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**CK Life Sciences Int'l. (Holdings) Inc.**  
長江生命科技集團有限公司  
(Incorporated in the Cayman Islands with limited liability)  
(Stock Code: 0775)

## **INTERIM RESULTS FOR 2025**

### **2025 FIRST HALF RESULTS – An Increase in R&D Investments**

For the six months ended 30 June 2025, CK Life Sciences Int'l. (Holdings) Inc. (“CK Life Sciences” or the “Company”) recorded an unaudited loss attributable to shareholders of HK\$150.8 million. This result compares with a profit of HK\$1.0 million in the corresponding period last year, a negative variance of HK\$151.8 million.

The change from profit in the first half of 2024 to a loss in 2025 was due to a planned decision to increase R&D investments from HK\$72.9 million in 2024 to HK\$235.3 million in 2025. This increase of HK\$162.4 million was to accelerate the progress of our R&D programs.

Following the Company’s conservative accounting policy, investments in R&D are recognized as expenses in the period in which they are incurred.

Had the R&D expenses in the first half of 2025 been the same as last year, the net profit contribution in 2025 would have been a slight increase over that of 2024 (by HK\$10.6 million).

The Board of Directors has not declared an interim dividend for the period under review (2024: Nil).

### **PHARMACEUTICAL & DIAGNOSTICS R&D**

The first half of 2025 marked a milestone in CK Life Sciences’ pharmaceuticals R&D.

#### **(A) Innovative Therapeutic Cancer Vaccines**

##### **1. Late Stage – Melanoma**

We have made good progress with our most advanced cancer vaccine, seviprotimut-L, which is intended to be a safe and effective adjuvant treatment for patients with Stage IIB or IIC melanoma, delaying recurrence following surgical resection. Vaccine manufacturing under Good Manufacturing Practice (GMP) conditions is underway to produce clinical trial material for the planned pivotal Phase III clinical trial.

## **2. Preclinical Stage – Multiple Types of Cancer**

At the discovery and preclinical development stage, we have a growing portfolio of innovative, tumour-agnostic therapeutic cancer vaccines intended to be able to treat multiple different types of cancer. These cancer vaccines target a diverse range of tumour-associated antigens and other antigens within the tumour microenvironment, such as TROP2, PRAME, PD-L1, Claudin-6, KRAS and B7-H3. Some of these cancer vaccines are showing promise in the laboratory and data for several of them were presented at the American Association for Cancer Research (“AACR”) Annual Meeting in April. Multiple new patent applications have been filed, including applications in Hong Kong and the United States for our novel circular mRNA cancer vaccine targeting TROP2.

## **3. Artificial Intelligence (“AI”)**

In addition, we are leveraging AI to enhance the discovery and development of new cancer vaccines. Together with our research collaborator, XtalPi, we highlighted our progress in the development of an AI-empowered cancer vaccine discovery platform at this year’s AACR Annual Meeting.

### **(B) Cancer Pain Management**

The management of cancer pain may involve the use of morphine and other opiates, often with undesirable side effects. As such, there is an urgent need for non-opioid analgesics and the market potential for such products is significant. Dogwood Therapeutics (DWTX), formed by the merger of our subsidiary WEX Pharmaceuticals and NASDAQ-listed Virios Therapeutics in October 2024, is actively developing Halneuron® as a platform pain management solution to address different types of pain. A Phase IIB clinical trial is underway in the United States to demonstrate the efficacy and safety of Halneuron® in the management of chemotherapy-induced neuropathic pain, with a planned interim analysis at the end of 2025.

### **(C) Cancer Diagnostics**

With the alarming increase in cancer rates in people under the age of 50, there is an urgent need for early detection, to enable earlier intervention and improve patient outcomes. We have strategically invested in the R&D of liquid biopsy tests, which provide a non-invasive and cost-effective approach to cancer early detection, based on analysing multiple tumour-associated biomarkers in blood samples and harnessing the power of AI for accurate prediction.

