TYCOON
滿貫集團控股有限公司
Tycoon Group Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

Stock code : 3390

INTERIM REPORT 2026

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Corporate Information

BOARD OF DIRECTORS

Executive Director
Mr. Wong Ka Chun Michael
(Chairman and Chief Executive Officer)

Non-executive Directors
Ms. Li Ka Wa Helen
Mr. Lau Ka On David
Ms. Liang Yan
Mr. Cao Ran
Mr. Ng Kwan Ho
(resignation effective on 14 August 2026)

Independent non-executive Directors
Mr. Chung Siu Wah
Ms. Chan Ka Lai Vanessa
Mr. Mak Chung Hong
(also known as Mak Tommy Chung Hong)

AUDIT COMMITTEE
Ms. Chan Ka Lai Vanessa *(Chairwoman)*
Mr. Chung Siu Wah
Mr. Mak Chung Hong

REMUNERATION COMMITTEE
Mr. Mak Chung Hong *(Chairman)*
Mr. Chung Siu Wah
Ms. Chan Ka Lai Vanessa

NOMINATION COMMITTEE
Mr. Chung Siu Wah *(Chairman)*
Ms. Chan Ka Lai Vanessa
Mr. Mak Chung Hong

CORPORATE GOVERNANCE COMMITTEE
Mr. Wong Ka Chun Michael *(Chairman)*
Mr. Chung Siu Wah
Mr. Mak Chung Hong

COMPANY SECRETARY
Mr. Cheung Yuk Chuen *(CPA, ACCA)*

AUTHORISED REPRESENTATIVES
Mr. Wong Ka Chun Michael
Mr. Cheung Yuk Chuen

REGISTERED OFFICE
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN HONG KONG
Room 14, 8/F
Wah Wai Centre
38-40 Au Pui Wan Street
Shatin, New Territories
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN CAYMAN ISLANDS
Conyers Trust Company (Cayman) Limited
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Grand Cayman, KY1-1111
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE
Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

HONG KONG LEGAL ADVISER
LCH Lawyers LLP

AUDITOR
Crowe (HK) CPA Limited
Certified Public Accountants
Registered Public Interest Entity Auditor
9/F Leighton Centre
77 Leighton Road
Causeway Bay
Hong Kong

PRINCIPAL BANKERS
United Overseas Bank Limited
The Bank of East Asia, Limited
The Hongkong and Shanghai Banking Corporation Limited
Hang Seng Bank Limited
DBS Bank (Hong Kong) Limited

COMPANY WEBSITE
www.tycoongroup.com.hk

STOCK CODE
3390

	Six months ended 30 June		
	2026	2025	Change
	HK$'000	HK$'000	
Revenue			
– Distribution	**306,048**	343,412	(10.9%)
– Retail Stores	**62,462**	79,235	(21.2%)
– E-commerce	**127,587**	87,432	45.9%
Total	**496,097**	510,079	(2.7%)
Gross profit	**122,538**	129,204	(5.2%)
Gross profit margin (%)	**24.7%**	25.3%	
Profit/(loss) attributable to equity holders of the Company	**7,132**	(7,984)	189.3%
Profit margin attributable to equity holders of the Company (%)	**1.4%**	(1.6%)	
EBITDA (non-HKFRS measure) *(Note)*	**30,937**	15,918	94.4%
EBITDA margin (%) (non-HKFRS measure)	**6.2%**	3.1%	
Return on equity (%)	**1.3%**	(1.5%)	

	As at 30 June 2026	As at 31 December 2025	Change
	HK$'000	HK$'000	
Total assets	**1,140,200**	1,170,263	(2.6%)
Total liabilities	**590,188**	625,035	(5.6%)
Total equity	**550,012**	545,228	0.9%

Note:

EBITDA is a non-HKFRS measure used by the management for monitoring the core business performance of the Group. For the definition, reasons of using such measure and details of calculation, please refer to the section headed "EBITDA (non-HKFRS measure)" set out on page 11 of this report.

Non-GAAP measures

Certain non-GAAP (generally accepted accounting principles) measures, such as EBITDA, are used for assessing the Group's performance. These non-GAAP measures are not expressly permitted measures under GAAP in Hong Kong and may not be comparable to similarly titled measures for other companies. Accordingly, such non-GAAP measures should not be considered as an alternative to operating income as an indicator of the operating performance of the Group or as an alternative to cash flows from operating activities as a measure of liquidity. The use of non-GAAP measures is provided solely to enhance the overall understanding of the Group's current financial performance. Additionally because the Group has historically reported certain non-GAAP results to investors, the Group considers the inclusion of non-GAAP measures provides consistency in its financial reporting.

Management Discussion and Analysis

The board (the "**Board**") of directors (the "**Directors**") of Tycoon Group Holdings Limited (the "**Company**" or "**Tycoon**") is pleased to present the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the "Group" or the "**Tycoon Group**") for the six months ended 30 June 2026 (the "**Period**" or "**1H2026**"), together with the comparative figures for the corresponding period in 2025 (the "**Last Period**" or "**1H2025**").

Tycoon Group is a reputable Hong Kong-based omnichannel marketing and management service integrator of healthcare and wellbeing-related products. The Group specialises in providing one-stop omnichannel brand agency, promotion and marketing, management, distribution, and sales services for proprietary Chinese medicine ("**PCM**"), health supplements, skincare, personal care, and other healthcare products. Since its establishment, the Group has worked diligently over the years, covering nearly 100,000 online and offline sales points across Hong Kong, Macau, the People's Republic of China (the "**PRC**" or "**Mainland China**"), and Southeast Asia, representing over 300 local and overseas brands, and actively developing premium self-owned brands as well as collaborative brand products, with a portfolio of more than 2,000 products. Having been established for over a decade, the Group is a diversified industry pioneer in Hong Kong, maintaining a leading market position. Staying true to its mission of bringing health and vitality to consumers, Tycoon Group is committed to delivering reputable and quality products to customers across various regions.

MARKET REVIEW

In the first half of 2026, the Hong Kong economy continued to show signs of improvement. Although the overall economic outlook has brightened, the local retail industry still faces significant pressures, with the pace of recovery remaining relatively slow. In particular, the industry needs to address severe challenges such as rising operational costs and shifts in the spending patterns of both local consumers and Individual Visit Scheme travellers. Despite the challenging operating environment, the Group has maintained its resilience in adversity by closely monitoring market conditions and consumer preferences, flexibly adjusting strategies accordingly, while many health products under the Group continued to be bestsellers, driving steady sales growth.

Notably, the Group's development in the Southeast Asian market continued to progress, proactively optimising its product mix to enhance profitability, affirming the prudence of the Group's strategic expansion into Southeast Asia in recent years. As the Southeast Asian market continues to develop, the Hong Kong government and numerous enterprises are placing greater emphasis on and encouraging businesses to expand overseas. As one of the few in the industry to take the lead in expanding overseas and establishing local roots, the Group possesses extensive practical experience in the local markets. Looking ahead, the Group will continue to seize opportunities to bring more quality products to the Southeast Asian market and further consolidate its business footprint.

