**CPBIO HOLDING COMPANY LIMITED**
**正大生物控股有限公司**
*(Incorporated in Bermuda with members' limited liability)*
(Stock Code: 3839)

# ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2026

## UNAUDITED CONSOLIDATED RESULTS

The board of directors (the "Board") of CPBIO Holding Company Limited (the "Company") is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 June 2026.

## UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| | | Six months ended 30 June | |
|---|---|---|---|
| | | **2026** | 2025 |
| | *Note* | ***US$'000*** | *US$'000* |
| | | **(Unaudited)** | (Unaudited) |
| **REVENUE** | 4 | **211,389** | 323,328 |
| Cost of sales | | **(176,661)** | (281,545) |
| Gross profit | | **34,728** | 41,783 |
| Other income, net | 5 | **673** | 1,788 |
| Selling and distribution costs | | **(9,100)** | (7,539) |
| General and administrative expenses | | **(13,207)** | (12,900) |
| Finance costs | 6 | **(589)** | (1,059) |
| Share of profits and losses of: | | | |
| Joint venture | | **(287)** | 1,350 |
| Associate | | **1,237** | 783 |
| **PROFIT BEFORE TAX** | 7 | **13,455** | 24,206 |
| Income tax | 8 | **(3,306)** | (4,217) |
| **PROFIT FOR THE PERIOD** | | **10,149** | 19,989 |

## UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

*(Continued)*

| | Note | Six months ended 30 June **2026** *US$'000* **(Unaudited)** | 2025 *US$'000* (Unaudited) |
|---|---|---|---|
| **Profit attributable to:** | | | |
| Shareholders of the Company | | **9,423** | 17,046 |
| Non-controlling interests | | **726** | 2,943 |
| | | **10,149** | 19,989 |
| | | ***US cents*** | *US cents* |
| **EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY** | | | |
| Basic and diluted | 10 | **3.70** | 6.70 |
| | | ***US$'000*** | *US$'000* |
| **PROFIT FOR THE PERIOD** | | **10,149** | 19,989 |
| **OTHER COMPREHENSIVE INCOME** | | | |
| Items that may be reclassified subsequently to profit or loss: | | | |
| Exchange differences related to translation of foreign operations | | **4,025** | 1,988 |
| Share of other comprehensive income of: | | | |
| Joint venture | | **3,380** | 2,001 |
| Associate | | **755** | 415 |
| Fair value change in financial asset at FVOCI | | **98** | – |
| Income tax effect on fair value change in financial asset at FVOCI | | **(15)** | – |
| **OTHER COMPREHENSIVE INCOME FOR THE PERIOD** | | **8,243** | 4,404 |
| **TOTAL COMPREHENSIVE INCOME FOR THE PERIOD** | | **18,392** | 24,393 |
| **Total comprehensive income attributable to:** | | | |
| Shareholders of the Company | | **16,630** | 20,879 |
| Non-controlling interests | | **1,762** | 3,514 |
| | | **18,392** | 24,393 |

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| | *Note* | **30 June 2026** *US$'000* **(Unaudited)** | 31 December 2025 *US$'000* (Audited) |
|---|---|---|---|
| **NON-CURRENT ASSETS** | | | |
| Property, plant and equipment | | **106,019** | 101,483 |
| Right-of-use asset | | **222** | 155 |
| Land lease prepayments | | **4,568** | 4,493 |
| Investments in joint venture | | **108,651** | 105,558 |
| Investments in associate | | **26,051** | 24,059 |
| Financial asset at FVOCI | | **1,261** | 1,163 |
| Goodwill | | **341** | 341 |
| Other non-current assets | | **516** | 62 |
| **Total non-current assets** | | **247,629** | 237,314 |
| **CURRENT ASSETS** | | | |
| Inventories | | **38,436** | 32,912 |
| Trade and bills receivables | 11 | **155,867** | 131,352 |
| Prepayments, deposits and other receivables | | **26,159** | 20,255 |
| Cash and cash equivalents | | **37,253** | 39,831 |
| **Total current assets** | | **257,715** | 224,350 |
| **CURRENT LIABILITIES** | | | |
| Trade payables | 12 | **81,021** | 80,863 |
| Other payables and accruals | | **14,518** | 15,655 |
| Bank borrowings | | **65,071** | 38,266 |
| Income tax payables | | **393** | 2,658 |
| Lease liabilities | | **50** | 96 |
| **Total current liabilities** | | **161,053** | 137,538 |
| **NET CURRENT ASSETS** | | **96,662** | 86,812 |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | **344,291** | 324,126 |

