30% of the share options are exercisable commencing from 12 June 2021 respectively to 11 December 2028.
- (c) 50% of the share options are exercisable commencing from 12 December 2019, 50% of the share options are exercisable commencing from 12 December 2020 respectively to 11 December 2028.
- (d) 100% of the share options are exercisable commencing from 12 June 2020 to 11 December 2028.
- (e) For the avoidance of repeated calculations, 1,379,021 share options for directors' associates have been excluded from this subtotal as they are included in the number for employees with continuous contract.

The total number of share options available for grant under the scheme mandate of the Share Option Scheme as at 1 January 2025 and 30 June 2025 were 149,680,177.

## SHARE AWARD SCHEME

The Board has resolved to adopt the Share Award Scheme on 28 March 2022.

### 1. Objective

The objectives of the Share Award Scheme are: (i) to recognize the contributions of certain employees of the Group and provide them with incentives in order to retain them for the continual operation and development of the Group; and (ii) to attract suitable personnel for further development of the Group.

### 2. Participant

The participants of the Share Award Scheme will include: (i) the employees of any member of the Group; (ii) any advisor or consultant of any member of the Group; and (iii) any other person who, in the sole opinion of the Board, has made or will make contribution to the development and business of any member of the Group.

### 3. Administration

The Share Award Scheme is subject to the administration of the Board in accordance with the rule of the Share Award Scheme (the “**Scheme Rules**”).

### 4. Scheme Limit

The Board shall not make any further award of restricted share units (“**RSU(s)**”) which will result in the aggregate number of the Awarded Shares (as defined below) underlying the RSUs awarded by the Board under the Share Award Scheme exceeding ten per cent. of the issued share capital of the Company from time to time throughout the trust period, which is term of ten years commencing on 28 March 2022. Awards lapsed in accordance with the terms of the Share Award Scheme shall not be counted for the purpose of calculating the ten per cent. limit. The maximum number of Awarded Shares underlying the Share Award Scheme which may be awarded to a selected participant under the Share Award Scheme shall not exceed one per cent. of the issued share capital of the Company in any 12-month period.

## Corporate Governance and Other Information

### 5. Voting Rights

The trustee (who is an independent third party) appointed by the Board to manage the Share Award Scheme (“**Trustee**”), the Board and the authorised representatives appointed by the Board by passing ordinary resolutions delegated with authority to give instructions or notices to the Trustee on all matters in connection with the Share Award Scheme and other matters in the routine administration of the Trust (if any) shall not exercise any voting rights attached to any Shares held on the trust constituted by the trust deed (the “**Trust**”).

### 6. Restrictions

The Awarded Shares awarded to the employee(s) selected by the Board pursuant to the Scheme Rules to participate in the Share Award Scheme (the “**Selected Employee(s)**”) under the Share Award Scheme shall be personal to such employee and shall not be transferable. Each of the Selected Employees shall not sell, transfer, pledge or create any encumbrance by any means in respect of the unvested Awarded shares. The Selected Employee(s) are not entitled to any rights attached to the unvested such number of Shares awarded by the Board pursuant to the Scheme Rules (the “**Awarded Shares**”), including but not limited to any voting right and entitlement to dividends that have accrued prior to the vesting of such Awarded Shares. If any Director or authorised representatives appointed by the Board by passing ordinary resolutions delegated with authority to give instructions or notices to the Trustee on all matters in connection with the Share Award Scheme and other matters in the routine administration of the Trust possesses unpublished inside information in relation to the Company, or where dealings by Directors are prohibited under any code or requirement of the Listing Rules or any applicable laws from time to time, no payment shall be made to the Trustee and no instructions to acquire Shares shall be given to the Trustee under the Share Award Scheme. Further, the Board shall not award any Awarded Shares during the periods in which dealing in Shares is prohibited pursuant to the Listing Rules or any corresponding code or securities dealing restrictions adopted by the Company.

### 7. Operation

Pursuant to the Share Award Scheme, the Board may from time to time instruct the Trustee to purchase the existing Shares in the open market, and determine, among other things, the timing of awards, list of selected employees, number of Awarded Shares, vesting dates and conditions of vesting mainly based on the overall results and performance of the Group and contributions made by the employees. Unless otherwise determined by the Board at its discretion, the Trustee shall hold Awarded Shares until such Shares are vested in the selected employees in accordance with the Scheme Rules.

### 8. Vesting and Lapse

Unless otherwise determined by the Board at its discretion, the relevant Awarded Shares held by the Trustee on behalf of the selected employees on Trust shall not vest in the relevant selected employee in the following circumstances: (i) the selected employee ceases to be a selected employee for whatever reason; or (ii) other circumstances as provided in the Scheme Rules. Upon occurrence of any of the above circumstances, any Awarded Shares awarded but have not been vested in the selected employee will be returned to the Trust in accordance with the Scheme Rules. In respect of a selected employee who retires at his normal retirement date at any time prior to a Vesting Date, all the Awarded Shares of such selected employee shall be deemed to be vested on the day immediately prior to his retirement at his normal retirement date.

# Corporate Governance and Other Information

## 9. Remaining life of the Share Award Scheme

The Share Award Scheme shall be valid and effective for a period of ten years commencing on 28 March 2022, subject to earlier termination by the Company in general meeting or by the Board. As at the date of this Report, the remaining life of the Share Award Scheme is approximately six years and six months.

### Details of the Share Awards granted under the Share Award Scheme

During the six months ended 30 June 2025, 7,400,000 Awarded Shares have been vested or transferred under the Share Award Scheme, no Awarded Shares have been cancelled, and no Awarded Shares have been granted.

Since the date of adoption and up to the date of this Report, the Board has awarded a total of 34,900,000 Shares under the Scheme, representing approximately 1.6% of the Shares in issue at the date of this Report. The total number of Shares available for further awards under the Scheme is 8,308,000, representing approximately 0.4% of the Shares in issue as at the date of this Report.

In 12 April 2022, the Company has appointed Futu Trustee Limited (the “**Trustee**”) as a trustee for the purpose of the Share Award Scheme pursuant to the Scheme Rules. To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, the Trustee and its ultimate beneficial owners are third parties independent of the Company and the connected persons of the Company. The Trustees shall administer the Share Award Scheme in accordance with the Scheme Rules and the respective Trust Deed signed between the Company and Trustee.

Details of the Share Awards granted pursuant to the Share Award Scheme to the grantees are set out below:

### Number of Share Awards

| Category of Participant                            | Date of Award    | Number of Share Awards | Purchase Price | Vesting Period   | Unvested at 1 January 2025 | Granted during the Reporting Period | Vested during the Reporting Period | Lapsed during the Reporting Period | Cancelled during the Reporting Period | Unvested at 30 June 2025 |
|--|------------------|------------------------|----------------|------------------|----------------------------|-------------------------------------|------------------------------------|------------------------------------|---------------------------------------|--------------------------|
| (i) The five highest paid individuals of the Group | 11 May 2022      | 17,000,000             | -              | 1 June 2023      | -                          | -                                   | -                                  | -                                  | -                                     | -                        |
| (ii) Other Employees of the Group                  | 11 May 2022      | 1,800,000              | -              | 1 June 2023      | -                          | -                                   | -                                  | -                                  | -                                     | -                        |
| (iii) the Directors or their associates            | -                | -                      | -              | -                | -                          | -                                   | -                                  | -                                  | -                                     | -                        |
| (i) The five highest paid individuals of the Group | 25 May 2023      | 5,000,000              | -              | 25 May 2024      | -                          | -                                   | -                                  | -                                  | -                                     | -                        |
| (ii) Other Employees of the Group                  | 25 May 2023      | 2,200,000              | -              | 25 May 2024      | -                          | -                                   | -                                  | -                                  | -                                     | -                        |
| (iii) the Directors or their associates            | -                | -                      | -              | -                | -                          | -                                   | -                                  | -                                  | -                                     | -                        |
| (i) The five highest paid individuals of the Group | 25 May 2024      | 5,000,000              | -              | 25 May 2025      | 5,000,000                  | -                                   | 5,000,000                          | -                                  | -                                     | -                        |
| (ii) Other Employees of the Group                  | 25 May 2024      | 2,400,000              | -              | 25 May 2025      | 2,400,000                  | -                                   | 2,400,000                          | -                                  | -                                     | -                        |
| (iii) the Directors or their associates            | -                | -                      | -              | -                | -                          | -                                   | -                                  | -                                  | -                                     | -                        |
| (i) The five highest paid individuals of the Group | -                | -                      | -              | -                | -                          | -                                   | -                                  | -                                  | -                                     | -                        |
| (ii) Other Employees of the Group                  | 1 September 2024 | 1,500,000              | -              | 1 September 2025 | 1,500,000                  | -                                   | -                                  | -                                  | -                                     | 1,500,000                |
| (iii) the Directors or their associates            | -                | -                      | -              | -                | -                          | -                                   | -                                  | -                                  | -                                     | -                        |
| <b>Total</b>                                       |                  | <b>34,900,000</b>      |                |                  | <b>8,900,000</b>           | <b>-</b>                            | <b>7,400,000</b>                   | <b>-</b>                           | <b>-</b>                              | <b>1,500,000</b>         |

Notes:

- Please refer to note 22 to the financial statements for more details (including the vesting conditions, if any) of the above Share Awards.



## Corporate Governance and Other Information

2. On 11 May 2022, the Company granted 18,800,000 shares to certain employees, which was subject to satisfaction of certain service period for one year and performance target for the year 2022. The fair value of the granted shares is estimated using the Fimerty model (HK\$0.38) on the day of the grant, amounting to HK\$7,100,000 (equivalent to approximately RMB6,086,000). The weighted average closing price of such shares on 11 May 2023, being the trading date immediately before the vesting date, was HK\$0.485.
3. On 25 May 2023, the Company granted 7,200,000 shares to certain employees, which was subject to satisfaction of certain service period for one year and performance target for the year 2023. The fair value of the granted shares is estimated using the Fimerty model (HK\$0.38) on the day of the grant, amounting to HK\$2,736,000 (equivalent to approximately RMB2,462,000). The closing price of such shares on 24 May 2023, being the trading date immediately before the grant date, was HK\$0.465. Specifically, 5,400,000 shares were vested on 25 May 2024 and the weighted average closing price of the such shares on 24 May 2024, being the trading date immediately before the vesting date, was HK\$0.59.
4. On 25 May 2024, the Company granted 7,400,000 shares to certain employees, which was subject to satisfaction of certain service period for one year and performance target for the year 2024. The fair value of the granted shares is estimated using the Fimerty model (HK\$0.56) on the day of the grant, amounting to HK\$4,134,000 (equivalent to approximately RMB3,764,000). The closing price of the such shares on 24 May 2024, being the trading date immediately before the grant date, was HK\$0.59. Specifically, 7,400,000 shares were vested on 25 May 2025 and the weighted average closing price of the such shares on 23 May 2025, being the trading date immediately before the vesting date, was HK\$0.74.
5. On 1 September 2024, the Company granted 1,500,000 shares to certain employees, which was subject to satisfaction of certain service period for one year in 2024. The fair value of the granted shares is estimated using the Fimerty model (HK\$0.41) on the day of the grant, amounting to HK\$621,000 (equivalent to approximately RMB566,000). The closing price of such shares on 30 August 2024, being the trading date immediately before the grant date, was HK\$0.445.

Save as disclosed above, there have been no Share Awards granted under the Share Award Scheme during the six months ended 30 June 2025.

The identity of the grantees and the number of RSU granted to each grantee was reviewed and approved by the Company's Remuneration Committee after having taken into account the performance targets for the relevant financial period. The performance targets are related to the profitability of the Group as a whole and the operational performance of various departments in which the grantees work during the year.

The vesting period for the Awarded Shares shall not be less than 12 months. The vesting of the Awarded Shares is subject to the satisfaction of vesting conditions specified in the award notice issued to each of the respective grantees. The performance targets attached to the Awarded Shares, which form part of the vesting conditions, include operational indicators, such as targets for revenue, net profit of the Group, sales income and net operating profit of various sales channels. In the event of a non-satisfactory rating in the annual performance review, the whole or the portion of awards to become vested in such year to the grantee shall be void and forfeited.

The Share Awards will be settled by the Shares repurchased by the Trustee on the open market. The shares under the Share Award Scheme have been acquired in 2022 by the Trustee from the open market with funds provided by the Company with its internal resources for the purpose of the Share Award Scheme. Once the Awarded Shares are vested and become eligible to transfer, the shares shall be transferred to the grantees from the Trustee at the request of the grantees. Therefore, the grant of the Awarded Shares will not result in any issue of new Shares or any dilution effect on the shareholdings of existing Shareholders.



## Corporate Governance and Other Information

The total number of Share Awards available for grant under the Share Award Scheme as at 1 January 2025 and 30 June 2025 were 8,308,000, representing approximately 0.4% of the Shares in issue as at the date of this Report.

The total number of Shares that may be issued in respect of share awards granted under the Share Award Scheme of the Company during the Reporting Period divided by the weighted average number of the Shares in issue during the Reporting Period is 0%.

The total number of Shares that may be issued in respect of share awards granted under all schemes of the Company, including both of the Share Option Scheme and the Share Awards Scheme, during the Reporting Period divided by the weighted average number of the Shares in issue during the Reporting Period is 2.86%.

### SIGNIFICANT INVESTMENT, MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATED COMPANIES

During the six months ended 30 June 2025, there was no significant investment, material acquisition and disposal of subsidiaries, joint ventures and associated companies by the Group.

### PURCHASE, SALE AND REDEMPTION OF SHARES

There was no purchase, sale (including sale of treasury shares, if any) and redemption of any listed securities of the Company by the Company or any of its subsidiaries during the Reporting Period.

As at 30 June 2025, the Company did not have any treasury shares.

### INTERIM DIVIDEND

The Board did not recommend any payment of interim dividend for the six months ended 30 June 2025 (corresponding period in 2024: Nil).

### EVENTS AFTER THE REPORTING PERIOD

There was no significant subsequent event or any material change relevant to the business or financial performance of the Group that come to the attention of the Directors since 30 June 2025 to the date hereof.

# Corporate Governance and Other Information

## USE OF PROCEEDS FROM THE GLOBAL OFFERING

The Shares of the Company were listed on the Main Board of the Stock Exchange on 12 December 2018 with net proceeds from the Global Offering of approximately HK\$636.8 million (after deduction of underwriting fees and commissions and estimated expenses payable by the Company in connection with the Global Offering) and the balance of unutilised net proceeds of approximately HK\$50.3 million as at the beginning of the Reporting Period and approximately HK\$48.3 million as at 30 June 2025.