## **NUTRACEUTICAL BUSINESS**

CK Life Sciences' nutraceutical business comprises of: (i) Vitaquest International Holdings LLC ("Vitaquest") in the United States; (ii) Santé Naturelle A.G. Ltée ("SNAG") in Canada; and (iii) Lipa Pharmaceuticals Limited ("Lipa") in Australia.

Profit in the nutraceutical business segment increased by 3% to HK\$160.5 million (HK\$156.4 million last year). With tariff and economic instability continuing to exert pressure on revenues, active margin and expense management more than offset soft topline growth.

During the first half of 2025, Vitaquest launched new products, gaining new customers in a challenging market. SNAG during the period under review, was able to achieve solid sales performance while improving gross margins and overall profitability. Lipa, likewise was able to grow volumes and margin especially among existing customers while also bringing a new probiotics manufacturing module online.

## **AGRICULTURE-RELATED BUSINESS**

The Company's agriculture-related business consists of three main streams: (i) Australian Agribusiness (Holdings) Pty Ltd ("Australian Agribusiness"); (ii) the salt business; and (iii) a vineyard portfolio.

Profit in the agriculture-related segments was HK\$130.1 million (HK\$134.0 million last year). The slightly lower profit versus last year reflected cost and pricing pressures offset somewhat by a slight revenue increase.

As high levels of inventory in the trade began to deplete, orders among Australian Agribusiness' customers for crop solutions improved, while other segments were adversely impacted by severe weather. The Australia salt business delivered good growth in both sales and profit through operational excellence and price management programs offsetting energy cost and inflationary pressures. The New Zealand salt business performed well in the first half of 2025 as last year's equipment problem was resolved. Protected by long-term leases with reputable wine companies as tenants, the vineyard business continued to provide solid profit and cashflow during the period under review.

## **PROSPECTS**

Given unpredictable changes in the geopolitical environment, we anticipate uncertainty in economic conditions. Nonetheless, we are confident that our operating business fundamentals remain strong.

Biotech R&D is a high risk, high return industry. We will continue to carry out our pharmaceutical R&D work with the aim of accelerating progress although there is no assurance of the outcome. This increasing R&D commitment inevitably will have an impact on our short term profit attributable to shareholders in the foreseeable future.

Once again, I would like to express my sincere gratitude to our staff who steer a steady course despite challenging conditions. I would also like to thank members of the Board for their ongoing contributions and our stakeholders for their continued support.

**Victor T K Li**  
Chairman

Hong Kong, 12 August 2025

## **FINANCIAL REVIEW**

### **Financial Resources and Liquidity**

As at 30 June 2025, the total assets of the Group were about HK\$11,286.6 million, of which bank balances and time deposits were about HK\$791.1 million and listed investment in securities was about HK\$6.7 million.

At the end of the period under review, the total liabilities of the Group were HK\$7,633.4 million, comprising bank borrowings amounted to HK\$5,873.4 million. These borrowings were mainly used for financing the acquisition of overseas businesses as well as providing general working capital for some of the overseas businesses. The total interest expenses on bank borrowings of the Group for the six months ended 30 June 2025 were HK\$129.3 million.

As at 30 June 2025, the net debt to net total capital ratio of the Group was approximately 58.18%, which is calculated as the Group's net borrowings over the aggregate of the Group's total equity and net borrowings. For this purpose, the Group defines net borrowings as bank borrowings less cash, bank balances and time deposits.

The net asset value of the Group was HK\$0.38 per share.

### **Treasury Policies**

The Group continues to adopt a prudent treasury policy and manage most of its treasury functions at the head office regarding its funding needs, foreign exchange and interest rate exposures.

The Group's treasury investments are denominated in Hong Kong dollars and United States dollars, and thus there is no exchange rate risk associated with such investments. Most of the Group's borrowings are principally on a floating rate basis. To minimise its interest rate risk, the Group has been regularly and closely monitoring its overall net debt position, and reviewing its funding costs and loan maturity profile so as to facilitate refinancing whenever appropriate.