BUSINESS REVIEW

The Group currently operates three business segments: distribution, retail store, and e-commerce. The Group's distribution business mainly involves distributing consumer products to major chain retailers, non-chain retailers (mainly pharmacies), and traders in Hong Kong, Macau, Mainland China, and Southeast Asia. The retail store business refers to the sale of products at physical brick-and-mortar store. The e-commerce business focuses primarily on health and wellness-related product e-commerce and distribution in Mainland China. In addition, the Group provides omnichannel marketing management services for represented brands and actively develops both self-owned brands and collaborative brand products.

During 1H2026, the Group was committed to increasing revenue while adopting certain enhanced cost control measures. During the Period, the Group recorded revenue of approximately HK$496.1 million, representing a decrease of 2.7% compared to HK$510.1 million for 1H2025; net profit for the period was approximately HK$6.3 million (1H2025: net loss of approximately HK$7.7 million), representing a year-on-year increase of 182.6%, turning loss into profit as compared to the Last Period.

Distribution Business

In respect of the distribution business, the Group closely followed market demands and launched a range of popular products to stimulate sales. For 1H2026, Hong Kong distribution sales amounted to HK$238.8 million, representing a year-on-year decrease of 7.2% (1H2025: HK$257.4 million); Macau distribution sales were HK$43.7 million, representing a year-on-year increase of 1.8% (1H2025: HK$42.9 million). During the Period, due to the Group's proactive optimisation of its product mix, the total distribution sales in the Southeast Asian market recorded HK$23.6 million, representing a year-on-year decrease of 45.4% (1H2025: HK$43.2 million). In particular, Singapore distribution sales recorded HK$17.8 million, down by 51.4% year-on-year, whilst Malaysia amounted to HK$5.7 million, representing a decrease of 9.4%. The Group expects to progressively expand into more Southeast Asian countries in the future, with the higher gross profit margin sales of the Southeast Asian distribution business expected to achieve healthier growth.

Retail Store Business

The Group conducts its retail store business through Hong Ning Hong Limited ("**HNH**"), a 70%-owned subsidiary since March 2024. The operating subsidiary of HNH is primarily engaged in the retail and wholesale of pharmaceutical products and proprietary medicines in Hong Kong, enjoying a strong reputation and accumulating a group of loyal customers among the local customer base and Individual Visit Scheme travellers. During the Period, the Group's Hong Kong retail store business recorded revenue of HK$62.5 million.

E-commerce Business

The Group's e-commerce business includes cross-border e-commerce operations (comprising e-commerce wholesale and online flagship stores) and domestic offline distribution of health and wellness-related products in Mainland China. For 1H2026, the e-commerce business segment recorded revenue of HK$127.6 million. Facing challenges such as weakened consumer purchasing power and overall consumption downgrading in the domestic market, the Group has actively pursued revenue growth, cost reduction, and efficiency improvements by optimising its product mix, opening online flagship stores for more international brands, and developing more market-driven bestselling products.

Omnichannel Brand Marketing and Management Services for Brands

During the Period, the Group continued to provide omnichannel marketing management services for its agency brands, including brand agency, promotion and marketing, management, distribution, and sales. By offering one-stop services to brands, the Group has upgraded its industry value chain, diversified its product portfolio and business operations, and enhanced its market share and gross profit margin.

The Group acts as the distributor for numerous overseas brands, including the exclusive agency for Kuku Bima Ener-G!, the flagship energy drink powder product of Sido Muncul, a leading Indonesian herbal pharmaceutical brand, in the food and beverage channel in Malaysia; the exclusive agency for Unichi, popular bear-shaped hair growth gummies, in Hong Kong; the exclusive agency for Japanese hair loss prevention and care brand Kaminowa in Hong Kong, Macau, and Singapore; and the exclusive agency for Helaslim, a popular Japanese slimming and beauty brand, in Singapore. The Group has also secured exclusive distribution rights for PNKids, a leading children's multivitamin brand in Singapore, covering Singapore and Malaysia; distribution rights for plu, a popular Korean body care brand, in Hong Kong, Macau, Singapore, and Malaysia; and the Group has been appointed as the general distributor for the well-known Mainland brand Dong-E-E-Jiao (東阿阿膠) in Hong Kong.

The Group maintains a long-term partnership with JBM (Healthcare) Limited ("**JBM**" (HKEX Stock Code: 2161), together with its subsidiaries, the "**JBM Group**"). The Group represents numerous time-honoured brands under the JBM Group that are renowned in Hong Kong, Mainland China and Southeast Asia, including the century-old Li Chung Shing Tong Po Chai Pills (李眾勝堂保濟丸), Ho Chai Kung (何濟公), Flying Eagle Medicated Oil (飛鷹活絡油) from Europharm, and products under Tin Hee Tong (天喜堂), including its flagship product Tin Hee Tong Tin Hee Pills (天喜堂天喜丸), which enjoys strong brand recognition in Hong Kong and Mainland China. Notably, the Group has been granted the exclusive agency rights in Singapore and Cambodia for Li Chung Shing Tong Po Chai Pills, and the exclusive agency rights in Singapore for Europharm Singapore products.

Leveraging the Group's familiarity with local Hong Kong, Mainland China, and overseas brands, as well as its in-depth understanding of consumer preferences, the Group aspires to facilitate more quality reputable brands in penetrating the Hong Kong, Mainland, and Southeast Asian markets in the future.

Strengthening R&D of High-Gross-Margin Self-Owned and Collaborative Brand Products

In addition to its agency brand business, the Group continues to actively expand its self-owned brand products. Popular brands include Boost & Guard Pro (BG Pro 博健專研) and Craft by Wakan (和漢匠心). Collaborative brands include Kinmen Qiangxiao (金門強效), SEASONS (田心日辰), and MiTime. To date, the Group has registered over 60 self-owned brand product trademarks. Best-selling products include Craft by Wakan Japanese Probiotics (和漢匠心日本多元益生菌), BG Pro Dr. Growth Calcium (BG Pro博健專研長高鈣), and BG Pro Ultra Purity Deep Sea Fish Oil (BG PRO 博健專研頂級深海魚油), while collaborative brand products include Kinmen Qiangxiao I-Tiao-Gung Plaster (金門強效一條根精油貼布), SEASONS NMN 40000 (田心日辰逆轉齡 NMN 40000), and MiTime Kids DHA 60 Softgels (MiTime兒童魚油藻油DHA).

The Group closely monitors market demands and continuously upgrades and improves (i) its popular self-owned brand products, including Craft by Wakan Japan Liver Boost EX (和漢匠心日本護肝盾 EX), Craft by Wakan Japan Joint Active (和漢匠心日本活關腱), and BG Pro CoQ-10 (BG Pro 博健專研醫學級輔酶 Q10); and (ii) collaborative brand products, including Kinmen Qiangxiao I-Tiao-Gung Pain Relief Penetrating Liquid (金門強效一條根滲透鎮痛露) and Kinmen Qiangxiao I-Tiao-Gung Pain Relief Roller Cream (金門強效一條根滾珠鎮痛膏). The Group is also actively collaborating with two major local personal care product chain stores to launch new products tailored to local consumer needs and establish a comprehensive sales channel network.

The Group fully leverages its marketing and brand promotion capabilities to promote its own brands. The health supplement market is highly competitive and requires substantial advertising to attract consumers. Our marketing team possesses extensive experience in developing targeted promotional campaigns for different products, not only through traditional television and outdoor advertising, but also by intensifying promotional efforts on Mainland social media platforms such as Xiaohongshu, resulting in dual growth in product sales and reputation. The Group has invited renowned celebrities as brand ambassadors, including Ms. Christine Kuo (苟芸慧小姐) as spokesperson for the flagship product SEASONS NMN 40000, and Mr. Louis Cheung (張繼聰先生) as spokesperson for the best-selling brand Kinmen Qiangxiao.

