



偉俊生物科技有限公司
Wai Chun Bio-Technology Limited

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 0660)

2025 / 26
Interim Report

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CORPORATE INFORMATION

As at 31 December 2025

BOARD OF DIRECTORS

Executive Director

Mr. Lam Ka Chun

Independent Non-Executive Directors

Mr. Wong Po Keung

(appointed on 12 May 2025)

Mr. Wang Ziniu

(appointed on 5 June 2025)

Ms. Xu Huiling

(appointed on 5 June 2025)

AUTHORISED REPRESENTATIVES

Mr. Lam Ka Chun

Ms. He Xiaoping

(appointed on 5 March 2026)

COMPANY SECRETARY

Ms. He Xiaoping

(appointed on 5 March 2026)

AUDIT COMMITTEE

Mr. Wong Po Keung

(Chairman, appointed on 12 May 2025)

Mr. Wang Ziniu

(appointed on 5 June 2025)

Ms. Xu Huiling

(appointed on 5 June 2025)

REMUNERATION COMMITTEE

Mr. Wang Ziniu

(Chairman, appointed on 5 June 2025)

Ms. Xu Huiling

(appointed on 5 June 2025)

Mr. Lam Ka Chun

NOMINATION COMMITTEE

Mr. Lam Ka Chun *(Chairman)*

Mr. Wang Ziniu

(appointed on 5 June 2025)

Ms. Xu Huiling

(appointed on 5 June 2025)

REGISTERED OFFICE

P.O. Box 31119

Grand Pavilion

Hisbiscus Bay

802 West Bay Road

Grand Cayman KY1-1205

Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 4001-02, 40/F.

China Resources Building

26 Harbour Road, Wanchai

Hong Kong

AUDITOR

McMillan Woods (Hong Kong) CPA Limited

Certified Public Accountants

24/F., Siu On Centre

188 Lockhart Road

Wan Chai, Hong Kong

SHARE REGISTRAR IN HONG KONG

Union Registrars Limited

Room 3301-04, 33/F.

Two Chinachem Exchange Square

338 King's Road

North Point

Hong Kong

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited

Changle Rural Commercial Bank

STOCK CODE

Hong Kong Stock Exchange: 0660

COMPANY WEBSITE

<http://www.0660.hk>

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Financial Performance

For the six months ended 31 December 2025, the Company and its subsidiaries (hereafter collectively referred to as, the “Group”) recorded a revenue of approximately HK\$352.2 million (for the six months ended 31 December 2024: approximately HK\$161.1 million), representing an increase of 118.7% as compared with that of for the six months ended 31 December 2024. The increase in revenue was due to the increase in market consumption and demand during the period. The Group recorded a gross profit and gross profit margin of approximately HK\$35.7 million and 10.1% respectively for the six months ended 31 December 2025, representing an increase of approximately HK\$14.5 million and a decrease of 3.0% respectively as compared with the gross profit of approximately HK\$21.1 million and gross profit margin of 13.1% for the six months ended 31 December 2024.

Administrative expenses increased by 22.8% from approximately HK\$12.1 million for the six months ended 31 December 2024 to approximately HK\$14.9 million for the six months ended 31 December 2025. The increase in administrative expenses was mainly due to the increase in staff costs. Selling expenses recorded an increase of 181.9% from approximately HK\$5.4 million for the six months ended 31 December 2024 to approximately HK\$15.3 million for the six months ended 31 December 2025. The increase in selling expenses was mainly because of the huge increase in revenue during the period under review.

Finance costs decreased by 51.4% from approximately HK\$10.4 million for the six months ended 31 December 2024 to approximately HK\$5.0 million for the six months ended 31 December 2025. The decrease in finance costs was mainly because the convertible bonds in outstanding principal amounts of HK\$67,000,000 and 20,150,000 were matured on 18 January 2025, therefore the Company only provided imputed interests at effective interest rate after the completion of alteration of terms on 20 November 2025 during the period under review. For details, please refer to the announcement of the Company dated 19 November 2025.

Loss attributable to owners of the Company amounting to approximately HK\$5.9 million for the six months ended 31 December 2025 as compared with the loss attributable to owners of the Company amounting to approximately HK\$13.7 million for the six months ended 31 December 2024. The decrease in loss attributable to owners of the Company was primarily attributable to the increase in revenue and decrease in finance costs during the period under review.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Resources and Position

As at 31 December 2025, the Group had net current liabilities of approximately HK\$61.2 million (30 June 2025: approximately HK\$170.5 million) and cash and cash equivalents of approximately HK\$5.6 million (30 June 2025: approximately HK\$6.6 million).