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION** *(Continued)*

| | **30 June 2026** *US$'000* **(Unaudited)** | 31 December 2025 *US$'000* (Audited) |
|---|---|---|
| **NON-CURRENT LIABILITIES** | | |
| Bank borrowings | **10,203** | 8,884 |
| Other non-current liabilities | **999** | 1,193 |
| Deferred tax liabilities | **6,565** | 6,012 |
| Lease liabilities | **251** | 156 |
| **Total non-current liabilities** | **18,018** | 16,245 |
| **NET ASSETS** | **326,273** | 307,881 |
| **EQUITY** | | |
| **Equity attributable to shareholders of the Company** | | |
| Issued capital | **25,333** | 25,333 |
| Reserves | **268,442** | 251,812 |
| | **293,775** | 277,145 |
| **Non-controlling interests** | **32,498** | 30,736 |
| **TOTAL EQUITY** | **326,273** | 307,881 |

## NOTES

### 1. BASIS OF PREPARATION

The financial information set out in this announcement does not constitute the Group's interim financial report for the six months ended 30 June 2026, but is derived from the interim financial report. The interim financial report is unaudited and has been prepared in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting* issued by the International Accounting Standards Board (the "IASB") and the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

The accounting policies and the basis of preparation adopted in the preparation of the interim financial report are consistent with those adopted in the annual financial statements for the year ended 31 December 2025, which were prepared in accordance with International Financial Reporting Standards ("IFRSs") (which include all IFRSs, IASs and Interpretations) issued by the IASB, except for the accounting policy changes as set out in note 2 below. The interim financial report should be read in conjunction with the annual financial statements for the year ended 31 December 2025.

This interim financial information is presented in United States dollars ("US$") and all values are rounded to the nearest thousand ("US$'000") except when otherwise indicated.

### 2. CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

The Group has applied the amendments to IFRS 9, Financial instruments and IFRS 7, Financial instruments: Disclosures – Amendments to the classification and measurement of financial instruments issued by the IASB to this interim financial report for the current accounting period. The amendments do not have a material impact on this interim financial report.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

## 3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has two reportable operating segments:

- the biotech business is principally engaged in the manufacture and/or sale of animal health products and chlortetracycline; and

- the investment business is principally engaged in the trading of machinery and the manufacture and sale of automotive parts, through the Group's joint venture and associate.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit, which is a measure of adjusted profit before tax. The adjusted profit before tax is measured consistently with the Group's profit before tax except that bank interest income, finance costs and items not specifically attributed to individual segments, such as head office or corporate administration expenses are excluded from such measurements.

Segment assets exclude unallocated corporate assets. Unallocated corporate assets include cash and cash equivalents, income tax receivables and other assets that are managed on a group basis.

Segment liabilities exclude unallocated corporate liabilities. Unallocated corporate liabilities include bank borrowings, income tax payables, deferred tax liabilities and other liabilities that are managed on a group basis.

All revenue from contracts with customers is recognised at the point in time when our customer obtains control of the promised goods, i.e. when products are delivered to the customers' premises for domestic sales or in accordance with the terms and conditions of sale for export sales. The major product line of the Group is the manufacture and/or sale of animal health products and chlortetracycline in the biotech business as disclosed in note 3(a).

Disaggregation of revenue from contracts with customers by geographical location of customers is disclosed in note 3(b)(i).

3. **OPERATING SEGMENT INFORMATION** *(Continued)*

(a) **Reportable operating segments**

The following tables present revenue, profit or loss and certain assets, liabilities and expenditure information for the Group's reportable operating segments during the period.

**Six months ended 30 June 2026**

| | **Biotech business** *US$'000* **(Unaudited)** | **Investment business** *US$'000* **(Unaudited)** | **Total** *US$'000* **(Unaudited)** |
|---|---|---|---|
| **Segment revenue** | | | |
| Sales to external customers | **211,389** | **–** | **211,389** |
| **Segment results** | | | |
| The Group | **14,071** | **(23)** | **14,048** |
| Share of profits and losses of: | | | |
| Joint venture | **–** | **(287)** | **(287)** |
| Associate | **–** | **1,237** | **1,237** |
| | **14,071** | **927** | **14,998** |
| Reconciliation: | | | |
| Bank interest income | | | **460** |
| Finance cost | | | **(589)** |
| Unallocated head office and corporate expenses | | | **(1,414)** |
| Profit before tax | | | **13,455** |
| **Other segment information** | | | |
| Depreciation and amortisation | **4,626** | **–** | **4,626** |
| Capital expenditure | **5,816** | **–** | **5,816** |