The net proceeds from the Global Offering have been and will be utilised in accordance with the purposes set out in the prospectus of the Company dated 29 November 2018 (the “**Prospectus**”). The table below sets out the planned applications of the net proceeds from the Global Offering of the Group and actual usage up to 30 June 2025:

|   | Budget<br>(HK\$ million) | Accumulated<br>amount<br>utilised as at<br>31 December<br>2024<br>(HK\$ million) | Amount<br>utilised<br>during the<br>Reporting<br>Period<br>(HK\$ million) | Remaining<br>balance<br>as at<br>30 June<br>2025<br>(HK\$ million) | Expected<br>timeline for<br>unutilised<br>net proceeds |
|---|--------------------------|--|---|--|--|
| To further enhance the integrated distribution platform and optimise our channel mix  | 222.9                    | 222.9  | –   | –  | N/A  |
| – To expand the online presence through further developing the technology infrastructure  | 22.3                     | 22.3   | –   | –  | N/A  |
| – To upgrade certain existing concessionary counters into integrated health food stores in supermarkets   | 22.3                     | 22.3   | –   | –  | N/A  |
| – To further increase the number of the concessionary counters, including the related expense for decoration, equipment procurement and other fees                      | 44.6                     | 44.6   | –   | –  | N/A  |
| – To expand into and introduce our existing and/or new products at various high frequency “on-the-go” consumption channels  | 133.7                    | 133.7  | –   | –  | N/A  |
| To construct the new Nansha Manufacturing Facility in Guangzhou, Guangdong Province and the procurement of machinery and equipment for this planned processing facility | 382.1                    | 331.8  | 2.0   | 48.3   | By the end of 2028*                                    |
| To use for general corporate purposes   | 31.8                     | 31.8   | –   | –  | N/A  |
| <b>Total</b>  | <b>636.8</b>             | <b>586.5</b>   | <b>2.0</b>  | <b>48.3</b>  |  |

\* The deferred use of the net proceeds intended for such purpose is due to the fact that the Group’s current production capacity and working capital are sufficient and therefore there is no need to utilise the net proceeds from the Global Offering for the purchase of production equipment, etc.

## Corporate Governance and Other Information

As at 30 June 2025, the Group held the unutilised net proceeds as deposit with creditworthy banks with no recent history of default. There has been no change to the intended use of net proceeds as previously disclosed in the Prospectus. The proceeds were used and are proposed to be used as and when appropriate based on the Group's business needs according to the intentions previously disclosed in the Prospectus.

### CHANGES IN THE INFORMATION OF DIRECTORS AND CHIEF EXECUTIVES

Since the publication of the 2024 annual report to the date of this Report, there have been no changes in the information of the Directors and chief executives of the Company that is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules save and except that:

- Mr. ZHANG Senquan, an independent non-executive Director, was appointed as an independent director of Shandong Weigao Blood Purification Products Co., Ltd. (山東威高血液淨化製品股份有限公司) (the shares of which are listed on the Shanghai Stock Exchange (stock code: 603014)) in May 2025 and a joint company secretary of Zhonggan Communication (Group) Holdings Limited (the shares of which are listed on the Stock Exchange (stock code: 2545)) since 17 July 2025.

### AUDIT COMMITTEE

As of the date of this Report, the Audit Committee consists of Mr. ZHANG Senquan, Mr. HU Peng and Mr. OUYANG Liangyi, the independent non-executive Directors of the Company. The chairman of the Audit Committee is Mr. ZHANG Senquan.

The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters, including the review of the financial information of the Group for the six months ended 30 June 2025.

The consolidated financial information for the six months ended 30 June 2025 have been reviewed by the Company's independent auditor, Ernst & Young in accordance with Hong Kong standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountant.

Members of the Audit Committee were of the opinion that the financial statements and this Report had been prepared in compliance with the applicable accounting standards and the Listing Rules and that adequate disclosure had been made.

# Independent Review Report



**Ernst & Young**  
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979 King's Road  
Quarry Bay, Hong Kong

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## To the board of directors of Natural Food International Holding Limited

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

### INTRODUCTION

We have reviewed the interim financial statements set out on pages 31 to 55, which comprise the condensed consolidated statement of financial position of Natural Food International Holding Limited (the “Company”) and its subsidiaries (the “Group”) as at 30 June 2025 and the related condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 *Interim Financial Reporting* (“HKAS 34”) as issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

The directors of the Company are responsible for the preparation and presentation of this interim financial in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

### SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* as issued by the HKICPA. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## Independent Review Report (Continued)

### CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

Ernst & Young

*Certified Public Accountants*

Hong Kong

27 August 2025



# Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2025

|   |       | For the six months ended 30 June |                                |
|---|-------|----------------------------------|--------------------------------|
|   | Notes | 2025<br>RMB'000<br>(Unaudited)   | 2024<br>RMB'000<br>(Unaudited) |
| REVENUE   | 5     | <b>1,134,713</b>                 | 992,383                        |
| Cost of sales   |       | <b>(391,584)</b>                 | (342,370)                      |
| Gross profit  |       | <b>743,129</b>                   | 650,013                        |
| Other income and gains  | 5     | <b>12,919</b>                    | 9,142                          |
| Selling and distribution expenses   |       | <b>(584,655)</b>                 | (512,170)                      |
| Administrative expenses   |       | <b>(43,789)</b>                  | (40,257)                       |
| Reversal of/(impairment losses) on financial assets                         |       | <b>(657)</b>                     | 121                            |
| Other expenses  |       | <b>(930)</b>                     | (955)                          |
| Finance costs   | 7     | <b>(204)</b>                     | (109)                          |
| PROFIT BEFORE TAX   | 6     | <b>125,813</b>                   | 105,785                        |
| Income tax expense  | 8     | <b>(19,046)</b>                  | (15,636)                       |
| PROFIT FOR THE PERIOD   |       | <b>106,767</b>                   | 90,149                         |
| Attributable to:  |       |                                  |                                |
| Owners of the parent  |       | <b>106,767</b>                   | 90,149                         |
| EARNINGS PER SHARE ATTRIBUTABLE TO<br>ORDINARY EQUITY HOLDERS OF THE PARENT | 10    |                                  |                                |
| Basic   |       | <b>0.049</b>                     | 0.042                          |
| Diluted   |       | <b>0.049</b>                     | 0.042                          |

# Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (Continued)

For the six months ended 30 June 2025

|  | Notes | For the six months ended 30 June |                                |
|--|-------|----------------------------------|--------------------------------|
|  |       | 2025<br>RMB'000<br>(Unaudited)   | 2024<br>RMB'000<br>(Unaudited) |
| PROFIT FOR THE PERIOD  |       | <b>106,767</b>                   | 90,149                         |
| OTHER COMPREHENSIVE INCOME   |       |                                  |                                |
| Other comprehensive income to be reclassified to profit or loss in subsequent periods:     |       |                                  |                                |
| Exchange differences on translation of foreign operations                                  |       | <b>(1,114)</b>                   | (3,871)                        |
| Other comprehensive income not to be reclassified to profit or loss in subsequent periods: |       |                                  |                                |
| Translation from functional currency to presentation currency                              |       | <b>(1,955)</b>                   | 4,489                          |
| TOTAL COMPREHENSIVE INCOME FOR THE PERIOD  |       | <b>103,698</b>                   | 90,767                         |
| Attributable to:   |       |                                  |                                |
| Owners of the parent   |       | <b>103,698</b>                   | 90,767                         |