Regarding collaborative brands, to complement the Group's strategy of strengthening own brand development, Mr. Wong Ka Chun Michael, the Group's Chairman, Executive Director and Chief Executive Officer, acquired in his personal capacity the century-old Hong Kong brand Po Wo Tong and collaborates with the Group to launch and sell more new products, injecting new vitality into this time-honoured brand with over a century of history. The Group has also invited renowned actress Ms. Selena Lee (李施嬅小姐) as spokesperson for the flagship best-selling products Po Wo Tong Dampness Removing Pills (寶和堂祛濕丸) and Po Wo Tong Dampness Removing Bath Capsule (寶和堂祛濕浸泡珠). Meanwhile, during the last financial year, the Group established the pop-up "Po Wo Tong Wellness Concept Store" at Harbour City shopping mall in Tsim Sha Tsui, which is popular among Mainland tourists and local consumers, allowing more young people and travellers to become acquainted with Po Wo Tong.

The Group highly values and understands that the heritage value of century-old brands extends far beyond the sales dimension. Starting from the last financial year, the Group added a new century-old collaborative brand to strengthen its collaborative brand product portfolio. At the same time, the Group will continue to strengthen its investment in higher-margin own brands, developing and launching more own brand products across different categories to cater to the demands and preferences of Southeast Asian, local, and Mainland Chinese independent travellers, as well as new trends in the overall PCM and health supplement market.

Successful Expansion into Southeast Asia with Active Promotion of Comprehensive Regional Coverage

To establish a diversified procurement network and enrich its product portfolio, the Group has been deepening its overseas presence and has established procurement centres and professional teams in Japan, South Korea, Singapore, Malaysia, Thailand, Vietnam, Indonesia, Cambodia, Macau, Australia, and France, achieving diversification and internationalisation of the Group's product portfolio.

During the Period, the Group's overall distribution sales in the Southeast Asian market decreased due to the Group's proactive optimisation of its product mix, strategically reducing the proportion of products with relatively low gross profit margin, and actively exploring and introducing high-quality products with relatively higher gross profit margins. In particular, the Group's business in Singapore and Malaysia have recorded improvements in the gross profit margins during the Period following the product structure adjustment. The Group established companies in Singapore and Malaysia before its listing, and since 2022, has obtained distribution rights for TJ-TYT Pharmaceuticals (M) Sdn. Bhd. ("**TJ-TYT**") in Malaysia (a company primarily engaged in the production and wholesale of PCM, health supplements, and healthcare products in Malaysia), strengthening the Group's high gross profit margin sales network in Southeast Asia and expanding its target customer base. Best-selling products under the brand TJ-TYT include Toong Yin Thong Watermelon Frost Complex Powder (同仁堂西瓜霜) and Toong Yin Thong Pil Tu Tong (同仁堂風痧丸), whilst another brand Double Panda (雙熊貓牌) is renowned for Qian Li Zhui Feng You (千里追風油) and De-Kof (複方化痰止咳露), enjoying a strong reputation and recorded continuous sales across Singapore and Malaysia, making continuous contributions to expanding local high-margin sales operations.

The Group has adopted a dual-track strategy of optimising its product structure and deepening its sales network, leading the Southeast Asian market business to shift towards higher value-added operation. On one hand, the Group effectively meets the strong demand among Southeast Asian Chinese communities for reputable PCM and health supplement products with high profit margins by progressively introducing numerous international and local renowned brands to Southeast Asia. This includes, starting from the previous financial year, obtaining exclusive agency rights for the century-old renowned brand Li Chung Shing Tong Po Chai Pills through major chain retail networks in Singapore, and securing exclusive agency rights in Malaysia for Kuku Bima Ener-G!, the flagship energy drink powder product of Sido Muncul, a leading Indonesian herbal pharmaceutical brand. This beverage powder is a best-selling product in both Indonesia and Malaysia, and it is believed that the introduction of such high gross profit margin products will further enhance the distribution profit contribution in the Southeast Asian market.

On the other hand, drawing on Hong Kong's successful distribution model, the Group has established partnerships with several major personal care product chain stores in Malaysia, Singapore, and Thailand, such as Watsons and Guardian (known as Mannings in Hong Kong), and has progressively expanded into local chain supermarket sales networks in recent years to expand the channel footprint of the Group's high-potential products. Currently, the Group has become one of the major PCM and health supplement distributors in Singapore, achieving comprehensive coverage of most retail channels in Singapore, including major chain retail stores and pharmacies.

Beyond Singapore and Malaysia, the Group has obtained the relevant food licenses from the Thai Food and Drug Administration and the relevant licenses for the importation and sale of pharmaceutical products in Cambodia. In particular, the Group generated revenue from its operations in Thailand in each of the previous two financial years, and with the continuous optimisation of the product portfolio, the higher gross profit margin sales of the distribution business in Thailand are expected to achieve healthier growth in 2026.

FUTURE OUTLOOK

Empowering the Growth, Embracing the NEW

The Group is among the few Hong Kong local enterprises that have successfully expanded into Southeast Asia, and even fewer that are familiar with Southeast Asian health and wellness brands, have developed an understanding of consumer preferences across various regions, and have established presences in multiple locations. The Southeast Asian market is considered to be a crucial market with further development potential. In the future, we will continue to deepen our cultivation of the Southeast Asian market, steadily advance our market share in Southeast Asia, with the goal of achieving comprehensive regional coverage across Southeast Asia. On one hand, the Group will expand its sales network in Singapore, Malaysia, and Thailand; on the other hand, it will actively deploy sales operations in other Southeast Asian countries where it has established presences, such as Vietnam, Indonesia, and Cambodia, to enhance overall sales in the Southeast Asian region and increase the Group's market share in the Southeast Asian health and wellness market, laying a solid foundation for the Group's long-term development.

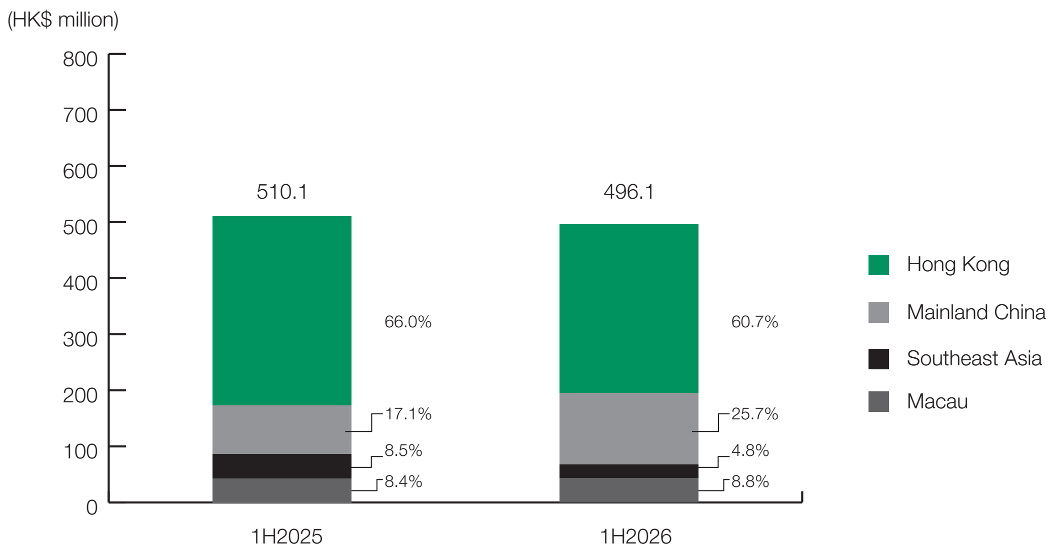
Upgrading Shareholder Synergies and Deepening Southeast Asian Presence