### **Charge on Assets**

As at 30 June 2025, certain assets of the Group's subsidiary companies with a carrying value of HK\$730.0 million were pledged as part of the security for bank borrowings totalling HK\$118.3 million granted to the subsidiary companies.

## **Material Acquisitions/Disposals and Significant Investments**

There was no material acquisition/disposal of investments during the period under review.

The Group has always been investing significantly in research and development activities. Such expenditure amounted to about HK\$235.3 million for the period ended 30 June 2025.

## **Capital Commitments and Future Plans for Material Investments or Capital Assets**

As of 30 June 2025, the total capital commitments by the Group amounted to HK\$68.9 million which were mainly made up of contracted/authorised commitments in respect of the acquisition of plant and equipment, and maintenance of vineyards.

## **Information on Employees**

The total number of full-time employees of the Group was 1,935 as at 30 June 2025, and is 33 less than the total headcount of 1,968 as at 30 June 2024. The total staff costs, including director's emoluments, amounted to approximately HK\$592.2 million for the six months ended 30 June 2025, which represents a decrease of 3% as compared to the same period in 2024. The Group's remuneration policies remained the same as detailed in the Company's annual report for the year ended 31 December 2024.

## **Contingent Liabilities**

The Group did not have any significant contingent liabilities as at 30 June 2025.

## Condensed Consolidated Income Statement

		For the six months ended 30 June	
		2025	2024
		(unaudited)	(unaudited)
		HK\$'000	HK\$'000
Notes			
Revenue	3	<b>2,605,812</b>	2,635,851
Cost of sales		<b>(1,812,196)</b>	(1,836,417)
		<b>793,616</b>	799,434
Other income, gains and losses		<b>41,647</b>	21,950
Staff costs	4	<b>(331,646)</b>	(318,099)
Depreciation		<b>(41,801)</b>	(44,929)
Amortisation of intangible assets		<b>(1,189)</b>	(1,311)
Other expenses		<b>(452,660)</b>	(282,672)
Finance costs		<b>(143,299)</b>	(169,530)
Share of results of joint ventures		<b>479</b>	151
(Loss)/profit before taxation		<b>(134,853)</b>	4,994
Taxation	5	<b>(15,984)</b>	(3,993)
(Loss)/profit for the period	6	<b>(150,837)</b>	1,001
Attributable to:			
Shareholders of the Company		<b>(150,837)</b>	1,001
(Loss)/earnings per share	7		
- Basic		<b>(1.57) cents</b>	0.01 cents

## Condensed Consolidated Statement of Comprehensive Income

	For the six months ended 30 June	
	2025	2024
	(unaudited)	(unaudited)
	HK\$'000	HK\$'000
(Loss)/profit for the period	<u>(150,837)</u>	<u>1,001</u>
Other comprehensive income/(expenses)		
<b>Item that may be reclassified subsequently to profit or loss:</b>		
Exchange differences arising from translation of foreign operations	<u>292,404</u>	<u>(176,221)</u>
Other comprehensive income/(expenses) for the period	<u>292,404</u>	<u>(176,221)</u>
Total comprehensive income/(expenses) for the period	<u><u>141,567</u></u>	<u><u>(175,220)</u></u>
Attributable to:		
Shareholders of the Company	<u><u>141,567</u></u>	<u><u>(175,220)</u></u>