3. **OPERATING SEGMENT INFORMATION** *(Continued)*

(a) **Reportable operating segments** *(Continued)*

**At 30 June 2026**

| | Biotech business *US$'000* (Unaudited) | Investment business *US$'000* (Unaudited) | Total *US$'000* (Unaudited) |
|---|---|---|---|
| **Segment assets** | 333,331 | 134,737 | 468,068 |
| Reconciliation: | | | |
| Unallocated corporate assets | | | 37,276 |
| Total assets | | | 505,344 |
| **Segment liabilities** | 95,377 | – | 95,377 |
| Reconciliation: | | | |
| Unallocated corporate liabilities | | | 83,694 |
| Total liabilities | | | 179,071 |
| **Other segment information** | | | |
| Investments in joint venture | – | 108,651 | 108,651 |
| Investments in associate | – | 26,051 | 26,051 |

## 3. OPERATING SEGMENT INFORMATION *(Continued)*

### (a) Reportable operating segments *(Continued)*

Six months ended 30 June 2025

| | Biotech business US$'000 (Unaudited) | Investment business US$'000 (Unaudited) | Total US$'000 (Unaudited) |
|---|---|---|---|
| **Segment revenue** | | | |
| Sales to external customers | 323,328 | – | 323,328 |
| **Segment results** | | | |
| The Group | 24,465 | (424) | 24,041 |
| Share of profits and losses of: | | | |
| Joint venture | – | 1,350 | 1,350 |
| Associate | – | 783 | 783 |
| | 24,465 | 1,709 | 26,174 |
| Reconciliation: | | | |
| Bank interest income | | | 439 |
| Finance cost | | | (1,059) |
| Unallocated head office and corporate expenses | | | (1,348) |
| Profit before tax | | | 24,206 |
| **Other segment information** | | | |
| Depreciation and amortisation | 4,478 | – | 4,478 |
| Capital expenditure | 1,150 | – | 1,150 |

## 3. OPERATING SEGMENT INFORMATION *(Continued)*

### (a) Reportable operating segments *(Continued)*

At 31 December 2025

| | Biotech business *US$'000* (Audited) | Investment business *US$'000* (Audited) | Total *US$'000* (Audited) |
|---|---|---|---|
| **Segment assets** | 292,147 | 129,648 | 421,795 |
| Reconciliation: | | | |
| Unallocated corporate assets | | | 39,869 |
| Total assets | | | 461,664 |
| **Segment liabilities** | 96,556 | – | 96,556 |
| Reconciliation: | | | |
| Unallocated corporate liabilities | | | 57,227 |
| Total liabilities | | | 153,783 |
| **Other segment information** | | | |
| Investments in joint venture | – | 105,558 | 105,558 |
| Investments in associate | – | 24,059 | 24,059 |

### (b) Geographical information

#### *(i) Revenue from external customers*

| | **Six months ended 30 June** | |
|---|---|---|
| | **2026** | 2025 |
| | ***US$'000*** | *US$'000* |
| | **(Unaudited)** | (Unaudited) |
| Mainland China | **147,711** | 267,093 |
| Asia Pacific (excluding mainland China) | **30,323** | 21,382 |
| Americas | **23,218** | 20,977 |
| Europe and elsewhere | **10,137** | 13,876 |
| | **211,389** | 323,328 |

The revenue information shown above is based on the location of customers.

3. **OPERATING SEGMENT INFORMATION** *(Continued)*

(b) **Geographical information** *(Continued)*

*(ii)* ***Non-current assets***

At 30 June 2026, 99% (31 December 2025: 99%) of the Group's non-current assets are located in mainland China.

4. **REVENUE**

Revenue represents the aggregate of the invoiced value of goods sold, net of value-added tax and government surcharges, and after allowances for goods returned and trade discounts recognised within the scope of IFRS 15. All of the Group's revenue is from the biotech segment.