The Group has deep cooperation with its second-largest shareholder, Jacobson Pharma Corporation Limited and its subsidiaries and associates ("**Jacobson Group**"), across different business levels, with the long-term partnership between the two parties dating back to 2017. In the future, both parties will continue to coordinate closely, optimise resource utilisation, and further unleash shareholder synergies. Leveraging Jacobson Group's resource network cultivated in the pharmaceutical sector, it will assist the Group in accelerating the acquisition of market entry qualifications in emerging markets such as Vietnam, Indonesia, and Cambodia, building a compliant operational footprint across Southeast Asia.

Looking ahead to the second half of 2026, the Group will maintain the good momentum from 2025, continue to strictly control operational costs, and remain committed to maintaining stable profitability, driving positive business development, and creating sustainable returns for shareholders.

FINANCIAL REVIEW

Revenue



Geographical markets	Revenue 1H2026 HK$ million	1H2025 HK$ million	Change
Hong Kong	301.2	336.6	▼10.5%
Mainland China	127.6	87.4	▲45.9%
Southeast Asia	23.6	43.2	▼45.4%
Macau	43.7	42.9	▲1.8%
Total	496.1	510.1	▼2.7%

- The Group's total revenue for the Period was HK$496.1 million (1H2025: HK$510.1 million).
- In Hong Kong, revenue for the Period decreased by 10.5% to HK$301.2 million (1H2025: HK$336.6 million) as a result of weakened consumer purchasing sentiment. In Macau, revenue for the Period increased by 1.8% to HK$43.7 million (1H2025: HK$42.9 million). It is in line with the sluggish performance of the retail sector during the Period which was mainly due to the change in the consumption patterns of visitors and residents as well as the strength of the Hong Kong dollar.
- In Mainland China, revenue for the Period increased significantly by 45.9% to HK$127.6 million (1H2025: HK$87.4 million) as a result of the consolidation of the relevant company and its subsidiaries into the Group since March 2025 following their reinstatement as wholly-owned subsidiaries of the Company.
- In Southeast Asia, revenue for the Period decreased by 45.4% to HK$23.6 million (1H2025: HK$43.2 million) as a result of the proactive optimisation of product mix with high margin products to align with the Group's strategic direction.

Profitability

The gross profit of the Group decreased by 5.2% to HK$122.5 million for the Period as compared to that of HK$129.2 million for the Last Period, and the gross profit margin slightly decreased by 0.6 percentage points to 24.7%. Decrease in gross profit and gross profit margin was mainly due to the keen competition among the product mix.

Selling and distribution expenses of the Group for the Period decreased by 1.9% to HK$70.4 million, as compared to HK$71.7 million for the Last Period due to the slight decrease in advertising and promoter expense.

General and administrative expenses of the Group for the Period decreased by 25.1% to HK$38.2 million, as compared to HK$51.0 million for the Last Period which was mainly due to less staff cost such as salaries and related benefits.

Finance costs of the Group for the Period decreased by 16.6% to HK$10.7 million, as compared to HK$12.8 million for the Last Period due to the decrease in bank borrowings.

Other gains, net

Other gains, net, of the Group for the Period was HK$6.0 million (1H2025: HK$2.9 million). The increase was mainly due to the gain on disposal of a subsidiary.

Profit/(loss) attributable to equity holders of the Company

The profit attributable to equity holders of the Company for the Period was HK$7.1 million as compared to the loss attributable to equity holders of the Company of HK$8.0 million for the Last Period. The turnaround was mainly due to (i) the Group's implementation of enhanced cost-saving measures to align with the demand of sales and the Group's strategy; (ii) the decrease in administrative expenses and finance costs; and (iii) an increase in other income and other gains due to a gain on disposal of a subsidiary of approximately HK$4.3 million for 1H2026.

EBITDA (non-HKFRS measure)

To supplement the Group's consolidated financial statements which are presented in accordance with HKFRS Accounting Standards ("**HKFRS**"), the Company also uses EBITDA as additional financial measures, which are not required by, or presented in accordance with, HKFRS.

EBITDA (non-HKFRS measure) of the Group for 1H2026 was HK$30.9 million (1H2025: HK$15.9 million).

EBITDA is calculated based on profit/(loss) for the Period (1H2026: profit of HK$6.3 million; 1H2025: loss of HK$7.7 million) before interest (1H2026: HK$10.6 million; 1H2025: HK$12.8 million), tax expense (1H2026: HK$2.9 million; 1H2025: HK$0.3 million), depreciation and amortisation (1H2026: HK$11.1 million; 1H2025: HK$10.5 million), where "interest" is regarded as including finance income and finance costs.

Note:

EBITDA is a non-HKFRS measure used by the management for monitoring the core business performance of the Group. Such measures are not an expressly permitted measure under GAAP in Hong Kong and may not be comparable to similarly titled measures for other companies. Accordingly, such non-GAAP measures should not be considered as an alternative to operating income as an indicator of the operating performance of the Group or as an alternative to cash flows from operating activities as a measure of liquidity. The use of non-GAAP measures is provided solely to enhance the overall understanding of the Group's current financial performance. Additionally, as the Group has historically reported certain non-GAAP results to investors, the Group considers the inclusion of non-GAAP measures provides consistency in its financial reporting.

The Company has elected not to disclose adjusted net profit (a non-HKFRS measure) for 1H2026, unlike in its Interim Report for 1H2025. Management previously used adjusted net profit, alongside other non-HKFRS measures, to monitor the Group's core business performance. Disclosure of the adjusted net profit for 1H2025 (with the comparative figure for the six months ended 30 June 2024) was deemed necessary due to material impacts from the disposal of certain subsidiaries took place in 2023. However, following the Group's re-gaining of control over these subsidiaries in March 2025 with their results reconsolidated thereafter, the management considers the presentation of the adjusted net profit unnecessary as the figures presented under the HKFRS now appropriately reflect ongoing operations.

LIQUIDITY AND FINANCIAL RESOURCES

During the Period, the Group has funded the liquidity and capital requirements primarily through bank and other borrowings, loan from shareholders and cash generated from the investing activities.

As at 30 June 2026, the Group had cash and cash equivalents of approximately HK$22.3 million (31 December 2025: HK$70.3 million) which were mainly denominated in Hong Kong dollars and Chinese Renminbi. The gearing ratio (defined as net debt divided by total equity plus net debt, where net debt includes interest-bearing bank and other borrowings, loan from shareholders, lease liabilities less cash and cash equivalents) of the Group as at 30 June 2026 was 41.7% (31 December 2025: 40.0%). The increase was mainly due to decrease in cash and cash equivalents balance as at 30 June 2026.