## Condensed Consolidated Statement of Financial Position

		As at 30 June 2025 (unaudited) HK\$'000	As at 31 December 2024 (audited) HK\$'000
	Notes		
<b>Non-current assets</b>			
Investment properties	9	1,690,775	1,581,730
Property, plant and equipment	10	2,211,436	2,098,832
Right-of-use assets	11	454,931	471,053
Intangible assets	12	3,489,098	3,419,054
Interests in joint ventures		7,133	6,303
Other financial assets		198,330	42,900
Loan receivable	13	-	128,700
Deferred taxation		86,797	75,094
		<u>8,138,500</u>	<u>7,823,666</u>
<b>Current assets</b>			
Other financial assets		6,736	17,242
Tax recoverable		9,267	4,044
Inventories		1,275,492	1,157,332
Receivables and prepayments	14	1,065,459	1,232,314
Bank balances and deposits		791,108	553,970
		<u>3,148,062</u>	<u>2,964,902</u>
<b>Current liabilities</b>			
Payables and accruals	14	(870,651)	(904,319)
Bank borrowings	15	(1,131,056)	(1,276,615)
Lease liabilities		(79,482)	(73,741)
Taxation		(37,764)	(58,633)
		<u>(2,118,953)</u>	<u>(2,313,308)</u>
<b>Net current assets</b>		<u>1,029,109</u>	<u>651,594</u>
<b>Total assets less current liabilities</b>		<u>9,167,609</u>	<u>8,475,260</u>

## Condensed Consolidated Statement of Financial Position (cont'd)

		As at 30 June 2025 (unaudited) HK\$'000	As at 31 December 2024 (audited) HK\$'000
	Notes		
<b>Non-current liabilities</b>			
Bank borrowings	15	(4,742,302)	(4,198,283)
Lease liabilities		(543,893)	(551,030)
Deferred taxation		(217,528)	(204,106)
Retirement benefit obligations		(10,771)	(10,293)
		<u>(5,514,494)</u>	<u>(4,963,712)</u>
<b>Total net assets</b>		<u><b>3,653,115</b></u>	<u><b>3,511,548</b></u>
<b>Capital and reserves</b>			
Share capital	16	961,107	961,107
Share premium and reserves		<u>2,692,008</u>	<u>2,550,441</u>
<b>Total equity</b>		<u><b>3,653,115</b></u>	<u><b>3,511,548</b></u>

## Condensed Consolidated Statement of Changes in Equity

Attributable to shareholders of the Company								
	Share capital (unaudited)	Share premium (unaudited)	Investment at fair value through other comprehensive income reserve (unaudited)	Translation reserve (unaudited)	Asset revaluation reserve (unaudited)	Other reserves (unaudited)	Retained earnings (unaudited)	Total (unaudited)
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>2024</b>								
At 1 January 2024	961,107	3,109,546	(103,347)	(1,631,676)	59,298	(542,249)	2,336,574	4,189,253
Profit for the period	-	-	-	-	-	-	1,001	1,001
Exchange differences arising from translation of foreign operations	-	-	-	(176,221)	-	-	-	(176,221)
Total comprehensive (expenses)/income for the period	-	-	-	(176,221)	-	-	1,001	(175,220)
At 30 June 2024	961,107	3,109,546	(103,347)	(1,807,897)	59,298	(542,249)	2,337,575	4,014,033
<b>2025</b>								
At 1 January 2025	961,107	3,109,546	(103,347)	(2,183,217)	59,637	(542,249)	2,210,071	3,511,548
Loss for the period	-	-	-	-	-	-	(150,837)	(150,837)
Exchange differences arising from translation of foreign operations	-	-	-	292,404	-	-	-	292,404
Total comprehensive income/(expenses) for the period	-	-	-	292,404	-	-	(150,837)	141,567
At 30 June 2025	961,107	3,109,546	(103,347)	(1,890,813)	59,637	(542,249)	2,059,234	3,653,115

## Condensed Consolidated Statement of Cash Flows

	For the six months ended 30 June	
	2025	2024
	(unaudited)	(unaudited)
	HK\$'000	HK\$'000
Net cash (outflow)/inflow from operating activities	(6,059)	145,403
Net cash inflow/(outflow) from investing activities	18,405	(95,763)
Net cash inflow/(outflow) from financing activities	207,086	(155,447)
Increase/(decrease) in cash and cash equivalents	219,432	(105,807)
Cash and cash equivalents at beginning of the period	553,970	664,320
Effect of foreign exchange rate changes	17,706	(9,313)
Cash and cash equivalents at end of the period	791,108	549,200

## Notes to the Condensed Consolidated Financial Statements

### 1. Basis of Preparation

The unaudited condensed consolidated financial statements have been prepared in accordance with the Hong Kong Accounting Standards 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

### 2. Material Accounting Policy Information

The condensed consolidated financial statements have been prepared under the historical cost convention, except for certain properties and financial instruments, which are measured at revaluated amounts or fair values.