5. **OTHER INCOME, NET**

An analysis of other income, net is as follows:

| | **Six months ended 30 June** | |
|---|---|---|
| | **2026** | 2025 |
| | ***US$'000*** | *US$'000* |
| | **(Unaudited)** | (Unaudited) |
| Bank interest income | **460** | 439 |
| Government grants | **482** | 731 |
| Loss on disposal of property, plant and equipment, net | **–** | (537) |
| Foreign exchange differences, net | **(680)** | 881 |
| Others | **411** | 274 |
| | **673** | 1,788 |

6. **FINANCE COSTS**

| | **Six months ended 30 June** | |
|---|---|---|
| | **2026** | 2025 |
| | ***US$'000*** | *US$'000* |
| | **(Unaudited)** | (Unaudited) |
| Interest expense on bank borrowings | **734** | 1,245 |
| Less: Interest expense capitalised* | **(153)** | (186) |
| Interest expense on lease liabilities | **8** | – |
| | **589** | 1,059 |

* Interest expense was capitalised at interest rate based on the respective loan facilities of 2.2%-4.0% per annum (six months ended 30 June 2025: 2.6%-4.2%).

## 7. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging:

| | Six months ended 30 June | |
|---|---|---|
| | **2026** | 2025 |
| | ***US$'000*** | *US$'000* |
| | **(Unaudited)** | (Unaudited) |
| Cost of inventories sold | **176,661** | 281,545 |
| Depreciation of property, plant and equipment | **4,563** | 4,419 |
| Amortisation of land lease prepayments | **63** | 59 |

## 8. INCOME TAX

No provision for Hong Kong profits tax has been made for the period as the Group did not generate any assessable profits in Hong Kong during the current period (six months ended 30 June 2025: nil).

Subsidiaries operating in the People's Republic of China ("PRC") are subject to income tax at the rate of 25% (six months ended 30 June 2025: 25%) on their taxable income according to the PRC corporate income tax laws. In accordance with the relevant tax rules and regulations in the PRC, certain subsidiaries of the Group in the PRC enjoy income tax exemptions or reductions.

| | Six months ended 30 June | |
|---|---|---|
| | **2026** | 2025 |
| | ***US$'000*** | *US$'000* |
| | **(Unaudited)** | (Unaudited) |
| Current – the PRC | | |
| Charge for the period | **2,787** | 4,121 |
| Under/(over)-provision in prior years | **13** | (896) |
| Deferred | **506** | 992 |
| Total tax expense for the period | **3,306** | 4,217 |

## 9. INTERIM DIVIDEND

The Board has resolved not to declare an interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: nil).

## 10. EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY

The calculation of basic earnings per share is based on the profit for the period attributable to shareholders of the Company and the weighted average number of ordinary shares and convertible preference shares in issue during the period.

The calculation of basic earnings per share is based on the following data:

| | Six months ended 30 June | |
|---|---|---|
| | **2026** | 2025 |
| | ***US$'000*** | *US$'000* |
| | **(Unaudited)** | (Unaudited) |
| **Earnings** | | |
| Profit for the period attributable to shareholders of the Company, used in the basic earnings per share calculation | **9,423** | 17,046 |

| | Six months ended 30 June | |
|---|---|---|
| | **2026** | 2025 |
| | **(Unaudited)** | (Unaudited) |
| **Shares** | | |
| Weighted average number of ordinary shares and convertible preference shares in issue during the period, used in the basic earnings per share calculation | **253,329,087** | 253,329,087 |

As there were no potential dilutive ordinary shares during the six months ended 30 June 2026 and 2025, the amount of diluted earnings per share is equal to basic earnings per share.

## 11. TRADE AND BILLS RECEIVABLES

Depending on the requirements of the market and business, the Group may extend credit to its customers. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by management and interest may be charged by the Group for overdue trade receivable at rates determined by the Group with reference to market practice. In the opinion of the directors, there is no significant concentration of credit risk. An aging analysis of the Group's trade receivables (based on the date of delivery of goods) and the Group's bills receivables (based on issue date) are as follows:

| | **30 June 2026** | 31 December 2025 |
|---|---|---|
| | ***US$'000*** | *US$'000* |
| | **(Unaudited)** | (Audited) |
| Trade receivables: | | |
| 60 days or below | **102,934** | 92,530 |
| 61 to 180 days | **45,418** | 33,372 |
| Over 180 days | **6,549** | 4,437 |
| | **154,901** | 130,339 |
| Bills receivables: | | |
| 60 days or below | **547** | 547 |
| 61 to 180 days | **419** | 466 |
| | **966** | 1,013 |
| | **155,867** | 131,352 |

## 12. TRADE PAYABLES

An aging analysis of the Group's trade payables (based on the date of receipt of goods) as at the end of the reporting period are as follows:

| | **30 June 2026** | 31 December 2025 |
|---|---|---|
| | ***US$'000*** | *US$'000* |
| | **(Unaudited)** | (Audited) |
| Trade payables: | | |
| 60 days or below | **63,275** | 62,953 |
| 61 to 180 days | **15,923** | 13,343 |
| Over 180 days | **1,823** | 4,567 |
| | **81,021** | 80,863 |