CAPITAL STRUCTURE

As at 30 June 2026, the borrowings included secured interest-bearing bank and other borrowings of approximately HK$264.1 million (31 December 2025: HK$271.4 million), unsecured interest-bearing bank borrowings of approximately HK$39.0 million (31 December 2025: HK$39.0 million) and loan from shareholders with maturity date on 31 March 2028 and 31 May 2030 of approximately HK$85.0 million and HK$14.9 million respectively (31 December 2025: HK$85.0 million and HK$16.9 million respectively). Except for the Group's interest-bearing bank borrowings of HK$7.2 million (31 December 2025: HK$7.4 million) which was denominated in MOP, the Group's interest-bearing bank and other borrowings are all denominated in Hong Kong dollars. All borrowings are at floating rates.

Maturity analysis of bank and other borrowings of the Group as at 30 June 2026 and 31 December 2025 is as follows:

	30 June 2026 HK$'000	31 December 2025 HK$'000
Within one year	294,502	301,118
In the second year	1,373	1,362
In the third to fifth years, inclusive	2,644	3,116
Beyond five years	4,550	4,788
	303,069	310,384

As at 30 June 2026, the Company's issued share capital was HK$8.9 million and the number of its issued ordinary shares was 894,000,000 of HK$0.01 each.

The purpose of the treasury policy is to safeguard the Group's financial assets and minimise the liquidity risk and interest rate risk and ensure the Group has sufficient liquidity and sources of funding to meet its current and future obligations.

PREPAYMENTS TO SUPPLIERS AND VENDORS

The Group's prepayments to suppliers and vendors mainly comprise advances to goods suppliers and service providers. In alignment with industry practices and our operational experience in the distribution sector, advance payments are provided based on mutually agreed contractual percentages. As at the date of this report, approximately 26.4% of the prepayment balance as at 30 June 2026 has been subsequently utilised and no impairment was made in respect of such prepayment balance. The remaining balance is expected to be applied in accordance with contracted delivery schedules and service milestones under continuous monitoring and proactive follow-up procedures for aged balances.

Most key suppliers maintain long-standing business relationships with the Group. All prepayments are secured under formal contracts, and no material breaches or contractual disputes have been identified to date.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND ANY RELATED HEDGES

The Group's reporting currency is Hong Kong dollars. The Group is exposed to currency risk primarily through sales and purchases, which give rise to receivables, payables and cash balances that are denominated in a foreign currency. The currency giving rise to this risk is primarily Chinese Renminbi. During the Period, the Group did not use any derivative financial instruments to hedge against the volatility associated with foreign currency transactions and other financial assets and liabilities arising in the ordinary course of business. The Group's management monitors foreign exchange exposure closely and will consider hedging significant foreign currency exposure should the need arise.

PLEDGE OF ASSETS

As at 30 June 2026, certain of the Group's leasehold land and buildings with a net carrying amount of approximately HK$38.8 million (31 December 2025: HK$10.9 million) were pledged to secure certain loans granted to the Group.

FUTURE PLANS FOR MATERIAL INVESTMENT AND CAPITAL ASSETS

Save as disclosed in this Interim Report, the Group does not have other plans for material investments and capital assets.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES

The Group did not have any material acquisitions and disposals of subsidiaries and associated companies during the Period.

SIGNIFICANT INVESTMENT HELD

The Group did not hold any significant investments during the Period.

CAPITAL COMMITMENT

As at 30 June 2026, the Group had no material capital commitment (31 December 2025: Nil).

CONTINGENT LIABILITIES

As at 30 June 2026, the Group had no material contingent liabilities (31 December 2025: Nil).

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2026, the Group employed a total of 199 employees (30 June 2025: 234). During the Period, the total staff costs incurred was approximately HK$31.4 million (Last Period: HK$43.3 million). The Group's remuneration policy is based on position, duties and performance of the employees. Employees' remuneration varies according to their positions, which may include salary, overtime allowance, bonus and subsidies. The performance appraisal cycle varies according to the positions of employees. In order to provide incentives to and to recognise the contributions of employees of the Group, the Group has also adopted a Share Award Scheme and a Share Option Scheme.

DIVIDEND

The Board does not recommend the payment of any interim dividend for the Period (Last Period: Nil).

EVENTS AFTER THE REPORTING PERIOD

Change of Directors

Mr. Ng Kwan Ho resigned as a non-executive Director with effect from 14 August 2026.

Save as disclosed, there has been no significant event affecting the Group after the Period and up to the date of this Interim Report.

CORPORATE GOVERNANCE CODE

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the shareholders and to enhance corporate value and accountability. The Company has adopted the code provisions set out in the Corporate Governance Code ("**CG Code**") contained in Appendix C1 to the Listing Rules.

To the best of the knowledge of the Board, the Company has fully complied with the requirements under the CG Code during the Period, except for the deviation from code provisions C.2.1 of the CG Code.

Under the code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive officer should be clearly established and set out in writing. The roles of the chairman and the chief executive officer of the Group are not separated and are performed by the same individual, Mr. Wong Ka Chun Michael, who has been responsible for overall strategic planning and management of the Group since the Group was founded and has extensive knowledge and experience in the healthcare and personal care products industry. The Directors meet regularly to consider major matters affecting the operations of the Group. As such, the Directors consider that this structure will not impair the balance of power and authority between the Directors and the management of the Group and believe that this structure will enable the Group to make and implement decisions promptly and efficiently.

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

During the Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company (including sale of treasury share). As at 30 June 2026, the Company did not hold any treasury shares.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted its own code of conduct regarding securities transactions of the Company by the Directors ("**Securities Dealing Code**") on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers ("**Model Code**") as set out in Appendix C3 to the Listing Rules. Having made specific enquiries with the Directors, all the Directors confirmed that they had complied with the Securities Dealing Code during the Period.

CHANGE IN INFORMATION OF DIRECTORS

The changes in information of the Directors during the Period and up to the date of this Interim Report, which are required to be disclosed under Rule 13.51B(1) of the Listing Rules are set out below:

- Ms. Chan Ka Lai Vanessa (independent non-executive Director) has resigned as an independent non-executive director of Austrax Holdings Limited (formerly known as Innovax Holdings Limited) (listed on the Main Board of the Stock Exchange with stock code: 2680.HK) on 29 May 2026.

- The monthly salary of the executive Director Mr. Wong Ka Chun Michael in respect of his role as a director of Tycoon Management Limited (a wholly-owned subsidiary of the Company) was increased from HK$276,000 to HK$290,000, representing an increase of approximately 5.07%, with effect from 1 April 2026. Such increase was considered by the Directors as part of Mr. Wong Ka Chun Michael's overall remuneration package in respect of his roles and responsibilities within the Group and was approved, confirmed and ratified by the remuneration committee of the Board, with reference to prevailing market conditions and to his remuneration and responsibilities within the Group as a whole.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 June 2026, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying shares and debentures of the Company and its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) ("**SFO**"), which were required: (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

(i) Interests in the Shares or underlying Shares of the Company

Name of director	Capacity/Nature of Interest	Number of Shares(1)	Approximate percentage of shareholding
Wong Ka Chun Michael(2)	Interest in controlled corporation	300,088,326(L)	33.57%
	Beneficial owner	19,704,000(L)	2.20%

Notes:

(1) The letter "L" denotes the Director's long position in such Shares.