Total debts of the Group amounting to approximately HK\$141.9 million as at 31 December 2025 (30 June 2025: approximately HK\$178.0 million), comprising borrowings, loans from the ultimate holding company, convertible bonds and the lease liabilities.

The net debt (net of cash and cash equivalents) to total assets ratio of the Group was approximately 60.2% (30 June 2025: approximately 79.9%).

During the period under review, the Group financed its operations primarily through internally generated funds, loans from the ultimate holding company, and borrowings.

The Group's cash and cash equivalents were mainly denominated in Hong Kong dollars, Renminbi, and United States dollars, and its business transactions were conducted primarily in Renminbi and United States dollars. The Group did not experience any significant difficulties or adverse effects on its operations due to fluctuations in currency exchange rates during the year.

BUSINESS REVIEW AND OUTLOOK

During the period under review, the Group continued to engage in the manufacturing and sale of modified starch and other biochemical products.

During the period under review, the business of manufacture and sales of modified starch and biochemical products recorded segment profit of approximately HK\$4.1 million (for the six months ended 31 December 2024: segment profit of approximately HK\$4.5 million).

The Group will continue to pursue strategic acquisitions that can enable the Company to capture new business opportunities in the PRC market and to strengthen the revenue and profit fundamentals. The Company has been actively identifying projects with growth potential for acquisitions or investments and has been in discussions with various parties for such acquisitions or investments.

MANAGEMENT DISCUSSION AND ANALYSIS

In order to ensure the Group's financial ability to operate as a going concern, the Directors of the Company have been implementing various measures including the provision of loan facilities by the ultimate holding company, conducting negotiation with potential investors to raise sufficient funds; and will continue to implement measures aiming at improving the working capital and cash flows of the Group including closely monitoring general administrative expenses and operating costs.

PLEDGE OF ASSETS

Certain of the Group's right-of-use assets were pledged to secure certain bank borrowings granted to the Group.

INTERIM DIVIDEND

The board of directors of the Company (the "Board") resolved not to recommend the payment of any interim dividend for the six months ended 31 December 2025 (for the six months ended 31 December 2024: Nil).

OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2025, none of the directors of the Company (the "Directors" and each a "Director") or chief executive of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporation(s) (within the meaning of Part XV of the Securities and Future Ordinance (the "SFO")) as recorded in the register of interests required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions) which they are taken or deemed to have taken under such provisions of the SFO and pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix C3 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

SUBSTANTIAL SHAREHOLDERS

Save as disclosed below, as at 31 December 2025, so far as was known to the Directors or chief executive of the Company, the Company had not been notified by any persons (other than the Directors or the chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

Long positions in the shares of the Company (the "Shares")

Name of shareholder	Capacity/nature of interest	Number of Shares/underlying Shares held	Approximate percentage of the number issued Shares (Note 5)
Mr. Lam Ching Kui (Note 1 and 2)	Beneficial owner	1,331,024,780 (L)	745.77%
	Interest of controlled corporation	631,550,242 (L)	353.86%
Wai Chun Investment Fund (Note 1)	Interest of controlled corporation	631,550,242 (L)	353.86%
Chinese Success Limited ("Chinese Success") (Note 1)	Beneficial owner	631,550,242 (L)	353.86%
Onward Global Investments Limited ("Onward Global") (Note 3)	Beneficial owner	12,863,500 (L)	7.21%
Wan Yuzhen (Note 3)	Beneficial owner	100 (L)	0.00%
	Interest of controlled corporation	12,863,500 (L)	7.21%

OTHER INFORMATION

Name of shareholder	Capacity/nature of interest	Number of Shares/underlying Shares held	Approximate percentage of the number issued Shares (Note 5)
Fair Concourse Limited ("Fair Concourse") (Note 4)	Beneficial owner	14,127,040 (L)	7.92%
Chen Guanyu (Note 4)	Beneficial owner	660,000 (L)	0.37%
	Interest of controlled corporation	14,127,040 (L)	7.92%
South Bright Holdings Limited ("South Bright") (Note 5)	Beneficial owner	10,172,337 (L)	5.70%
Wan Qian Yi (Note 5)	Interest of controlled corporation	10,172,337 (L)	5.70%

The Letter "L" denotes the long position in the Shares or underlying Shares

Notes:

- 539,999,999 Shares refer to the Shares which may fall to be allotted and issued pursuant to the convertible bonds in outstanding principal amount of HK\$20,150,000 and the convertible bonds in outstanding principal amount of HK\$12,250,000 at the conversion price of HK\$0.06, the remaining 91,550,243 Shares refer to the Shares held by Chinese success as at 31 December 2025, which is wholly-owned by Wai Chun Investment Fund and in turn wholly-owned by Mr. Lam Ching Kui.
- 1,330,952,380 Shares refer to the Shares which may fall to be allotted and issued pursuant to the convertible bonds in principal amount of HK\$67,000,000 and the convertible bonds in principal amount of HK\$15,000,000 at the conversion price of HK\$0.06 and HK\$0.07 respectively, the remaining 72,400 Shares refers to the Shares held by Mr. Lam Ching Kui as beneficial owner as at 31 December 2025.
- 12,863,500 Shares were held by Onward Global which is wholly owned by Wan Yuzhen. For the purpose of the SFO, Wan Yuzhen is deemed to be interested in these 12,863,500 Shares held by Onward Global. Wan Yuzhen also directly holds 100 Shares.
- 14,127,040 Shares were held by Fair Concourse which is wholly owned by Chen Guanyu. For the purpose of the SFO, Chen Guanyu is deemed to be interested in these 14,127,040 Shares held by Fair Concourse. Chen Guanyu also directly holds 660,000 Shares.
- The approximate percentages of shareholding are calculated based on 178,476,453 Shares issued by the Company as at 31 December 2025.

OTHER INFORMATION

SHARE OPTION SCHEME

The share option scheme adopted by the Company (the "Share Option Scheme") at the extraordinary general meeting held on 22 July 2015 (the "Adoption Date"), the scheme mandate limit for the Share Option Scheme was approved by the then shareholders to allow the Company to grant share options entitling holders thereof to subscribe for up to 15,954,685 shares, representing approximately 8.94% of the issued shares of the Company as at the date of this interim report.

The Share Option Scheme, unless otherwise cancelled or amended, will remain in force for 10 years from the Adoption Date to 21 July 2025. On 27 June 2025, 15,954,685 share options were granted and no share options were exercised or cancelled during the six months period ended 31 December 2025 under the Share Option Scheme. The number of share options available for grant under the scheme mandate limit of the Share Option Scheme as at 1 July 2025 and 31 December 2025 was zero. As at 1 July 2025 and 31 December 2025, the outstanding share options under the Share Option Scheme was 15,954,685.

Any share option may be exercised in accordance with the terms of the Share Option Scheme and such other terms and conditions upon which a share option was granted, at any time during the option period after the share option has been granted by the Board but in any event, not longer than 10 years from the date of grant. A share option shall lapse automatically and not be exercisable (to the extent not already exercised) on the expiry of the option period. Save as determined by the Board and specified in the offer letter at the time of the offer of the share option, there is no minimum period for which a share option must be held before it can be exercised.

Any grant of share options to a participant who is a Director, chief executive or substantial shareholder (as defined under the Listing Rules) of the Company or their respective associates (including a discretionary trust whose discretionary objects include a Director, chief executive or a substantial Shareholder of a company beneficially owned by any Director, chief executive or substantial Shareholder) must be approved by the independent non-executive Directors (excluding an independent non-executive Director who is the grantee of the Options).

OTHER INFORMATION

Where the Board proposes to grant any share option to a participant who is a substantial shareholder or an independent non-executive Director, or their respective associates (including a discretionary trust whose discretionary objects include a substantial Shareholder or an independent non-executive Director or a company beneficially owned by any substantial shareholder or independent non-executive Director) would result in the shares issued and to be issued upon exercise of all share options already granted and to be granted (including share 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 more than 0.1% of the total number of shares in issue; and
- (ii) having an aggregate value, based on the closing price of the shares at the date of each grant, over HK\$5,000,000.00,

such proposed grant of share options must be approved by the shareholders in general meeting. In such a case, the Company shall send a circular to its shareholders containing all those terms as required under the Listing Rules. All connected persons of the Company must abstain from voting at such general meeting (except that any connected person may vote against the relevant resolution provided that his intention to do so has been stated in this circular). Any vote taken at the meeting to approve the grant of such share options must be taken on a poll.

As at 1 July 2025 and 31 December 2025, no share options were granted and to be granted to a related entity participant or service provider (as defined in the Listing Rules) in any 12-month period exceeding 0.1% of the total issued Shares.

Particulars of the Share Option Scheme and detail of share options granted under the Share Option Scheme are set out in the published annual report of the Company for the year ended 30 June 2025.