## MANAGEMENT DISCUSSION AND ANALYSIS

## GROUP RESULTS

The Group has two lines of business: biotech business and investment business. The biotech business focuses on animal health products and chlortetracycline ("CTC"), which accounts for all of the Group's consolidated revenue and is carried on by Group subsidiaries. The investment business comprises the Group's interests in its joint venture ECI Metro Investment Co., Ltd. (together with its subsidiaries, "ECI Metro") and its associate Zhanjiang Deni Vehicle Parts Co., Ltd. (together with its subsidiaries, "Zhanjiang Deni"). The results of the Group's investment business are incorporated in the consolidated statement of comprehensive income as share of profits and losses of joint venture and associate.

For the six months ended 30 June 2026 ("1H2026"), the Group's revenue reduced by 34.6% to US$211.4 million (for the six months ended 30 June 2025 ("1H2025"): US$323.3 million). However, overall gross profit margin increased from 12.9% in 1H2025 to 16.4% in 1H2026. The decrease in revenue and the increase in overall gross profit margin came from our biotech business, which will be discussed below.

Profit attributable to shareholders of the Company dropped from US$17.0 million in 1H2025 to US$9.4 million in 1H2026.

Basic and diluted earnings per share were both 3.7 US cents (1H2025: 6.7 US cents). The Board of Directors of the Company resolved not to declare an interim dividend for the six months ended 30 June 2026 (1H2025: nil).

## BUSINESS REVIEW

### Biotech business

We generate our revenue primarily from the manufacture and/or sale of animal health products and CTC products. Our animal health products are mainly preventive drugs for livestock diseases. CTC products, on the other hand, are antibiotics, used to prevent or cure animal diseases. In the past few years, we have been strategically broadening our product portfolio to cover related veterinary products. Of these new offerings, some we manufacture and sell, and some we source and trade. The Group's major customers include farms, feed mills, trading companies and pharmaceutical companies.

Due to a slowdown in the animal farming sector in China, demand for our animal health products also reduced since the third quarter of 2025. In 1H2026, the Group's revenue from the biotech business reduced by 34.6% to US$211.4 million (1H2025: US$323.3 million).

Our animal health products consist of a wide range of veterinary products. When compared to our CTC products, animal health products, on average, have lower profit margins. In 1H2026, revenue contribution from animal health products reduced due to a slowdown in the animal farming sector in China. As a result, overall gross profit margin increased from 12.9% in 1H2025 to 16.4% in 1H2026. Nevertheless, contribution from our biotech business declined in 1H2026.

### Investment business

The Group's investment portfolio consists of ECI Metro and Zhanjiang Deni.

ECI Metro is principally engaged in the sale, leasing and servicing of Caterpillar machinery equipment in western China. Our revenue in 1H2026 from sales of excavators, power system and spare parts reduced by 15.2% as compared to that in 1H2025, mainly due to reduced demand for large-sized excavators and continuous challenges by domestic brands in China for small and medium-sized excavators. For the six months ended 30 June 2026, our share of loss of joint venture was US$0.3 million (1H2025: profit of US$1.4 million).

Zhanjiang Deni is principally engaged in the manufacture and sale of automotive parts, which are mainly sold to automobile and motorcycle manufacturers. In 1H2026, Zhanjiang Deni's sales of motorcycle parts and automotive parts both grew. For the six months ended 30 June 2026, our share of profit of associate increased from US$0.8 million in 1H2025 to US$1.2 million in 1H2026.

## OUTLOOK

Looking forward, the slowdown in the animal farming sector in China and intensified competition are expected to bring uncertainties to our biotech business. Nevertheless, we will continue to implement our successful strategy to increase sales to key customers, broaden our product portfolio, and proactively expand into international markets to drive new business growth. Driven by steady growth in international sales over recent years, we see immense potential for further overseas expansion. By accelerating the growth of our global network, we expect international operations to become one of the major revenue and profit drivers of the Group.