The accounting policies used in preparing the interim financial statements are consistent with those used in the Group’s annual financial statements for the year ended 31 December 2024 (the “2024 Financial Statements”), except for the new and revised Hong Kong Financial Reporting Standards, amendments and interpretations (collectively “new and revised HKFRSs”) issued by HKICPA which have become effective in this period as detailed in note 2 of the 2024 Financial Statements. The adoption of such new and revised HKFRSs has no material impact on the accounting policies in the Group’s interim financial statements for the period.

### 3. Revenue and Segment Information

Revenue represents net invoiced value of goods sold, after allowance for returns and trade discounts, as well as rental income and income from investments, and is analysed as follows:

#### A. Revenue

	<b>For the six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$’000</b>	<b>HK\$’000</b>
Sales of goods:		
Agriculture-related	<b>891,620</b>	869,645
Nutraceutical	<b>1,636,653</b>	1,680,845
Revenue from contracts with customers	<b>2,528,273</b>	2,550,490
 Rental income (included in agriculture-related segment)	<b>76,129</b>	84,020
Investment income	<b>1,410</b>	1,341
	<b>2,605,812</b>	2,635,851

Revenue from contracts with customers regarding the sale of goods is generally recognised at a point in time when the control of the goods underlying the particular performance obligation is transferred to the customers.

## B. Segment results

An analysis of the segment results is as follows:

	Agriculture-related		Nutraceutical		Pharmaceutical & Diagnostics R&D		Unallocated		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment revenue	<b>967,749</b>	953,665	<b>1,636,653</b>	1,680,845	-	-	<b>1,410</b>	1,341	<b>2,605,812</b>	2,635,851
Segment results	<b>130,136</b>	133,958	<b>160,505</b>	156,422	<b>(235,304)</b>	(72,904)	-	-	<b>55,337</b>	217,476
Unallocated other income, gains or losses									<b>3,725</b>	1,216
Corporate expenses									<b>(50,616)</b>	(44,168)
Finance costs									<b>(143,299)</b>	(169,530)
(Loss)/profit before taxation									<b>(134,853)</b>	4,994
Taxation									<b>(15,984)</b>	(3,993)
(Loss)/profit for the period									<b>(150,837)</b>	1,001

## 4. Staff Costs

Staff costs which include salaries, bonuses, retirement benefit scheme contributions and recruitment costs for the six months ended 30 June 2025 amounted to HK\$592.2 million (2024: HK\$608.0 million) of which HK\$260.6 million (2024: HK\$289.9 million) relating to direct labor costs were included in cost of sales.

## 5. Taxation

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
Current tax		
Hong Kong	(1)	1
Other jurisdictions	<b>25,076</b>	3,769
Deferred tax		
Other jurisdictions	<b>(9,091)</b>	223
	<b>15,984</b>	<b>3,993</b>

Hong Kong profits tax has been provided for at the rate of 16.5% of the estimated assessable profits. Taxation arising from other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

## 6. (Loss)/profit for the Period

	<b>For the six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
(Loss)/profit for the period has been arrived at after crediting:		
Included in revenue:		
Rental income from investment properties	<b>76,129</b>	84,020
Included in other income, gains and losses:		
Interest income from bank deposits	<b>10,490</b>	5,909
Net (loss)/gain on investments mandatorily measured at fair value through profit or loss	<b>(98)</b>	1,045

## 7. (Loss)/earnings Per Share

The calculations of the basic (loss)/earnings per share attributable to shareholders of the Company are based on the following data:

	<b>For the six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
<b>(Loss)/profit for the period attributable to shareholders of the Company</b>		
(Loss)/profit for calculating basic (loss)/earnings per share	<b>(150,837)</b>	1,001
<b>Number of shares</b>		
Number of ordinary shares in issue used in the calculation of basic (loss)/earnings per share	<b>9,611,073,000</b>	9,611,073,000

No diluted (loss)/earnings per share for the periods ended 30 June 2025 and 2024 were presented as there were no potential ordinary shares in issue.