EMPLOYEES

As at 31 December 2025, the Group had a total of 63 (30 June 2025: 61) employees. The majority of the Group's employees are situated in the PRC. The staff costs (including directors' emoluments) for the six months ended 31 December 2025 was approximately HK\$6,138,000 (for the six months ended 31 December 2024: HK\$4,189,000). In addition to offering competitive remuneration packages to employees, discretionary bonuses and share options may also be granted to eligible employees based on individual performance.

OTHER INFORMATION

The Group also encourages its employees to pursue a balanced lifestyle and provides a good working environment for its employees to maximise their potential and contribution to the Group.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the six months ended 31 December 2025 was the Company, or any of its subsidiaries, a party to any arrangements to enable the Directors to acquire benefits by means of shares in, or debt securities, including debentures, of the Company or any other body corporate.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the six months ended 31 December 2025.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code set out in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions by the Directors. All Directors have confirmed, following specific enquiries by the Company, that they have complied with the required standards as set out in the Model Code during the six months ended 31 December 2025.

CORPORATE GOVERNANCE

The Company has adopted the code provisions of the Corporate Governance Code ("CG Code") as set out in Appendix C1 to the Listing Rules as its own code of corporate governance. During the six months ended 31 December 2025, the Company has complied with the relevant code provisions set out in the CG Code except for the deviation from code provision C.2.1 and C.6.1, which are explained below.

Code provision C.2.1 provides that the roles of the Chairman and the CEO should be separated and should not be performed by the same individual. The Company did not separate the roles of the Chairman and CEO during the year under review. Mr. Lam Ka Chun is the Chairman and CEO of the Company with effect from 1 November 2023. Mr. Lam Ka Chun has extensive experience in projects investment and management and is responsible for the overall corporate strategies, planning and business development of the Group. The balance of power and authorities are ensured by the operation of the Board which comprises experienced and high caliber individuals with sufficient number thereof being independent non-executive Directors.

OTHER INFORMATION

Code provision C.6.1 provides that the company secretary should be an employee of the issuer and have day-to-day knowledge of the issuer's affairs. Where an issuer engages an external service provider as its company secretary, it should disclose the identity of a person with sufficient seniority at the issuer whom the external provider can contact. The Company did not appoint the company secretary since the resignation of Ms. Chin Ying Ying from 18 December 2024 until 5 March 2026. The Company appointed Ms. He Xiaoping ("Ms. He") as the company secretary on 5 March 2026, Ms. He has more than 13 years of experience in auditing, financial management, company secretarial, investment and financing. She is a member of the Hong Kong Institute of Certified Public Accountants.

DISCLOSURE UNDER RULE 13.51B(1) OF THE LISTING RULES

Pursuant to Rule 13.51B(1) of the Listing Rules, the change in information of a Director of the Company is set out below:

Name of Director	Date of change	Details of change
Mr. Wong Po Keung	26 February 2026	Appointed as an independent non-executive Director, a chairman and member of the audit committee, a member of each of nomination committee and remuneration committee of Jiu Rong Holdings Limited (Stock Code: 2358)

AUDIT COMMITTEE

The Company established an audit committee (the "Audit Committee") in accordance with the requirements of the Listing Rules for the purpose of reviewing and providing supervision over the Group's financial reporting process and internal controls. The terms of reference of the Audit Committee is currently made available on the Stock Exchange's website and the Company's website.

The Audit Committee is mainly responsible for making recommendations to the Board on the appointment, re-appointment and removal of the external auditor and to approve the remuneration and terms of engagement of the external auditor, and any questions of resignation or dismissal of such auditor; reviewing the interim and annual reports and accounts of the Group; and overseeing the Company's financial reporting system (including the adequacy of resources, qualifications and experience of staff in charge of the Company's financial reporting function and their training arrangement and budget) and the internal control procedures.

OTHER INFORMATION

As at the date of this report, the Audit Committee comprises three independent non-executive Directors, namely Mr. Wong Po Keung, Mr. Wang Ziniu and Ms. Xu Hailing. The Audit Committee has reviewed the unaudited interim financial results of the Group for the six months ended 31 December 2025.