(2) The 300,088,326 Shares are registered in the name of Tycoon Empire Investment Limited ("**Tycoon Empire**"), a company wholly owned by Mr. Wong Ka Chun Michael. By virtue of the provisions of Part XV of the SFO, Mr. Wong Ka Chun Michael is deemed to be interested in all the Shares held by Tycoon Empire.

(3) The calculation is based on the total number of 894,000,000 Shares in issue as of 30 June 2026.

(ii) Interests in shares of the associated corporation of the Company

Name of director	Name of associated corporation	Capacity/ Nature of Interest	Number of Shares[1]	Approximate percentage of shareholding
Wong Ka Chun Michael[2]	Tycoon Empire	Beneficial owner	1(L)	100%

Notes:

(1) The letter "L" denotes the Director's long position in such share.

(2) Mr. Wong Ka Chun Michael directly owns 100% of the issued share capital of Tycoon Empire.

Save as disclosed above, as at 30 June 2026, none of the Directors or the chief executive of the Company had any interests or short positions in the Shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which were required: (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein, or (c) pursuant to the Model Code to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2026, so far as was known to the Directors, the following persons (other than the Directors or chief executive of the Company) and entities had interests or short positions in the Shares and underlying Shares of the Company which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO, or as recorded in the register required to be kept by the Company under section 336 of the SFO:

Name of shareholder	Capacity/Nature of Interest	Number of Shares[(1)]	Approximate percentage of shareholding
Tycoon Empire	Beneficial owner	300,088,326(L)	33.57%
Ngai Sze Kei[(2)]	Interest of spouse	319,792,326(L)	35.77%
China Resources Pharmaceutical Retail Group Limited ("**CR Pharma Retail**")	Beneficial owner	151,895,000(L)	16.99%
China Resources Pharmaceutical Group Limited ("**CR Pharma**", HKEX Stock Code: 3320.HK)[(3)]	Interest in controlled corporation	151,895,000(L)	16.99%
CRH (Pharmaceutical) Limited[(3)]	Interest in controlled corporation	151,895,000(L)	16.99%
China Resources (Holdings) Company Limited[(3)]	Interest in controlled corporation	151,895,000(L)	16.99%
CRC Bluesky Limited[(3)]	Interest in controlled corporation	151,895,000(L)	16.99%
China Resources Inc.[(3)]	Interest in controlled corporation	151,895,000(L)	16.99%
China Resources Company Limited[(3)]	Interest in controlled corporation	151,895,000(L)	16.99%
Jacobson Group Treasury Limited[(4)]	Beneficial owner	152,342,000(L)	17.04%
Jacobson Pharma Group (BVI) Limited[(4)]	Interest in controlled corporation	152,342,000(L)	17.04%
Jacobson Pharma Corporation Limited[(4)]	Interest in controlled corporation	152,342,000(L)	17.04%
Kingshill Development Limited[(4)]	Interest in controlled corporation	152,342,000(L)	17.04%
Kingshill Development Group Inc.[(4)]	Interest in controlled corporation	152,342,000(L)	17.04%
Sum Kwong Yip, Derek[(4)]	Founder of a discretionary trust who can influence how the trustee exercises discretion	152,342,000(L)	17.04%
UBS Trustees (B.V.I.) Limited[(4)]	Trustee	152,342,000(L)	17.04%

Notes:

(1) The letter "L" denotes the person's long position in such Shares. The total number of 894,000,000 Shares of the Company in issue as at 30 June 2026 has been used for calculation of the approximate percentage.

(2) The 300,088,326 Shares are registered in the name of Tycoon Empire, a company wholly owned by Mr. Wong Ka Chun Michael. Ms. Ngai Sze Kei is the spouse of Mr. Wong Ka Chun Michael. By virtue of the provisions in Part XV of the SFO, Ms. Ngai Sze Kei is deemed to be interested in all the Shares which Mr. Wong Ka Chun Michael is interested in or is deemed to be interested in.

(3) These interests in Shares comprise the 151,895,000 Shares held by CR Pharma Retail. CR Pharma Retail is a company wholly-owned by CR Pharma. Based on the notice of disclosure of interests dated 22 May 2025 of China Resources Company Limited (formerly known as China Resources National Corporation) filed with the Stock Exchange in relation to CR Pharma, CR Pharma is owned as to approximately 53.40% by CRH (Pharmaceutical) Limited, a wholly-owned subsidiary of China Resources (Holdings) Company Limited, which is wholly-owned by CRC Bluesky Limited, which in turn is wholly-owned by China Resources Inc., which in turn is wholly-owned by China Resources Company Limited. By virtue of the provisions of Part XV of the SFO, each of CR Pharma, CRH (Pharmaceutical) Limited, China Resources (Holdings) Company Limited, CRC Bluesky Limited, China Resources Inc. and China Resources Company Limited is deemed to be interested in all the Shares held by CR Pharma Retail.

(4) These interests in Shares are held by Jacobson Group Treasury Limited, which is a direct wholly-owned subsidiary of Jacobson Pharma Group (BVI) Limited, which in turn is a wholly-owned subsidiary of Jacobson Pharma Corporation Limited (stock code: 2633.HK), in which 42.53% of the issued share capital of Jacobson Pharma Corporation Limited is owned by Kingshill Development Limited, a wholly-owned subsidiary of Kingshill Development Group Inc., which in turn is wholly-owned by UBS Trustees (B.V.I.) Limited, the trustee of The Kingshill Trust, a discretionary trust established by Mr. Sum Kwong Yip, Derek (as the settlor) with Mr. Sum and his family members as the discretionary beneficiaries. By virtue of the provisions of Part XV of the SFO, each of Jacobson Pharma Group (BVI) Limited, Jacobson Pharma Corporation Limited, Kingshill Development Limited, Kingshill Development Group Inc., Mr. Sum Kwong Yip, Derek and UBS Trustees (B.V.I.) Limited is deemed to be interested in all the Shares held by Jacobson Group Treasury Limited.

(5) The calculation is based on the total number of 894,000,000 Shares in issue as of 30 June 2026.

Save as disclosed above, as at 30 June 2026, so far as the Directors were aware, no other persons (other than the Directors or chief executive of the Company) or entities had any interests or short positions in the Shares or underlying Shares of the Company, which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO, or as recorded in the register required to be kept by the Company under section 336 of the SFO.

ARRANGEMENT TO PURCHASE SHARES OR DEBENTURES

Neither the Company nor any of its holding companies was a party to any arrangements to enable the Directors or their associates to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate during the Period and up to the date of this Interim Report.

SHARE OPTION SCHEME

On 23 March 2020, a share option scheme ("**Share Option Scheme**") was approved and conditionally adopted by the Company, whereby the Board may, at its absolute discretion and on such terms as it may think fit, grant any employee (full-time or part-time), director, supplier, customer, adviser or consultant of the Group, options to subscribe for the Shares. For details of the share option scheme, please refer to the Prospectus. From 1 January 2023, the Company has relied on the transitional arrangements provided for the existing Share Schemes and has complied with the new Chapter 17 accordingly (effective from 1 January 2023).

Since its adoption and up to 30 June 2026, no option has been granted or agreed to be granted under the Share Option Scheme. Therefore, no options were exercised or cancelled or lapsed during the Period and there were no outstanding options under the Share Option Scheme as at 30 June 2026. As at the date of this Interim Report, the total number of Shares which may be issued upon the exercise of all options to be granted under the Share Option Scheme is 80,000,000 Shares, representing 10% of the then issued Shares on the listing date i.e. 15 April 2020.