# Interim Condensed Consolidated Statement of Financial Position

30 June 2025

|   | Notes | 30 June<br>2025<br>RMB'000<br>(Unaudited) | 31 December<br>2024<br>RMB'000<br>(Audited) |
|---|-------|---|---|
| <b>NON-CURRENT ASSETS</b>                             |       |   |   |
| Property, plant and equipment                         | 11    | 287,136                                   | 290,263                                     |
| Right-of-use assets                                   |       | 40,970                                    | 43,570                                      |
| Intangible assets                                     |       | 198                                       | 221   |
| Deferred tax assets                                   |       | 19,602                                    | 21,046                                      |
| Other non-current assets                              |       | 4,631                                     | 2,838                                       |
| Total non-current assets                              |       | 352,537                                   | 357,938                                     |
| <b>CURRENT ASSETS</b>                                 |       |   |   |
| Inventories   | 12    | 84,670                                    | 94,583                                      |
| Trade and bills receivables                           | 13    | 216,650                                   | 223,691                                     |
| Prepayments, other receivables and other assets       | 14    | 32,383                                    | 38,316                                      |
| Financial assets at fair value through profit or loss |       | 21,512                                    | 11,226                                      |
| Amount due from related parties                       | 19    | 16  | 17  |
| Cash and cash equivalents                             | 15    | 1,133,270                                 | 835,197                                     |
| Time deposit  |       | 21,200                                    | 276,419                                     |
| Total current assets                                  |       | 1,509,701                                 | 1,479,449                                   |
| <b>CURRENT LIABILITIES</b>                            |       |   |   |
| Trade payables  | 16    | 108,604                                   | 114,035                                     |
| Contract liabilities                                  |       | 13,363                                    | 17,378                                      |
| Other payables and accruals                           |       | 140,281                                   | 123,820                                     |
| Lease liabilities                                     |       | 5,426                                     | 5,105                                       |
| Tax payable   |       | 32,154                                    | 36,375                                      |
| Total current liabilities                             |       | 299,828                                   | 296,713                                     |
| NET CURRENT ASSETS                                    |       | 1,209,873                                 | 1,182,736                                   |
| TOTAL ASSETS LESS CURRENT LIABILITIES                 |       | 1,562,410                                 | 1,540,674                                   |

# Interim Condensed Consolidated Statement of Financial Position (Continued)

30 June 2025

|   | Note | 30 June<br>2025<br>RMB'000<br>(Unaudited) | 31 December<br>2024<br>RMB'000<br>(Audited) |
|---|------|---|---|
| <b>NON-CURRENT LIABILITIES</b>              |      |   |   |
| Deferred tax liabilities                    |      | <b>12,308</b>                             | 13,645                                      |
| Lease liabilities                           |      | <b>4,200</b>                              | 6,737                                       |
| Total non-current liabilities               |      | <b>16,508</b>                             | 20,382                                      |
| Net assets                                  |      | <b>1,545,902</b>                          | 1,520,292                                   |
| <b>EQUITY</b>                               |      |   |   |
| Equity attributable to owners of the parent |      |   |   |
| Share capital                               | 17   | <b>147</b>                                | 147   |
| Reserves                                    |      | <b>1,545,755</b>                          | 1,520,145                                   |
| Total equity                                |      | <b>1,545,902</b>                          | 1,520,292                                   |

# Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

|   | Share capital | Shares held for the share award scheme | Share premium | Share option reserve | Share award reserve | Merger reserve | Exchange fluctuation reserve | Statutory surplus reserve | Retained profits | Total     |
|---|---------------|--|---------------|----------------------|---------------------|----------------|------------------------------|---------------------------|------------------|-----------|
|   | RMB'000       | RMB'000                                | RMB'000       | RMB'000              | RMB'000             | RMB'000        | RMB'000                      | RMB'000                   | RMB'000          | RMB'000   |
|   | (Note 17)     |  |               | (Note 20)            | (Note 21)           |                |                              |                           |                  |           |
| At 1 January 2025 (audited)                                   | 147           | (8,092)                                | 1,029,979     | 28,729               | 2,551               | (87,350)       | (13,642)                     | 38,430                    | 529,540          | 1,520,292 |
| Profit for the year   | -             | -                                      | -             | -                    | -                   | -              | -                            | -                         | 106,767          | 106,767   |
| Translation from functional currency to presentation currency | -             | -                                      | -             | -                    | -                   | -              | (3,069)                      | -                         | -                | (3,069)   |
| Total comprehensive income for the year                       | -             | -                                      | -             | -                    | -                   | -              | (3,069)                      | -                         | 106,767          | 103,698   |
| Equity-settled share award expense                            | -             | -                                      | -             | -                    | 1,776               | -              | -                            | -                         | -                | 1,776     |
| Vested awarded shares transferred to employees                | -             | 3,985                                  | (222)         | -                    | (3,763)             | -              | -                            | -                         | -                | -         |
| Transfer to statutory reserve funds                           | -             | -                                      | -             | -                    | -                   | -              | -                            | 173                       | (173)            | -         |
| Dividend paid   | -             | -                                      | (79,864)      | -                    | -                   | -              | -                            | -                         | -                | (79,864)  |
| At 30 June 2025 (unaudited)                                   | 147           | (4,107)*                               | 949,893*      | 28,729*              | 564*                | (87,350)*      | (16,711)*                    | 38,603*                   | 636,134*         | 1,545,902 |

\* These reserve accounts comprise the consolidated reserves of RMB1,545,755,000 (31 December 2024: RMB1,520,145,000) in the interim condensed consolidated statement of financial position



# Interim Condensed Consolidated Statement of Changes in Equity (Continued)

For the six months ended 30 June 2025

|   | Share capital        | Shares held for the share award scheme | Share premium | Share option reserve | Share award reserve  | Merger reserve | Exchange fluctuation reserve | Statutory surplus reserve | Retained profits | Total     |
|---|----------------------|--|---------------|----------------------|----------------------|----------------|------------------------------|---------------------------|------------------|-----------|
|   | RMB'000<br>(Note 17) | RMB'000                                | RMB'000       | RMB'000<br>(Note 20) | RMB'000<br>(Note 21) | RMB'000        | RMB'000                      | RMB'000                   | RMB'000          | RMB'000   |
| At 1 January 2024 (audited)   | 147                  | (10,978)*                              | 1,101,382*    | 28,708*              | 1,629*               | (87,350)*      | (17,777)*                    | 34,644*                   | 345,362*         | 1,395,767 |
| Profit for the year   | -                    | -                                      | -             | -                    | -                    | -              | -                            | -                         | 90,149           | 90,149    |
| Translation from functional currency to presentation currency                   | -                    | -                                      | -             | -                    | -                    | -              | 618                          | -                         | -                | 618       |
| Total comprehensive income for the year   | -                    | -                                      | -             | -                    | -                    | -              | 618                          | -                         | 90,149           | 90,767    |
| Equity-settled share option arrangements  | -                    | -                                      | -             | 126                  | -                    | -              | -                            | -                         | -                | 126       |
| Equity-settled share award expense  | -                    | -                                      | -             | -                    | 841                  | -              | -                            | -                         | -                | 841       |
| Vested awarded shares transferred to employees                                  | -                    | 2,886                                  | (882)         | -                    | (2,004)              | -              | -                            | -                         | -                | -         |
| Transfer to statutory reserve funds   | -                    | -                                      | -             | -                    | -                    | -              | -                            | 452                       | (452)            | -         |
| Transfer of share option reserve upon the forfeiture or expiry of share options | -                    | -                                      | -             | (106)                | -                    | -              | -                            | -                         | 106              | -         |
| Dividend paid   | -                    | -                                      | (70,521)      | -                    | -                    | -              | -                            | -                         | -                | (70,521)  |
| At 30 June 2024 (unaudited)   | 147                  | (8,092)                                | 1,029,979     | 28,728               | 466                  | (87,350)       | (17,159)                     | 35,096                    | 435,165          | 1,416,980 |

# Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

|  | For the six months ended 30 June |                                |
|--|----------------------------------|--------------------------------|
|  | 2025<br>RMB'000<br>(Unaudited)   | 2024<br>RMB'000<br>(Unaudited) |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                |                                  |                                |
| Profit before tax  | 125,813                          | 105,785                        |
| Adjustments for:   |                                  |                                |
| Bank interest income   | (6,775)                          | (5,865)                        |
| Income from financial assets measured at fair value through profit or loss | (2,321)                          | (2,064)                        |
| Finance costs  | 204                              | 109                            |
| Depreciation of property, plant and equipment                              | 14,788                           | 15,059                         |
| Depreciation of right-of-use assets  | 2,967                            | 3,441                          |
| Amortisation of intangible assets  | 23                               | 27                             |
| Impairment losses of trade receivables, net                                | 657                              | (121)                          |
| Loss on disposal of items of property, plant and equipment                 | 110                              | 53                             |
| Fair value gains on financial assets at fair value through profit or loss  | (286)                            | –                              |
| Equity-settled share option expenses                                       | –                                | 126                            |
| Equity-settled share award expenses  | 1,776                            | 841                            |
|  | <b>136,956</b>                   | <b>117,391</b>                 |
| Decrease in inventories  | 9,913                            | 24,408                         |
| Decrease in trade and bills receivables                                    | 6,385                            | 27,674                         |
| Decrease in prepayments, other receivables and other assets                | 5,933                            | 12,740                         |
| Decrease in amounts due from related parties                               | –                                | 2,133                          |
| Decrease in restricted bank deposit  | –                                | 1,873                          |
| Decrease in trade payables   | (5,432)                          | (24,758)                       |
| Increase/(decrease) in other payables and accruals                         | 16,930                           | (10,143)                       |
| (Decrease)/Increase in contract liabilities                                | (4,016)                          | 1,573                          |
| Cash generated from operations   | <b>166,669</b>                   | <b>152,891</b>                 |
| Interest received  | 6,775                            | 5,865                          |
| Income tax paid  | (23,159)                         | (16,594)                       |
| Net cash flows from operating activities                                   | <b>150,285</b>                   | <b>142,162</b>                 |

# Interim Condensed Consolidated Statement of Cash Flows (Continued)

For the six months ended 30 June 2025

|  | For the six months ended 30 June |                                |
|--|----------------------------------|--------------------------------|
|  | 2025<br>RMB'000<br>(Unaudited)   | 2024<br>RMB'000<br>(Unaudited) |
| CASH FLOWS FROM INVESTING ACTIVITIES   |                                  |                                |
| Purchase of financial assets measured at fair value through profit or loss                 | (833,000)                        | (1,110,000)                    |
| Proceeds from redemption of financial assets measured at fair value through profit or loss | 825,321                          | 1,112,064                      |
| Purchase of time deposits  | (1,200)                          | (30,000)                       |
| Proceeds from redemption of time deposits  | 256,419                          | 131,500                        |
| Purchase of items of property, plant and equipment   | (14,046)                         | (15,974)                       |
| Proceeds from disposal of items of property, plant and equipment                           | 15                               | 2,142                          |
| Net cash flows from investing activities   | 233,509                          | 89,732                         |
| CASH FLOWS FROM FINANCING ACTIVITIES   |                                  |                                |
| Interest paid  | (204)                            | (109)                          |
| Principal portion of lease payments  | (2,586)                          | (3,260)                        |
| Dividends Paid   | (79,864)                         | (70,521)                       |
| Net cash flows used in financing activities  | (82,654)                         | (73,890)                       |
| NET INCREASE IN CASH AND CASH EQUIVALENTS  | 301,140                          | 158,004                        |
| Cash and cash equivalents at beginning of period   | 835,197                          | 840,471                        |
| Effect of foreign exchange rate changes, net   | (3,067)                          | 641                            |
| CASH AND CASH EQUIVALENTS AT END OF PERIOD   | 1,133,270                        | 999,116                        |
| ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS  |                                  |                                |
| Cash and bank balances   | 1,133,270                        | 999,116                        |

# Notes to Interim Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

## 1. CORPORATE INFORMATION

The Company was formerly known as Roomy Development Holdings Limited, a limited liability company incorporated under the laws of the British Virgin Islands (the “BVI”) on 30 November 2009. It was registered by way of continuation in the Cayman Islands as an exempted company with limited liability under the laws of the Cayman Islands and changed its name to “Natural Food International Holding Limited” on 11 May 2018. The address of the registered office of the Company is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. The Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 12 December 2018 (the “Listing”).

The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the “Group”) are principally engaged in processing and selling natural health food in the People’s Republic of China (the “PRC”).

## 2. BASIS OF PREPARATION

The interim condensed consolidated financial statements for the six months ended 30 June 2025 have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 *Interim Financial Reporting*.

The interim condensed consolidated financial statements does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2024.

## 3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those applied in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended HKFRS Accounting Standard for the first time for the current period’s financial information.

Amendments to HKAS 21

*Lack of Exchangeability*

The nature and impact of the new and revised HKFRSs that are applicable to the Group are described below:

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 with and the functional currencies of group entities for translation into the Group’s presentation currency were exchangeable, the amendments did not have any impact on the interim condensed consolidated financial information.

# Notes to Interim Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2025

## 4. OPERATING SEGMENT INFORMATION

The Group is principally engaged in processing and selling natural health food. Information reported to the Group's management for the purpose of resources allocation and performance assessment focuses on the operating results of the Group as a whole as the Group's resources are integrated and no discrete operating segment financial information is available. Accordingly, no operating segment information is presented.

### Geographical information

The Group operates within one geographical location because 100% of its revenue was generated in the PRC and all of its non-current assets and capital expenditure were located/incurred in the PRC. Accordingly, no geographical information is presented.

### Information about major customers

The Group's customers primarily consist of individual customers. For the six-month ended 30 June 2025, Revenue from continuing operations of approximately RMB189,950,000 was derived from sales by the consumer goods segment to a single customer.



# Notes to Interim Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2025

## 5. REVENUE AND OTHER INCOME AND GAINS

Revenue represents the net invoiced value of goods sold, after allowances for returns, and trade discounts (net of value-added tax) for the six months ended 30 June 2025 and 2024.

An analysis of revenue is as follows:

|   | For the six months ended 30 June |                                |
|---|----------------------------------|--------------------------------|
|   | 2025<br>RMB'000<br>(Unaudited)   | 2024<br>RMB'000<br>(Unaudited) |
| <b>Revenue from contracts with customers</b>                                  |                                  |                                |
| Sale of goods   | 1,134,713                        | 992,383                        |
| <b>Timing of revenue recognition</b>  |                                  |                                |
| Goods transferred at a point in time  | 1,134,713                        | 992,383                        |
|   |                                  |                                |
|   | For the six months ended 30 June |                                |
|   | 2025<br>RMB'000<br>(Unaudited)   | 2024<br>RMB'000<br>(Unaudited) |
| <b>Other income and gains</b>   |                                  |                                |
| Government grants*  | 3,211                            | 379                            |
| Bank interest income  | 6,775                            | 5,865                          |
| Income from financial assets measured at fair value<br>through profit or loss | 2,321                            | 2,064                          |
| Others  | 612                              | 834                            |
|   | 12,919                           | 9,142                          |

\* Various government grants have been received from local government authorities in the PRC. There are no unfulfilled conditions and other contingencies relating to these grants.

# Notes to Interim Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2025

## 6. PROFIT BEFORE TAX

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

|  | For the six months ended 30 June |                                |
|--|----------------------------------|--------------------------------|
|  | 2025<br>RMB'000<br>(Unaudited)   | 2024<br>RMB'000<br>(Unaudited) |
| Cost of inventories sold   | 391,584                          | 342,370                        |
| Depreciation of property, plant and equipment  | 14,788                           | 15,059                         |
| Depreciation of right-of-use assets  | 2,967                            | 3,441                          |
| Lease payments not included in the measurement of lease liabilities  | 974                              | 1,266                          |
| Research and development costs*  | 2,570                            | 3,473                          |
| Amortisation of intangible assets  | 23                               | 27                             |
| Employee benefit expense (excluding directors' and chief executive's remuneration and research and development costs): |                                  |                                |
| Wages and salaries   | 75,619                           | 73,110                         |
| Equity-settled share option expenses   | –                                | 126                            |
| Equity-settled share award expenses  | 1,776                            | 841                            |
| Pension scheme contributions   | 2,684                            | 2,424                          |
| Impairment loss/(Reversal) of financial assets**   | 657                              | (121)                          |
| Loss on disposal of fixed assets   | 110                              | 53                             |

\* Research and development costs is included in "Administrative expenses" in the interim condensed consolidated statement of profit or loss and other comprehensive income.