On behalf of the Board

Wai Chun Bio-Technology Limited

Lam Ka Chun

Chairman and Chief Executive Officer

Hong Kong, 27 February 2026

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 31 December 2025

		Six months ended	
		31 December	
		2025	2024
	Notes	HK\$'000	HK\$'000
		(Unaudited)	(Unaudited)
Revenue	4	352,150	161,056
Cost of sales		(316,494)	(139,926)
Gross profit		35,656	21,130
Other revenue and other gains and losses, net		1,106	(130)
Selling expenses		(15,312)	(5,432)
Administrative expenses		(14,895)	(12,126)
Impairment losses on trade receivables, net		(4,831)	(4,271)
Finance costs		(5,045)	(10,373)
Loss before tax		(3,321)	(11,202)
Income tax expense	5	(2,425)	(1,852)
Loss for the period	6	(5,746)	(13,054)
(Loss) profit for the period attributable to:			
– Owners of the Company		(5,939)	(13,661)
– Non-controlling interests		193	607
		(5,746)	(13,054)
Loss per share	8	HK cents	HK cents
– Basic and diluted		(3.33)	(7.97)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 31 December 2025

	Six months ended	
	31 December	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Loss for the period	(5,746)	(13,054)
Other comprehensive (loss) income:		
<i>Item that may be reclassified to profit or loss:</i>		
Exchange differences on translating foreign operations	973	(510)
Other comprehensive (loss) income, net of tax	973	(510)
Total comprehensive (loss) income for the period	(4,773)	(13,564)
Total comprehensive (loss) income for the period attributable to:		
– Owners of the Company	(5,443)	(13,921)
– Non-controlling interests	670	357
	(4,773)	(13,564)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

		31 December 2025	30 June 2025
	Notes	HK\$'000	HK\$'000
		(Unaudited)	(Audited)
Non-current assets			
Property, plant and equipment		64,332	67,608
Right-of-use assets		14,912	25,613
Deferred tax assets		25,620	14,668
		104,864	107,889
Current assets			
Inventories		48,010	56,530
Trade receivables	9	49,555	28,787
Deposits, prepayments and other receivables		18,302	14,891
Bank balances and cash		5,614	6,558
		121,481	106,766
Current liabilities			
Trade payables	10	92,924	76,663
Accruals and other payables		23,193	103,130
Contract liabilities		1,803	1,288
Borrowings		60,007	76,435
Tax payable		1,221	1,037
Convertible bonds		–	11,040
Loans from the ultimate holding company		3,520	7,715
		182,668	277,308
Net current liabilities		(61,187)	(170,542)
Total assets less current liabilities		43,677	(62,653)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	31 December 2025 HK\$'000 (Unaudited)	30 June 2025 HK\$'000 (Audited)
Non-current liabilities		
Convertible bonds	<u>78,345</u>	–
Net liabilities	(34,668)	(62,653)
Capital and reserves		
Share capital	44,619	44,619
Reserves	<u>(108,382)</u>	(135,697)
Capital deficiency attributable to owners of the Company	(63,763)	(91,078)
Non-controlling interests	<u>29,095</u>	28,425
Capital deficiency	(34,668)	(62,653)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 31 December 2025

	Attributable to owners of the Company										
	Share capital	Share premium	Other reserve (Note)	Convertible bonds reserve	Share option reserve	Statutory reserve	Translation reserve	Accumulated losses	Sub-total	Non-controlling interests	Total equity
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 July 2025 (audited)	44,619	210,017	6,906	1,894	774	10,085	(1,616)	(363,757)	(91,078)	28,425	(62,653)
(Loss) profit for the period	-	-	-	-	-	-	-	(5,939)	(5,939)	193	(5,746)
Other comprehensive income for the period:											
Exchange differences on translating of foreign operations	-	-	-	-	-	-	496	-	496	477	973
Total comprehensive income (loss) for the period	-	-	-	-	-	-	496	(5,939)	(5,443)	670	(4,773)
Issue of convertible bonds	-	-	-	5,370	-	-	-	-	5,370	-	5,370
Effect on alteration of terms of convertible bonds	-	-	-	23,961	-	-	-	3,428	27,389	-	27,389
At 31 December 2025 (unaudited)	44,619	210,017	6,906	31,225	774	10,085	(1,120)	(366,268)	(63,762)	29,095	(34,667)
At 1 July 2024 (audited)	42,869	209,982	6,906	10,366	-	10,085	(2,126)	(357,335)	(79,253)	24,013	(55,240)
(Loss) profit for the period	-	-	-	-	-	-	-	(13,661)	(13,661)	607	(13,054)
Other comprehensive expense for the period:											
Exchange differences on translating of foreign operations	-	-	-	-	-	-	(260)	-	(260)	(250)	(510)
Total comprehensive (loss) income for the period	-	-	-	-	-	-	(260)	(13,661)	(13,921)	357	(13,564)
At 31 December 2024 (unaudited)	42,869	209,982	6,906	10,366	-	10,085	(2,386)	(370,996)	(93,174)	24,370	(68,084)

Note: Other reserve represents the share of a subsidiary's share premium arising from the allotment and issue of shares and deemed contribution from owners of the Company.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 31 December 2025