## 8. Dividends

The Board of Directors of the Company has not declared an interim dividend for the six months ended 30 June 2025 (2024: Nil).

## 9. Investment Properties

	HK\$'000
<b>Valuation</b>	
At 1 January 2025	1,581,730
Additions	22,149
Disposal	(10,268)
Exchange differences	97,164
At 30 June 2025	<u>1,690,775</u>

## 10. Property, Plant and Equipment

	Land and buildings	Vines	Salt fields	Construction in progress	Laboratory instruments, plant and equipment	Furniture, fixtures and other assets	Leasehold improvement	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Cost or valuation</b>								
At 1 January 2025	512,732	576,028	471,948	220,296	1,318,085	193,444	324,998	3,617,531
Additions	-	939	4,540	86,685	714	839	-	93,717
Reclassification	87,010	-	801	(139,042)	46,450	851	3,930	-
Disposals/write-off	(96)	(36,414)	-	-	(802)	(1,328)	-	(38,640)
Exchange differences	23,059	33,394	26,815	10,313	50,905	3,102	3,620	151,208
<b>At 30 June 2025</b>	<b>622,705</b>	<b>573,947</b>	<b>504,104</b>	<b>178,252</b>	<b>1,415,352</b>	<b>196,908</b>	<b>332,548</b>	<b>3,823,816</b>
<b>Depreciation and impairment</b>								
At 1 January 2025	135,726	331,466	-	-	743,634	145,941	161,932	1,518,699
Provided for the period	7,180	8,482	-	-	47,833	7,825	7,352	78,672
Eliminated upon disposals/write-off	-	(36,414)	-	-	(505)	(1,248)	-	(38,167)
Exchange differences	3,559	18,563	-	-	26,917	2,127	2,010	53,176
<b>At 30 June 2025</b>	<b>146,465</b>	<b>322,097</b>	<b>-</b>	<b>-</b>	<b>817,879</b>	<b>154,645</b>	<b>171,294</b>	<b>1,612,380</b>
<b>Carrying values</b>								
<b>At 30 June 2025</b>	<b>476,240</b>	<b>251,850</b>	<b>504,104</b>	<b>178,252</b>	<b>597,473</b>	<b>42,263</b>	<b>161,254</b>	<b>2,211,436</b>
At 31 December 2024	377,006	244,562	471,948	220,296	574,451	47,503	163,066	2,098,832

## 11. Right-of-use Assets

	As at 30 June 2025 HK\$'000	As at 31 December 2024 HK\$'000
Land and buildings	427,429	440,895
Machinery and equipment	17,462	19,099
Furniture, fixtures and other assets	10,040	11,059
	<u>454,931</u>	<u>471,053</u>