SHARE AWARD SCHEME

On 25 May 2020, the Board adopted a share award scheme of the Company ("**Share Award Scheme**") in which any employee or consultant of the Group (other than a connected person of the Company or an associate of such connected persons (both terms as defined in the Listing Rules)) ("**Eligible Persons**") will be entitled to participate. From 1 January 2023, the Company has relied on the transitional arrangements provided for the existing Share Scheme and has complied with the new Chapter 17 accordingly (effective from 1 January 2023).

The Share Award Scheme is for the purposes of (i) recognising the contributions by certain Eligible Persons and giving incentives thereto in order to retain them for the continuing operation and development of the Group; and (ii) attracting suitable personnel for further development of the Group.

The Share Award Scheme will remain in force for a period of 10 years commencing from its adoption date.

The total number of the Shares to be awarded pursuant to the Share Award Scheme shall not exceed 40,000,000 Shares, being 5% of the total issued share capital of the Company as at its adoption date. The maximum number of Shares which may be awarded to a selected grantee at any one time shall not exceed 0.50% of the total number of the issued Shares as at the adoption date and the total number of Shares awarded to such selected grantee in aggregate shall not exceed 1% of the total number of the issued Shares as at the adoption date. Details of the Share Award Scheme are set out in the announcement of the Company dated 25 May 2020.

During the Period, no awarded shares (1H2025: Nil) have been granted, pending vesting, under the Share Award Scheme to the employees of the Group (none of them are Directors or connected persons of the Company), 960,000 awarded shares have been vested and 1,008,000 awarded shares have been forfeited. The vesting period of such awarded shares ranges from 1 April 2022 to 1 July 2026.

For details of the movements in the number of outstanding awarded shares during the Period, please refer to Note 19 to the interim condensed consolidated financial statements of the Company and the following:

Category of participants	Date of grant	Vesting period	Closing price of shares immediately before the date of grant	Outstanding as at 1 January 2026	Number of awarded shares: Granted during the Period	Vested during the Period *(Note 3)*	Lapsed/ expired during the Period	Cancelled/ forfeited during the Period *(Note 4)*	Outstanding as at 30 June 2026
Directors	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Five highest paid individuals in aggregate	1 Apr 2021 *(Note 2)*	1 Apr 2024-1 Apr 2026	HK$1.58	500,000	–	500,000	–	–	–
Other Grantees in aggregate	1 Apr 2021 *(Note 2)*	1 Apr 2022-1 Apr 2026	HK$1.58	460,000	–	460,000	–	–	–
Five highest paid individuals in aggregate	1 Jul 2024 *(Note 2)*	1 Jan 2025 – 1 Jul 2026	HK$3.82	992,000	–	–	–	992,000	–
Other Grantees in aggregate	1 Jul 2024 *(Note 2)*	1 Jan 2025 – 1 Jul 2026	HK$3.82	160,000	–	–	–	16,000	144,000
Total				2,112,000	–	960,000	–	1,008,000	144,000

Notes:

1. Pursuant to the rules of the Share Award Scheme, an Eligible Person shall mean any employee or consultant of any Group company other than any person being a connected person of the Company or an associate of any such connected person. As such, no Director is/will be eligible for participation in the Share Award Scheme.

2. The weighted average closing price of the shares immediately before the dates on which the awards to the five highest paid individuals in aggregate and other grantees in aggregate on 1 April 2021 and 1 July 2024 were vested was HK$0.31 and HK$0.24, respectively.

3. The purchase price of the awards vested during the Period was nil.

4. The purchase price of the cancelled/forfeited awards was nil.

The number of options and awards available for grant under the scheme mandate at the beginning and the end of the financial period was as follows:

	As of 1 January 2026	As of 30 June 2026
Total number of options available for grant under the scheme mandate	80,000,000	80,000,000
Total number of awards available for grant under the scheme mandate	26,538,000	27,546,000

Note: There was no service provider sublimit set under the Share Option Scheme and Share Award Scheme.

The number of Shares that may be issued in respect of options and awards granted under all schemes of the Company during the six months ended 30 June 2026 divided by the weighted average number of shares of the relevant class in issue for the six months ended 30 June 2026 is nil.

Information on the accounting policy for share awards granted and the fair value of awards at the date of grant are provided in Note 19(b) to the interim condensed consolidated financial statements.

AUDIT COMMITTEE

The Board has established an audit committee ("**Audit Committee**") with written terms of reference in compliance with the CG Code. The Audit Committee comprises three independent non-executive Directors, namely Ms. Chan Ka Lai Vanessa (chairwoman), Mr. Chung Siu Wah and Mr. Mak Chung Hong. The primary duties of the Audit Committee include making recommendations to the Board on the appointment, re-appointment and removal of the external auditor, reviewing the Group's financial information, financial controls, internal control and risk management systems.

REVIEW OF INTERIM RESULTS BY THE AUDIT COMMITTEE

The Audit Committee has reviewed with the Company's management, the accounting principles and practices adopted by the Group, has discussed internal control and financial reporting matters and has reviewed the unaudited condensed consolidated financial statements of the Group for the Period.

The Audit Committee is satisfied that the unaudited condensed consolidated financial statements of the Group for the Period were prepared in accordance with the applicable accounting standards and fairly present the Group's financial position and results for the Period.

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

For the six months ended 30 June 2026

	Notes	Unaudited Six months ended 30 June 2026 HK$'000	2025 HK$'000
Revenue	*7*	496,097	510,079
Cost of sales	*8*	(373,559)	(380,875)
Gross profit		122,538	129,204
Other gains, net	*7*	6,024	2,949
Selling and distribution expenses	*8*	(70,400)	(71,730)
General and administrative expenses	*8*	(38,219)	(50,999)
Operating profit		19,943	9,424
Finance costs		(10,669)	(12,790)
Share of results of investments accounted for using the equity method		–	(4,017)
Profit/(loss) before income tax		9,274	(7,383)
Income tax expense	*9*	(2,939)	(283)
Profit/(loss) for the period		6,335	(7,666)
Profit/(loss) attributable to:			
Equity holders of the Company		7,132	(7,984)
Non-controlling interests		(797)	318
		6,335	(7,666)
Earnings/(losses) per share attributable to equity holders of the Company			
Basic and diluted (HK cents per share)	*10*	1	(1)

	Unaudited Six months ended 30 June 2026 HK$'000	2025 HK$'000
Profit/(loss) for the period	6,335	(7,666)
Other comprehensive income/(loss)		
Item that has been reclassified or may be subsequently reclassified to profit or loss:		
Exchange differences arising on translation of the financial statements of foreign subsidiaries	(1,765)	1,884
Total comprehensive income/(loss) for the period	4,570	(5,782)
Total comprehensive income/(loss) attributable to:		
Equity holders of the Company	5,367	(6,100)
Non-controlling interests	(797)	318
	4,570	(5,782)

The above interim condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Interim Condensed Consolidated Statement of Financial Position