	Six months ended 31 December	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Net cash generated from operating activities	22,411	52
Net cash generated from investing activities	10	10
Net cash (used in) generated from financing activities	(22,021)	435
Net increase in cash and cash equivalents	400	497
Effects of foreign exchange rate changes	(1,344)	(874)
Cash and cash equivalents at beginning of the period	6,558	2,161
Cash and cash equivalents at end of the period, represented by bank balances and cash	5,614	1,784

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2025

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands with limited liability. The address of its registered office is P.O. Box 31119, Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands. The address of its principal place of business is Rooms 4001-02, 40th Floor, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The principal activities of the Group are manufacturing and sale of modified starch and other biochemical products.

In the opinion of the Directors, as at 31 December 2025, Chinese Success Limited, a company incorporated in the British Virgin Islands, is the immediate holding company; Wai Chun Investment Fund ("Wai Chun IF"), a company incorporated in the Cayman Islands, is the ultimate holding company and Mr. Lam Ching Kui ("Mr. Lam") is the ultimate controlling party of the Company, who resigned as the chairman of the Board (the "Chairman"), the chief executive officer of the Company (the "CEO") and an executive Director of the Company on 18 July 2022. Mr. Lam is the father of Mr. Lam Ka Chun, who is an executive Director, the Chairman and the CEO from 1 November 2023.

The condensed consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is also the functional currency of the Company. In addition, the functional currencies of certain group entities that operate outside Hong Kong are determined based on the currency of the primary economic environment in which the Group entities operate.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2025

2. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and the applicable disclosures required by the Listing Rules.

The condensed consolidated financial statements should be read in conjunction with the Group’s annual financial statements for the year ended 30 June 2025. The accounting policies and methods of computation used in the preparation of the condensed consolidated financial statements are consistent with those used in the Group’s annual financial statements for the year ended 30 June 2025.

The Group incurred a loss attributable to owners of the Company of approximately HK\$5,939,000 for the six months ended 31 December 2025 and as at 31 December 2025, the Group had net current liabilities of approximately HK\$61,187,000. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group’s ability to continue as a going concern. Therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. The Directors have prepared the condensed consolidated financial statements based on going concern on the assumptions and measures that:

- (i) As at 31 December 2025, the amounts due to Chinese Success, Wai Chun IF and Mr. Lam comprise the followings:

	Note	HK\$'000
Convertible bonds – liability component		78,345
Loans from ultimate holding company	(a)	<u>3,520</u>
		<u>81,865</u>

- (a) The creditor agreed not to demand repayment until all other third-party liabilities of the Group have been satisfied.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2025

2. BASIS OF PREPARATION (Continued)

- (ii) Mr. Lam and Wai Chun IF have undertaken to provide adequate funds to enable the Group to meet its liabilities and settle financial obligations to third parties as and when they fall due so that the Group can continue to operate as a going concern and carry on its business without a significant curtailment of operations for the next twelve months from the date of this report;
- (iii) The Company is in negotiation with potential investors proactively to raise sufficient funds through fund-raising arrangement; and
- (iv) The Directors will continue to implement cost control and measures aiming at improving the working capital and cash flows of the Group including closely monitoring general administrative expenses and operating costs.

The Directors have carried out a detailed review of the cash flow forecast of the Group for the twelve-month period from the date of this report after taking into account the impact of above measures, the Directors believe that the Group will have sufficient cash resources to satisfy its future working capital and other financing requirements as and when they fall due in the next twelve months from the date of this report, and accordingly, are satisfied that it is appropriate to prepare the condensed consolidated financial statements on a going concern basis.

Should the Group be unable to continue in business as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amount, to provide for future liabilities which might arise and to reclassify non-current assets and liabilities to current assets and liabilities respectively. The effects of these potential adjustments have not been reflected in the condensed consolidated financial statements.

As set out in the paragraphs above, the Group intends to pursue strategic acquisitions that can enable the Company to capture new business opportunities in the People's Republic of China (the "PRC") market and to strengthen the revenue and profit fundamentals. The Company has been actively identifying projects with growth potential for acquisitions or investments and has engaged in discussions with various parties for such acquisitions or investments.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2025

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current period, the Group has applied all the amendments to HKFRS Accounting Standards issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 July 2025. HKFRS Accounting Standards comprise Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards, and Interpretations. The application of the amendments to HKFRS Accounting Standards did not result in significant changes to the Group's accounting policies, presentation of the Group's condensed consolidated financial statements and amounts reported for the current period and prior period.