## 12. Intangible Assets

	Development costs	Patents	Goodwill	Brand name and trademarks	Customer relationships	Water rights	Other intangible assets	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Cost</b>								
At 1 January 2025	400,209	121	2,704,215	110,851	349,554	196,745	28,112	3,789,807
Additions	-	-	-	-	-	-	762	762
Exchange differences	10,930	7	41,994	6,674	8,725	10,547	622	79,499
<b>At 30 June 2025</b>	<b>411,139</b>	<b>128</b>	<b>2,746,209</b>	<b>117,525</b>	<b>358,279</b>	<b>207,292</b>	<b>29,496</b>	<b>3,870,068</b>
<b>Amortisation and impairment</b>								
At 1 January 2025	424	121	-	-	349,554	1,455	19,199	370,753
Provided for the period	-	-	-	-	-	-	1,189	1,189
Exchange differences	25	7	-	-	8,725	78	193	9,028
<b>At 30 June 2025</b>	<b>449</b>	<b>128</b>	<b>-</b>	<b>-</b>	<b>358,279</b>	<b>1,533</b>	<b>20,581</b>	<b>380,970</b>
<b>Carrying values</b>								
<b>At 30 June 2025</b>	<b>410,690</b>	<b>-</b>	<b>2,746,209</b>	<b>117,525</b>	<b>-</b>	<b>205,759</b>	<b>8,915</b>	<b>3,489,098</b>
At 31 December 2024	399,785	-	2,704,215	110,851	-	195,290	8,913	3,419,054

## 13. Loan Receivable

	As at 30 June 2025 HK\$'000	As at 31 December 2024 HK\$'000
Loan receivable (note)	-	128,700

Note: Pursuant to a debt exchange and cancellation agreement (the “Debt Exchange Agreement”) entered by the Group and Dogwood Therapeutics, Inc. (“Dogwood”) in March 2025, it was agreed that aggregate principal amount of US\$19,500,000 and all accrued interest through the date of the Debt Exchange Agreement would be deemed repaid by Dogwood and the obligation of Dogwood to be satisfied in full and cancelled by the exchange of 284.2638 shares of non-voting convertible preferred stock issued by Dogwood (the “Loan Conversion”). Details of the Loan Conversion were disclosed in the Company’s announcement dated 12 March 2025. Such preferred stock is shown under “Other financial assets” in the condensed consolidated statement of financial position.

#### 14. Receivables and Payables

The Group has a policy of granting an average credit period of 0 to 90 days to its customers.

The ageing analysis of trade receivables and trade payables based on invoice dates is as follows:

	As at 30 June 2025 HK\$'000	As at 31 December 2024 HK\$'000
<b>Trade receivables</b>		
0 - 90 days	804,976	861,565
Over 90 days	51,332	43,244
	<u>856,308</u>	<u>904,809</u>
<b>Trade payables</b>		
0 - 90 days	254,237	326,123
Over 90 days	6,844	6,038
	<u>261,081</u>	<u>332,161</u>

#### 15. Bank Borrowings

Certain bank borrowings are secured by charges over the assets of certain subsidiary companies.

#### 16. Share Capital

	Number of share of HK\$0.1 each '000	Nominal value HK\$'000
<b>Authorised</b>		
At 31 December 2024 and 30 June 2025	<u>15,000,000</u>	<u>1,500,000</u>
<b>Issued and fully paid</b>		
At 31 December 2024 and 30 June 2025	<u>9,611,073</u>	<u>961,107</u>

## 17. Fair Value Measurement of Financial Instruments

### Financial instruments measured at fair value on a recurring basis

	Level 1	Level 2	Level 3	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b><u>As at 30 June 2025</u></b>				
<b>Financial assets</b>				
Equity securities – listed in Hong Kong	6,736	-	-	6,736
Unlisted investments	-	-	198,330	198,330
	<b>6,736</b>	<b>-</b>	<b>198,330</b>	<b>205,066</b>
<b><u>As at 31 December 2024</u></b>				
<b>Financial assets</b>				
Equity securities – listed in Hong Kong	17,242	-	-	17,242
Unlisted investment	-	-	42,900	42,900
	<b>17,242</b>	<b>-</b>	<b>42,900</b>	<b>60,142</b>

There were no transfers between Levels 1 and 2, or transfers into or out of Level 3 during the six months ended 30 June 2025 and 2024.

## 18. Related Party Transactions

In addition to the transactions and balances set out elsewhere in the notes to the condensed consolidated financial statements, the Group entered into the following transactions with related parties during the six months ended 30 June 2025:

- (i) The Group made sales of HK\$17.0 million (2024: HK\$14.2 million) to CK Hutchison Holdings Limited, a substantial shareholder of the Company, and its subsidiaries.
- (ii) The Group made sales of HK\$0.1 million (2024: HK\$0.9 million) to a joint venture of Cheetham Salt Limited, a wholly-owned subsidiary of the Company during the period.