Our June 2026 rebranding to "CPBIO Holding Company Limited" signals a strategic pivot, cementing our evolution into a fully integrated, biotechnology-driven enterprise. Going forward, the Group will anchor its growth on the core brand philosophy: "Comprehensive Solutions with Proven Results". Taking a full value-chain approach, the Group has built end-to-end capabilities spanning research and development ("R&D"), manufacturing, technical services and global marketing. Anchored by a core portfolio of veterinary products, biological products and feed additives, and supported by biotechnology, precision nutrition and smart farming technologies, the Group delivers one-stop animal health solutions to commercial livestock producers globally. By addressing critical needs – from disease prevention and immune management to nutritional optimization, biosecurity, and antibiotic reduction – we directly drive operational efficiency, production resilience and food safety for our clients.

Overall, we remain cautiously optimistic about our performance in the second half of 2026.

## LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2026, the Group had total assets of US$505.3 million, an increase of 9.5% as compared to US$461.7 million as at 31 December 2025.

Net debt (30 June 2026: US$38.0 million, 31 December 2025: US$7.3 million) to equity ratio (defined as total bank borrowings minus cash and deposits divided by total equity) was 0.12 as compared to 0.02 as at 31 December 2025.

All the borrowings of the Group are denominated in Renminbi ("RMB") as at 30 June 2026 and 31 December 2025.

As at 30 June 2026, the Group's fixed interest rate bank borrowings amounted to US$43.2 million (31 December 2025: US$22.2 million).

All domestic sales in mainland China are transacted in RMB and export sales are transacted in foreign currencies. The Group monitors exchange rate movements and determines appropriate hedging activities when necessary.

## CAPITAL STRUCTURE

The Group finances its working capital requirements through a combination of funds generated from operations and borrowings. The Group had cash and cash equivalents of US$37.3 million as at 30 June 2026, decrease of US$2.6 million compared to US$39.8 million as at 31 December 2025.

## CHARGES ON GROUP ASSETS

As at 30 June 2026, out of the total borrowings of US$75.3 million (31 December 2025: US$47.2 million) obtained by the Group, US$11.3 million (31 December 2025: US$6.0 million) was secured, which accounted for 15.1% (31 December 2025: 12.8%) of the total borrowings. Certain of the Group's property, plant and equipment and land lease prepayments with an aggregate net book value of US$23.0 million (31 December 2025: US$23.3 million) were pledged as security.

## CONTINGENT LIABILITIES

As at 30 June 2026, the Group did not have any significant contingent liabilities.

## EMPLOYEE AND REMUNERATION POLICIES

As at 30 June 2026, the Group employed around 1,000 employees in the mainland China and Hong Kong. The Group remunerates its employees based on their performance, experience and prevailing market conditions while performance bonuses are granted on a discretionary basis. Other employee benefits include, for example, medical insurance and training.

## INTERIM DIVIDEND

The Board has resolved not to declare an interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: nil).

## CORPORATE GOVERNANCE CODE

The Company is committed to maintaining strict corporate governance standards. The principles of these standards are to uphold a high standard of ethics, transparency, accountability and integrity in all aspects of business and to ensure that affairs are conducted in accordance with applicable laws and regulations.

In the opinion of the Board, the Company has applied the principles and complied with all the code provisions prescribed in the Corporate Governance Code as set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the six months ended 30 June 2026.

## DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Code of Conduct for Securities Transactions, which is based on the required standard set out in Appendix C3 to the Listing Rules – Model Code for Securities Transactions by Directors of Listed Issuers, as the code of conduct for dealings in the Company's securities by its directors. All Directors responded to a specific enquiry by the Company and confirmed that they complied with the required standard set out in the Code of Conduct for Securities Transactions during the six months ended 30 June 2026.

## REVIEW OF INTERIM RESULTS

The interim results for the six months ended 30 June 2026 are unaudited, but have been reviewed by KPMG 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 Accountants. KPMG's unmodified review report is included in the interim report to be sent to shareholders of the Company.

The audit committee of the Company has also reviewed the interim results for the six months ended 30 June 2026.

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

During the six months ended 30 June 2026, neither the Company nor any of its subsidiaries have purchased, sold or redeemed any of the Company's listed securities.

By Order of the Board
**Chawalit Na Muangtoun**
*Director*

Hong Kong, 11 August 2026

*As at the date of this announcement, the Board comprises Mr. Soopakij Chearavanont (Chairman and Executive Director), Mr. Thirayut Phityaisarakul, Mr. Nopadol Chiaravanont, Mr. Chawalit Na Muangtoun (each an Executive Director), Ms. Kobboon Srichai, Mr. Yoichi Ikezoe (each a Non-executive Director), Mr. Surasak Rounroengrom, Mr. Cheng Yuk Wo, Mr. Edward Ko Ming Tung and Ms. Cheung Marn Kay (each an Independent Non-executive Director).*