\*\* Impairment of trade and bills receivables is included in "Reversal of/(impairment losses) on financial assets" in the interim condensed consolidated statement of profit or loss and other comprehensive income.

# Notes to Interim Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2025

## 7. FINANCE COSTS

An analysis of finance costs from operations is as follows:

|                                | For the six months ended 30 June |                                |
|--------------------------------|----------------------------------|--------------------------------|
|                                | 2025<br>RMB'000<br>(Unaudited)   | 2024<br>RMB'000<br>(Unaudited) |
| Interests on lease liabilities | 204                              | 109                            |

## 8. INCOME TAX

The Group is subject to income tax on an entity basis on profit arising in or derived from the jurisdictions in which members of the Group are domiciled and operated.

Pursuant to the rules and regulations of the British Virgin Islands and the Cayman Islands, the Group is not subject to any income tax in the British Virgin Islands and the Cayman Islands during the period (six months ended 30 June 2024: Nil).

No provision for Hong Kong profits tax has been made as the Group had no assessable profits derived from or earned in Hong Kong during the period (six months ended 30 June 2024: Nil).

Taxes on profits assessable in the PRC have been calculated at the prevailing tax rates, based on existing legislation, interpretations and practices in respect thereof. Pursuant to the PRC Corporate Income Tax Law (the "PRC Tax Law") effective on 1 January 2008, the PRC corporate income tax rate of the Group's subsidiaries operating in the PRC was 25% (six months ended 30 June 2024: 25%) on their taxable profits for the six months ended 30 June 2025 and 2024.

For the six months ended 30 June 2025 and 2024, income arising from the preliminary agricultural processed products in Guangxi Guiping Jingu Agricultural Development Co., Ltd. and Hubei Fuya Food Science and Technology Co., Ltd. was not subject to income tax, pursuant to the relevant PRC tax laws.

# Notes to Interim Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2025

## 8. INCOME TAX (Continued)

The major components of income tax expenses in the interim condensed consolidated statement of profit or loss are:

|                                 | For the six months ended 30 June |                                |
|---------------------------------|----------------------------------|--------------------------------|
|                                 | 2025<br>RMB'000<br>(Unaudited)   | 2024<br>RMB'000<br>(Unaudited) |
| Current – PRC                   |                                  |                                |
| Charge for the period           | 15,947                           | 8,174                          |
| Underprovision in prior periods | 286                              | 52                             |
| Deferred tax                    | 2,813                            | 7,410                          |
| Total tax charge for the period | 19,046                           | 15,636                         |

## 9. INTERIM DIVIDENDS

The board of directors did not recommend any payment of interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

## 10. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT

The calculation of the basic earnings per share for the period is based on the profit attributable to ordinary equity holders of the parent and the weighted average number of ordinary shares in issue during the period.

The calculation of the diluted earnings per share for the period is based on the profit attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of the ordinary shares in issue during the period, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise of all dilutive potential ordinary shares into ordinary shares.

For the six months ended 30 June 2025

## (Continued)

|   | For the six months ended 30 June |             |
|---|----------------------------------|-------------|
| Earnings  | 2025                             | 2024        |
|   | RMB'000                          | RMB'000     |
|   | (Unaudited)                      | (Unaudited) |
| Profit attributable to ordinary equity holders of the parent,<br>used in the basic earnings per share calculation | 106,767                          | 90,149      |

The share option had an anti-dilutive effect on the basic earnings per share for the period and were ignored in the calculation of diluted earnings per share for the period ended 30 June 2025 and 2024.



# Notes to Interim Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2025

## 11. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group acquired property, plant and equipment at a cost of RMB11,783,000 (six months ended 30 June 2024: RMB8,632,000), and incurred construction in progress at a cost of RMB3,480,000 (six months ended 30 June 2024: RMB5,621,000).

Assets with a net book value of RMB123,000 were disposed of by the Group during the six months ended 30 June 2025 (30 June 2024: RMB1,067,000). The net loss on disposal of items of property, plant and equipment is included in note 6 to the financial statements.

During the six months ended 30 June 2025, no impairment loss was recognised (30 June 2024: Nil).

## 12. INVENTORIES

|                  | <b>30 June<br/>2025<br/>RMB'000<br/>(Unaudited)</b> | <b>31 December<br/>2024<br/>RMB'000<br/>(Audited)</b> |
|------------------|---|---|
| Raw materials    | <b>18,913</b>                                       | 19,220  |
| Work in progress | <b>3,842</b>  | 5,809   |
| Finished goods   | <b>51,581</b>                                       | 54,118  |
| Consumables      | <b>10,334</b>                                       | 15,436  |
|                  | <b>84,670</b>                                       | 94,583  |

# Notes to Interim Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2025

## 13. TRADE AND BILLS RECEIVABLES

An ageing analysis of the trade and bills receivables as at the end of the reporting period, based on the invoice date and net of provisions, is as follows:

|                | 30 June<br>2025<br>RMB'000<br>(Unaudited) | 31 December<br>2024<br>RMB'000<br>(Audited) |
|----------------|---|---|
| Within 1 month | 212,166                                   | 221,775                                     |
| 1 to 2 months  | 2,806                                     | 811   |
| 2 to 3 months  | 388                                       | 343   |
| Over 3 months  | 1,290                                     | 762   |
|                | <b>216,650</b>                            | <b>223,691</b>                              |

## 14. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

|                             | 30 June<br>2025<br>RMB'000<br>(Unaudited) | 31 December<br>2024<br>RMB'000<br>(Audited) |
|-----------------------------|---|---|
| Prepayments                 | 5,313                                     | 7,221                                       |
| Deposits                    | 4,874                                     | 7,209                                       |
| Value-added tax recoverable | 9,856                                     | 12,597                                      |
| Employee advances           | 2,514                                     | 6,387                                       |
| Other receivables           | 13,054                                    | 8,130                                       |
| Impairment allowance        | (3,228)                                   | (3,228)                                     |
|                             | <b>32,383</b>                             | <b>38,316</b>                               |

# Notes to Interim Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2025

## 14. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS (Continued)

Other receivables are unsecured, interest-free and repayable on demand.

The Group has applied the general approach to provide for expected credit losses for financial assets included in prepayments, other receivables and other assets if they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, there were measured based on lifetime expected credit loss. The Group considers the historical loss rate and adjusts for forward-looking macroeconomic data in calculating the expected credit loss rate.