The Group has not applied any new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective. The Group does not expect that the application of these new and amendments to HKFRS Accounting Standards would have material impact on its results of operations and financial position.

4. REVENUE AND SEGMENT INFORMATION

Revenue from manufacturing and sale of modified starch and other biochemical products for the six months ended 31 December 2025 were approximately HK\$352,150,000 (for the six months ended 31 December 2024: approximately HK\$161,056,000).

Disaggregation of revenue from contracts with customers

For the six months ended 31 December 2025, the revenue from manufacturing and sale of modified starch and other biochemical products are derived from customers in the PRC and Russia in the aggregate amounts of approximately HK\$352,150,000 (for the six months ended 31 December 2024: approximately HK\$161,056,000).

The Group recognised revenue when the products are transferred to the customers at a point in time.

The Group has one reportable segment as follows:

Modified starch and other biochemical products	–	Manufacturing and sale of modified starch and other biochemical products
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Segment profits or losses do not include other revenue and other gains and losses, net, central administration costs, finance costs and income tax expenses.

The Group accounts for intersegment sales and transfers as if the sales or transfers were to third parties, i.e. at current market prices.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2025

4. REVENUE AND SEGMENT INFORMATION (Continued)

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable and operating segment:

For the six months ended 31 December 2025

	Modified starch and other biochemical products HK\$'000 (Unaudited)	Total HK\$'000 (Unaudited)
Revenue from external customers	352,150	352,150
Segment profit	4,074	4,074
Other revenue and other gains and losses, net		1,106
Central administration costs		(3,456)
Finance costs		(5,045)
Loss before tax		(3,321)
Income tax expense		(2,425)
Consolidated loss for the period		(5,746)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2025

4. REVENUE AND SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

For the six months ended 31 December 2024

	Modified starch and other biochemical products HK\$'000 (Unaudited)	Total HK\$'000 (Unaudited)
Revenue from external customers	161,056	161,056
Segment profit	4,522	4,522
Other revenue and other gains and losses, net		(130)
Central administration costs		(5,221)
Finance costs		(10,373)
Loss before tax		(11,202)
Income tax expense		(1,852)
Consolidated loss for the period		(13,054)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2025

5. INCOME TAX EXPENSE

	Six months ended	
	31 December	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Income tax expense comprises:		
Current income tax		
– PRC Enterprise Income Tax		
Provision for the period	2,425	1,852

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the “Bill”) which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. The Directors considered the amount involved upon implementation of the two-tiered profits tax rates regime is insignificant to the condensed consolidated financial statements. Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both periods.

No provision for Hong Kong Profits Tax is required since the Group has no assessable profit derived from Hong Kong for both periods.

PRC subsidiaries are subject to PRC Enterprise Income Tax (“EIT”) at 25% for both periods, except for the following subsidiary of the Company.

A Company’s subsidiary was exempted from PRC income taxes for both periods. According to the Implementation Regulation of the EIT Law and the EIT exemptions regulation set out in the Circular of the Ministry of Finance and the State Administration on Releasing the Primary Processing Ranges of Agricultural Products Entitled to Preferential Policies on Enterprise Income Tax (Trial Implementation) (Cai Shui [2008] No. 149), and the requirements of Article 86 of the Implementation Regulation of the EIT Law, the income from primary processing for agriculture products are exempted from EIT.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2025

6. LOSS FOR THE PERIOD

	Six months ended	
	31 December	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Loss for the period has been arrived at after charging (crediting):		
Cost of inventories sold	316,494	139,926
Impairment losses on trade receivables, net	4,831	4,271
Depreciation on property, plant and equipment	2,212	6,585
Depreciation on right-of-use assets	414	1,566
Staff costs (including directors' emoluments and retirement benefit costs)	6,138	4,189

7. INTERIM DIVIDEND

The Board has resolved not to recommend the payment of any interim dividend for the six months ended 31 December 2025 (for the six months ended 31 December 2024: Nil).

8. LOSS PER SHARE

Loss per share

The calculation of basic loss per share attributable to owners of the Company for the six months ended 31 December 2025 is based on the loss attributable to owners of the Company of approximately HK\$5,939,000 (for the six months ended 31 December 2024: loss attributable to owners of the Company of approximately HK\$13,661,000) and the weighted average number of ordinary shares of 178,476,453 (for the six months ended 31 December 2024: adjusted 171,476,453) in issue during the period as adjusted to reflect the effect of the share consolidation. Comparative figures have also been adjusted on the assumption that above consolidation had been effective in prior period.