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

During the six months ended 30 June 2025, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares). As at 30 June 2025, the Company and its subsidiaries did not hold any treasury shares whether in the Clearing and Settlement System, or otherwise.

## **CORPORATE GOVERNANCE CODE**

The Board of Directors ("Board") and the management of the Company are committed to the maintenance of good corporate governance practices and procedures of the Company and its subsidiaries ("Group"). The Company acknowledges a good corporate governance framework is essential for effective management, a healthy corporate culture, business growth and shareholder value enhancement. The corporate governance principles of the Company emphasise a quality Board, sound internal controls, and transparency and accountability to all shareholders.

The Company has applied the principles and complied with all code provisions and, where applicable, the recommended best practices of the Corporate Governance Code ("CG Code") as set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") throughout the six months ended 30 June 2025.

The Group adheres to high corporate governance standards and conducts its businesses with ethics and integrity. The Group's vision, values and strategy are inextricably linked to its purpose and business operations. In compliance with the CG Code, the Company has adopted, and regularly reviews its comprehensive set of corporate governance policies such as Anti-Fraud and Anti-Bribery Policy, Anti-Money Laundering Policy, Employee Code of Conduct, Policy on Handling of Confidential Information, Information Disclosure, and Securities Dealing, and Whistleblowing Policy - Procedures for Reporting Possible Improprieties. The Group maintains a robust corporate governance framework and internal control systems to uphold its accountability with support from internal and external auditors and other professional advisors.

## **AUDIT COMMITTEE**

The Audit Committee comprises three members, all of whom are Independent Non-executive Directors. The Audit Committee is chaired by Mr. Kwan Kai Cheong with Mr. Paul Joseph Tighe and Mr. Donald Jeffrey Roberts as members.

The Group's interim results for the six months ended 30 June 2025 have been reviewed by the Audit Committee.

## **REMUNERATION COMMITTEE**

A majority of the members of the Company's Remuneration Committee are Independent Non-executive Directors. The Remuneration Committee is chaired by Mrs. Kwok Eva Lee, an Independent Non-executive Director, with another Independent Non-executive Director, Mr. Donald Jeffrey Roberts and the Chairman of the Board, Mr. Victor T K Li, as members.

## **NOMINATION COMMITTEE**

A majority of the members of the Company's Nomination Committee are Independent Non-executive Directors. The Nomination Committee is chaired by Mr. Paul Joseph Tighe, an Independent Non-executive Director, with two other Independent Non-executive Directors, Mrs. Kwok Eva Lee and Mr. Donald Jeffrey Roberts, and the Chairman of the Board, Mr. Victor T K Li, as members.

## **SUSTAINABILITY COMMITTEE**

The Sustainability Committee comprises an Executive Director, an Independent Non-executive Director and the Company Secretary. The Sustainability Committee is chaired by Mr. Ip Tak Chuen, Edmond, Senior Vice President and Chief Investment Officer. Other members include an Independent Non-executive Director, Mr. Paul Joseph Tighe, and the Company Secretary, Ms. Eirene Yeung.

*As at the date of this document, the Executive Directors of the Company are Mr. Li Tzar Kuoi, Victor (Chairman), Mr. Kam Hing Lam, Mr. Ip Tak Chuen, Edmond, Mr. Yu Ying Choi, Alan Abel, Mr. Lance Richard Lee Yuen and Dr. Toh Kean Meng, Melvin; and the Non-executive Directors are Mr. Peter Peace Tulloch, Mrs. Kwok Eva Lee (Independent Non-executive Director), Mr. Kwan Kai Cheong (Independent Non-executive Director), Mr. Paul Joseph Tighe (Independent Non-executive Director) and Mr. Donald Jeffrey Roberts (Independent Non-executive Director).*