## 15. CASH AND BANK BALANCE

|  | <b>30 June<br/>2025<br/>RMB'000<br/>(Unaudited)</b> | <b>31 December<br/>2024<br/>RMB'000<br/>(Audited)</b> |
|--|---|---|
| Cash and bank balances                                     | <b>1,133,270</b>                                    | 835,197   |
| Time deposits  | <b>21,200</b>                                       | 276,419   |
| Total  | <b>1,154,470</b>                                    | 1,111,616   |
| Less:  |   |   |
| Time deposits with original maturity of over three months: |   |   |
| – current  | <b>(21,200)</b>                                     | (276,419)   |
| Cash and cash equivalents                                  | <b>1,133,270</b>                                    | 835,197   |
| Denominated in:  |   |   |
| – RMB  | <b>899,857</b>                                      | 883,180   |
| – HK\$   | <b>254,613</b>                                      | 228,436   |
|  | <b>1,154,470</b>                                    | 1,111,616   |

The RMB is not freely convertible into other currencies, however, under the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

# Notes to Interim Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2025

## 16. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

|                | 30 June<br>2025<br>RMB'000<br>(Unaudited) | 31 December<br>2024<br>RMB'000<br>(Audited) |
|----------------|---|---|
| Within 1 month | 88,792                                    | 93,053                                      |
| 1 to 2 months  | 16,120                                    | 17,021                                      |
| 2 to 3 months  | 2,793                                     | 2,702                                       |
| Over 3 months  | 899                                       | 1,259                                       |
|                | <b>108,604</b>                            | <b>114,035</b>                              |

The trade payables are non-interest-bearing and are normally settled on 15 to 60 days' terms.

## 17. SHARE CAPITAL

|   | 30 June<br>2025<br>RMB'000<br>(Unaudited) | 31 December<br>2024<br>RMB'000<br>(Audited) |
|---|---|---|
| Authorized:<br>5,000,000,000 (2024: 5,000,000,000) ordinary shares of<br>USD0.00001 each            | <b>336</b>                                | 336   |
| Issued and fully paid:<br>2,188,514,000 (2024: 2,188,514,000) ordinary shares of<br>USD0.00001 each | <b>147</b>                                | 147   |

# Notes to Interim Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2025

## 18. COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

|                     | 30 June<br>2025<br>RMB'000<br>(Unaudited) | 31 December<br>2024<br>RMB'000<br>(Audited) |
|---------------------|---|---|
| Capital commitments | 2,814                                     | 881   |

As at 30 June 2025 and 31 December 2024, the amounts of capital commitments were related to the purchase of property, plant and equipment.

## 19. RELATED PARTY TRANSACTIONS

### (a) Outstanding balances with related parties

#### (1) Amount due from related parties:

|   | 30 June<br>2025<br>RMB'000<br>(Unaudited) | 31 December<br>2024<br>RMB'000<br>(Audited) |
|---|---|---|
| Yang Zhuoya   | 16  | 17  |
| Shenzhen Jingya natural food science and<br>technology Co., Ltd (i) | 10,098                                    | 10,098                                      |
| Impairment loss   | (10,098)                                  | (10,098)                                    |
|   | 16  | 17  |

(i) The balances of amounts due from related parties are unsecured, interest-free and repayable on demand. The balances as at 30 June 2025 and 31 December 2024 were trade in nature.

# Notes to Interim Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2025

## 19. RELATED PARTY TRANSACTIONS (Continued)

### (b) Compensation of key management personnel of the Group:

|                                     | For the six months ended 30 June |                                |
|-------------------------------------|----------------------------------|--------------------------------|
|                                     | 2025<br>RMB'000<br>(Unaudited)   | 2024<br>RMB'000<br>(Unaudited) |
| Short term employee benefits        | 3,607                            | 2,560                          |
| Post-employment benefits            | 10                               | 14                             |
| Equity-settled share option expense | –                                | 99                             |
|                                     | <b>3,617</b>                     | <b>2,673</b>                   |

## 20. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

|  | Carrying amounts           |                                | Fair values                |                                |
|--|----------------------------|--------------------------------|----------------------------|--------------------------------|
|  | June 30<br>2025<br>RMB'000 | December<br>31 2024<br>RMB'000 | June 30<br>2025<br>RMB'000 | December<br>31 2024<br>RMB'000 |
| Financial assets   |                            |                                |                            |                                |
| Financial assets at fair value through<br>profit or loss | <b>21,512</b>              | 11,226                         | <b>21,512</b>              | 11,226                         |

The Group's finance department headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The directors review the results of the fair value measurement of financial instruments periodically for financial reporting.

The fair values of the financial assets are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of listed equity investments are based on quoted market prices.



# Notes to Interim Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2025

## 20. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

(Continued)

The Group invests in unlisted investments, which represent wealth management products issued by banks in Mainland China and investment funds issued by the financial institution. The Group has estimated the fair value of these unlisted investments by using a discounted cash flow valuation model based on the market interest rates of instruments with similar terms and risks.

### Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

#### Assets measured at fair value:

As at 30 June 2025

|   | Fair value measurement using                                  |   |   | Total<br>RMB'000 |
|---|---|---|---|------------------|
|   | Quoted prices<br>in active<br>markets<br>(Level 1)<br>RMB'000 | Significant<br>observable<br>inputs<br>(Level 2)<br>RMB'000 | Significant<br>unobservable<br>inputs<br>(Level 3)<br>RMB'000 |                  |
| Listed equity investments, at fair value  | 1,512   | –   | –   | 1,512            |
| Other unlisted investments, at fair value | –   | 20,000  | –   | 20,000           |
| Total                                     | 1,512   | 20,000  | –   | 21,512           |

As at 31 December 2024

|   | Fair value measurement using                                  |   |   | Total<br>RMB'000 |
|---|---|---|---|------------------|
|   | Quoted prices<br>in active<br>markets<br>(Level 1)<br>RMB'000 | Significant<br>observable<br>inputs<br>(Level 2)<br>RMB'000 | Significant<br>unobservable<br>inputs<br>(Level 3)<br>RMB'000 |                  |
| Listed equity investments, at fair value  | 1,226   | –   | –   | 1,226            |
| Other unlisted investments, at fair value | –   | 10,000  | –   | 10,000           |
| Total                                     | 1,226   | 10,000  | –   | 11,226           |

# Notes to Interim Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2025

## 21. SHARE OPTION SCHEME

The Company adopted a share option scheme (the “Share Option Scheme”) for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group’s operations. Eligible participants of the Share Option Scheme include employees (whether full time or part-time) or directors of a member of the Group or associated companies of the Company, consultants, advisors, customers, suppliers, agents, partners or contractors to the Group. The Share Option Scheme became effective from 12 June 2019 and, unless otherwise cancelled or amended, will remain in force for 9.5 years from that date.

The following share options were outstanding under the Share Option Scheme of the Company during the period:

### 30 June 2025

|     | Date of grant | Numbers of share options |                                   |                                   |                    | Exercise period<br>(both dates inclusive) | Exercise price<br>per share |
|-----|---------------|--------------------------|-----------------------------------|-----------------------------------|--------------------|---|-----------------------------|
|     |               | At 1 January<br>2025     | Exercised<br>during the<br>period | Forfeited<br>during the<br>period | At 30 June<br>2025 |   |                             |
| i   | 12/06/2019    | 12,450,000               | –                                 | –                                 | 12,450,000         | 12/06/2020-11/12/2028                     | HK\$1.468                   |
| ii  | 12/06/2019    | 19,000,000               | –                                 | –                                 | 19,000,000         | 12/12/2019-11/12/2028                     | HK\$1.468                   |
| iii | 12/06/2019    | 17,242,503               | –                                 | –                                 | 17,242,503         | 12/06/2019-11/12/2028                     | HK\$1.468                   |
| iv  | 12/06/2019    | 13,200,000               | –                                 | –                                 | 13,200,000         | 12/06/2020-11/12/2028                     | HK\$1.468                   |
|     |               | 61,892,503               | –                                 | –                                 | 61,892,503         |   |                             |

### 2024

|     |            | Numbers of share options |                               |                                   |                                   |                           |   |                                |
|-----|------------|--------------------------|-------------------------------|-----------------------------------|-----------------------------------|---------------------------|---|--------------------------------|
|     |            | At<br>1 January<br>2024  | Granted<br>during the<br>year | Exercised<br>during the<br>period | Forfeited<br>during the<br>period | At<br>31 December<br>2024 | Exercise period<br>(both dates inclusive) | Exercise<br>price<br>per share |
| i   | 12/06/2019 | 12,450,000               | –                             | –                                 | –                                 | 12,450,000                | 12/06/2020-11/12/2028                     | HK\$1.468                      |
| ii  | 12/06/2019 | 19,000,000               | –                             | –                                 | –                                 | 19,000,000                | 12/12/2019-11/12/2028                     | HK\$1.468                      |
| iii | 12/06/2019 | 17,242,503               | –                             | –                                 | –                                 | 17,242,503                | 12/06/2019-11/12/2028                     | HK\$1.468                      |
| iv  | 12/06/2019 | 13,400,000               | –                             | –                                 | (200,000)                         | 13,200,000                | 12/06/2020-11/12/2028                     | HK\$1.468                      |
|     |            | 62,092,503               | –                             | –                                 | (200,000)                         | 61,892,503                |   |                                |

No share option expenses was incurred for the six months ended 30 June 2025 (30 June 2024: RMB139,000).