Diluted loss per share

As the exercise of the Group's outstanding convertible bonds for the six months ended 31 December 2025 and for the six months ended 31 December 2024 would be anti-dilutive and there were no dilutive potential ordinary shares for the Company's outstanding share options and convertible preference shares in both periods, accordingly, the diluted loss per share is same as the basic loss per share in both periods.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2025

9. TRADE RECEIVABLES

	31 December 2025 HK\$'000 (Unaudited)	30 June 2025 HK\$'000 (Audited)
Trade receivables	54,386	31,908
Less: Provision for loss allowance	(4,831)	(3,121)
Carrying amount	49,555	28,787

The Group allows average credit period of 30 to 180 days to its customers. Receivables that were current relate to customers for whom there was no recent history of default. Provision for impairment is made unless the Group has concluded that recovery is remote, in which case the unrecovered loss is written off against trade receivables and the provision for impairment directly. The Group does not hold any collateral over these balances.

The aging analysis of trade receivables based on the invoice date, and net of allowance, is as follows:

	31 December 2025 HK\$'000 (Unaudited)	30 June 2025 HK\$'000 (Audited)
0-30 days	34,230	25,746
31-60 days	8,672	2,448
61-90 days	1,460	77
91-180 days	2,113	444
Over 180 days	3,080	72
Total	49,555	28,787

As at 31 December 2025, trade receivables of approximately HK\$46,475,000 (30 June 2025: approximately HK\$28,715,000) are not past due and regarded as having low default risk by the management of the Company based on regular repayment history in the expected credit loss assessment. As at 31 December 2025, no trade receivables (30 June 2025: HK\$Nil) were pledged to secure bank borrowings.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2025

10. TRADE PAYABLES

The average credit period on purchases of goods ranges from 30 to 180 days. The Group has financial risk management policies to ensure that all payables are paid within the credit timeframe. The aging analysis of trade payables based on the invoice date, is as follows:

	31 December 2025 HK\$'000 (Unaudited)	30 June 2025 HK\$'000 (Audited)
0-30 days	36,562	37,542
31-60 days	24,607	5,041
61-90 days	8,705	4,980
91-180 days	19,094	25,970
Over 180 days	3,956	3,130
Total	92,924	76,663

11. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

The Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate their respective fair value.

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk.

The condensed consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 30 June 2025.

There have been no changes in the risk management policies since 30 June 2025.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2025

12. RELATED PARTY TRANSACTIONS

(a) Related party transactions

In addition to those related party transactions disclosed elsewhere in the condensed consolidated financial statements, the Group had the following transactions with its related parties during the periods:

	Six months ended	
	31 December	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Interest expenses on loans from the ultimate holding company	242	139
Interest expenses on loan from Mr. Lam	171	–

As at 31 December 2025, the Company has drawn down loan of approximately HK\$3,520,000 (30 June 2025: approximately HK\$7,175,000) granted by its ultimate holding company.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 31 December 2025

12. RELATED PARTY TRANSACTIONS (Continued)

(b) Key management personnel remuneration

The remuneration of the Directors and other members of key management personnel during the periods are as follows:

	Six months ended	
	31 December	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Salaries and allowances	1,080	600
Retirement benefit scheme contributions	18	18
Total	1,098	618

13. EVENTS AFTER THE REPORTING PERIOD

Reference is made to the announcement of the Company dated 25 February 2026 in relation to a sealed Judgment dated 13 February 2026 (the "Judgment") from the Court of First Instance of the High Court of the Hong Kong Special Administrative Region (the "High Court of Hong Kong") against the Company and Wai Chun Group Holdings Limited (the "First Defendant").

The Judgment states that (i) the Company and the First Defendant do each pay Island Sky Limited (the "Plaintiff") the sum of HK\$2,672,193.60 and the interest on the sum of HK\$2,672,193.60 at the rate of 1% above HSBC prime rate per annum from 7 September 2023 to the date hereof and thereafter at judgment rate until payment; and (ii) costs of this action, with certificate for counsel, be paid by the Company and the First Defendant to the Plaintiff summarily assessed at HK\$111,000.00 payable forthwith.

The sum of HK\$2,672,193.60 is being 50% of the mesne profits, rent and rate, management and air-conditioning charges for the period from 16 September 2022 to 27 April 2023 of the whole premises which is located at 13th Floor of Tower II, Admiralty Centre, No. 18 Harcourt Road, Hong Kong.

The Board is in view of that the Plaintiff was claiming for excessive mesne profits which is much higher than the market comparables and the Company and the First Defendant have lodged a Notice of Appeal with the High Court of Hong Kong.