As at 30 June 2025, the Company had 61,892,503 share options outstanding under the Share Option Scheme.

# Notes to Interim Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2025

## 22. SHARE AWARD SCHEME

A share award scheme was adopted on 28 March 2022 (the “Share Award Scheme”). The Share Award Scheme is a share incentive scheme and is established to recognise the contributions by certain selected persons and to attract suitable individuals with experience and ability to further development and expansion of the Group.

The awarded shares will be acquired by an independent trustee (the “Trustee”) from the open market by utilizing the Company’s resources provided to the Trustee.

During the year ended 2022, the Company purchased 39,848,000 of its ordinary shares through the Trustee at prices ranging from HK\$0.40 to HK\$0.50 per share at a total consideration of approximately HK\$19,931,000 (equivalent to approximately RMB17,804,000).

Subject to any early termination as may be determined by the Board pursuant to the terms of the Share Award Scheme, the Scheme will be valid and effective for a term of 10 years commencing on the date of the trustee deed.

On 11 May 2022, the Company granted 18,800,000 shares to certain employees, which was subject to satisfaction of certain service period for one year and performance target for the year 2022. The fair value of the granted shares is estimated using the Finnerty model (HK\$0.38) on the day of the grant, amounting to HK\$7,100,000 (equivalent to approximately RMB6,086,000). Since the Adoption Date and up to 30 June 2025, a total of 17,240,000 awarded shares had been awarded under the Share Award Scheme.

On 25 May 2023, the Company granted 7,200,000 shares to certain employees, which was subject to satisfaction of certain service period for one year and performance target for the year 2023. The fair value of the granted shares is estimated using the Finnerty model (HK\$0.38) on the day of the grant, amounting to HK\$2,736,000 (equivalent to approximately RMB2,462,000). Since the Adoption Date and up to 30 June 2025, a total of 5,400,000 awarded shares had been awarded under the Share Award Scheme.

On 25 May 2024, the Company granted 7,400,000 shares to certain employees, which was subject to satisfaction of certain service period for one year and performance target for the year 2024. The fair value of the granted shares is estimated using the Finnerty model (HK\$0.56) on the day of the grant, amounting to HK\$4,134,000 (equivalent to approximately RMB3,764,000). Since the Adoption Date and up to 30 June 2025, a total of 7,400,000 awarded shares had been awarded under the Share Award Scheme.

On 1 September 2024, the Company granted 1,500,000 shares to certain employee, which was subject to satisfaction of certain service period for one year. The fair value of the granted shares is estimated using the Finnerty model (HK\$0.41) on the day of the grant, amounting to HK\$621,000 (equivalent to approximately RMB566,000).

The Group recognised a share award expense of RMB1,776,000 for the six months ended 30 June 2025 (For the six months ended 30 June 2024: RMB841,000).

# Notes to Interim Condensed Consolidated Financial Statements (Continued)

For the six months ended 30 June 2025

## 23. FAIR VALUE OF FINANCIAL INSTRUMENTS

As at 30 June 2025 and 31 December 2024, the fair values of the Group's financial assets and financial liabilities approximated to their respective carrying amounts.

Management has assessed that the fair values of cash and cash equivalents, trade and bills receivables, financial assets included in prepayments, other receivables and other assets, amounts due from related parties, financial liabilities included in other payables and accruals and trade payables approximate to their carrying amounts largely due to the short term maturities of these instruments.

The Group's finance department headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The directors review the results of the fair value measurement of financial instruments periodically for financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

## 24. EVENTS AFTER THE REPORTING PERIOD

The Group has no significant subsequent events after 30 June 2025 which are required to be disclosed as at the date of this report.

## 25. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

These unaudited interim condensed consolidated financial statements of the Group for the six months ended 30 June 2025 were approved and authorised for issue by the board of directors of the Company on 27 August 2025.

## Definitions

In this report, unless the context otherwise requires, the following expressions shall have the following meanings:

|   |  |
|---|--|
| “Articles” or “Articles of Association” | the articles of association of the Company as amended from time to time  |
| “Audit Committee”                       | the audit committee of the Board   |
| “Awarded Share(s)”                      | the awarded shares under the Share Award Scheme  |
| “Board of Directors” or “Board”         | our board of Directors   |
| “China” or “PRC”                        | the People’s Republic of China, which for the purpose of this report and for geographical reference only, excludes Hong Kong, Macau and Taiwan   |
| “Corporate Governance Code”             | the Corporate Governance Code as contained in Appendix C1 to the Listing Rules   |
| “Company”                               | Natural Food International Holding Limited (五谷磨房食品國際控股有限公司) (formerly known as Roomy Development Holdings Limited), a limited liability company incorporated under the laws of the BVI on 30 November 2009 and registered by way of continuation to the Cayman Islands on 11 May 2018 as an exempted company with limited liability under the laws of the Cayman Islands |
| “Director(s)”                           | The director(s) of the Company or any one of them  |
| “Global Offering”                       | the Hong Kong public offering and the international offering of Shares as described in the Prospectus  |
| “Group”                                 | the Company and its subsidiaries   |
| “HK\$”                                  | Hong Kong dollars and cents, both are the lawful currency of Hong Kong   |

## Definitions

|                                    |  |
|------------------------------------|--|
| “Hong Kong”                        | the Hong Kong Special Administrative Region of the PRC   |
| “Listing Date”                     | 12 December 2018, on which the Shares were listed and from which dealings therein were permitted to take place on the Stock Exchange   |
| “Listing Rules”                    | the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)                |
| “Model Code”                       | the “Model Code for Securities Transactions by Directors of Listed Issuers” set out in Appendix C3 to the Listing Rules                |
| “Prospectus”                       | the prospectus of the Company dated 29 November 2018   |
| “Remuneration Committee”           | the remuneration committee of the Board  |
| “RMB”                              | Renminbi, the lawful currency of the PRC   |
| “Report”                           | the interim report of the Company for the six months ended 30 June 2025  |
| “Reporting Period”                 | for the six months ended 30 June 2025  |
| “the corresponding period in 2024” | for the six months ended 30 June 2024  |
| “SFO”                              | Securities and Futures Ordinance (Chapter 571 of The Laws of Hong Kong)  |
| “Share Option”                     | the share options granted under the Share Option Scheme  |
| “Share Award Scheme”               | the share award scheme that the Company adopted pursuant to a resolution passed by the Board on 28 March 2022                          |
| “Share Option Scheme”              | the share option scheme that the Company conditionally adopted pursuant to a resolution passed by our Shareholders on 19 November 2018 |



## Definitions

|                  |  |
|------------------|--|
| “Shareholder(s)” | holder(s) of Shares  |
| “Share(s)”       | common shares in the capital of the Company with nominal value of US\$0.00001 each |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited  |