As at 30 June 2026

	Notes	Unaudited As at 30 June 2026 HK$'000	Audited As at 31 December 2025 HK$'000
Non-current assets			
Property, plant and equipment	*12*	48,245	50,288
Right-of-use assets	*13*	7,213	15,044
Intangible assets	*14*	250,978	255,303
Prepayments and deposits		414	414
Deferred income tax assets		13,750	13,750
Total non-current assets		320,600	334,799
Current assets			
Inventories		212,285	173,885
Prepayments, deposits and other receivables		310,209	294,297
Trade receivables	*15*	274,829	296,945
Cash and cash equivalents		22,277	70,337
Total current assets		819,600	835,464
Total assets		1,140,200	1,170,263
Non-current liabilities			
Loans from shareholders	*22*	10,882	12,882
Lease liabilities	*13*	2,508	6,759
Deferred income tax liabilities		7,740	8,455
Total non-current liabilities		21,130	28,096

	Notes	Unaudited As at 30 June 2026 HK$'000	Audited As at 31 December 2025 HK$'000
Current liabilities			
Trade payables	*16*	138,167	146,878
Other payables and accruals		26,130	38,485
Bank and other borrowings	*17*	303,069	310,384
Loans from shareholders	*22*	89,000	89,000
Lease liabilities	*13*	4,833	9,029
Current tax liabilities		7,859	3,163
Total current liabilities		569,058	596,939
Total liabilities		590,188	625,035
Equity			
Capital and reserves attributable to the Company's equity holders			
Share capital	*18*	8,940	8,940
Reserves		533,637	528,056
		542,577	536,996
Non-controlling interests		7,435	8,232
Total equity		550,012	545,228
Total equity and liabilities		1,140,200	1,170,263

Wong Ka Chun Michael
Director

Li Ka Wa Helen
Director

The above interim condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2026

	Unaudited											
	Attributable to equity holders of the Company											
	Share capital HK$'000	Share premium account HK$'000	Merger reserve HK$'000	Other reserve HK$'000	Share held under share award plan HK$'000	Share-based payment reserve HK$'000	Statutory reserve HK$'000	Exchange reserve HK$'000	Retained profit HK$'000	Total HK$'000	Non-Controlling interests HK$'000	Total equity HK$'000
Balance at 1 January 2025	8,000	230,865	(80)	(8,066)	(74,806)	24,134	278	(4,060)	302,587	478,852	10,105	488,957
(Loss)/profit for the period	-	-	-	-	-	-	-	-	(7,984)	(7,984)	318	(7,666)
Other comprehensive loss:												
Exchange differences arising on translation of the financial statements of foreign subsidiaries	-	-	-	-	-	-	-	1,884	-	1,884	-	1,884
Total comprehensive income/(loss) for the period	-	-	-	-	-	-	-	1,884	(7,984)	(6,100)	318	(5,782)
Transactions with owners in their capacity as owners:												
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	-	-	(1,687)	(1,687)
Vested of shares under share award scheme	-	871	-	-	9,362	(10,233)	-	-	-	-	-	-
Vesting of shares under share award scheme	-	-	-	-	-	8,071	-	-	-	8,071	-	8,071
Purchase of shares for share award scheme	-	-	-	-	(11,560)	-	-	-	-	(11,560)	-	(11,560)
Issuance of shares	940	46,060	-	-	-	-	-	-	-	47,000	-	47,000
Balance at 30 June 2025	8,940	277,796	(80)	(8,066)	(77,004)	21,972	278	(2,176)	294,603	516,263	8,736	524,999
Balance at 1 January 2026	8,940	288,871	(80)	(8,066)	(72,835)	5,052	278	(3,421)	318,257	536,996	8,232	545,228
Profit/(loss) for the period	-	-	-	-	-	-	-	-	7,132	7,132	(797)	6,335
Other comprehensive loss:												
Exchange differences arising on translation of the financial statements of foreign subsidiaries	-	-	-	-	-	-	-	(1,765)	-	(1,765)	-	(1,765)
Total comprehensive income/(loss) for the period	-	-	-	-	-	-	-	(1,765)	7,132	5,367	(797)	4,570
Transactions with owners in their capacity as owners:												
Vested of shares under share award scheme	-	2,717	-	-	970	(3,687)	-	-	-	-	-	-
Vesting of shares under share award scheme	-	-	-	-	-	214	-	-	-	214	-	214
Balance at 30 June 2026	8,940	291,588	(80)	(8,066)	(71,865)	1,579	278	(5,186)	325,389	542,577	7,435	550,012

The above interim condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2026

	Note	Unaudited Six months ended 30 June 2026 HK$'000	2025 HK$'000
Cash flows from operating activities		(29,188)	35,191
Income tax refunded/(paid)		1,044	(148)
Net cash (used in)/generated from operating activities		(28,144)	35,043
Cash flows from investing activities			
Purchase of property, plant and equipment	*12*	(27)	(476)
Interest received		110	5
Acquisition of a subsidiary		–	(31,966)
Proceeds from disposal of a subsidiary		7,159	–
Net cash generated from/(used in) investing activities		7,242	(32,437)
Cash flows from financing activities			
Interest paid		(10,669)	(12,790)
Purchase of shares held under the share award scheme		–	(11,560)
Proceeds from bank and other borrowings		374,440	421,511
Repayment of bank and other borrowings		(381,755)	(462,054)
Principal elements of lease payments		(4,583)	(4,722)
Proceeds from loans from shareholders		85,000	90,000
Repayment of loans from shareholders		(87,000)	(61,218)
Proceeds from issuance of ordinary shares		–	46,700
Net cash (used in)/generated from financing activities		(24,567)	5,867
Net (decrease)/increase in cash and cash equivalents		(45,469)	8,473
Cash and cash equivalents at beginning of the period		70,337	34,020
Effects of exchange rate changes on cash and cash equivalents		(2,591)	(1,684)
Cash and cash equivalents at end of the period		22,277	40,809

1 GENERAL INFORMATION

Tycoon Group Holdings Limited ("**Company**", together with its subsidiaries, the "**Group**") is an exempted company incorporated in the Cayman Islands with limited liability on 14 June 2017. The registered office of the Company is situated at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business of the Company is located at Room 14, 8/F., Wah Wai Centre, 38-40 Au Pui Wan Street, Shatin, New Territories, Hong Kong.

The Company's shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited ("**Stock Exchange**") by way of global offering ("**Global Offering**") since 15 April 2020.

The Company is an investment holding company. During the Period, the Company's subsidiaries were principally engaged in the distribution and retail of health and well-being related products.

In the opinion of the directors of the Company, the immediate holding company and the ultimate holding company of the Company is Tycoon Empire Investment Limited, which was incorporated in the British Virgin Islands ("**BVI**").

This interim condensed consolidated financial information is presented in thousands of units of Hong Kong dollars ("**HK$'000**"), unless otherwise stated.

This interim condensed consolidated financial information was approved for issue by the board of directors of the Company ("**Board**") on 28 August 2026.

This interim condensed consolidated financial information is unaudited and has been reviewed by the audit committee of the Board and approved for issue by the Board on 28 August 2026.

2 BASIS OF PREPARATION

The interim condensed consolidated financial information is for the Group consisting of the Company and its subsidiaries. This interim condensed consolidated financial information for the six months ended 30 June 2026 has been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34, "Interim Financial Reporting" as issued by the Hong Kong Institute of Certified Public Accountants. This interim condensed consolidated financial information does not include all the notes of the type normally included in annual consolidated financial statements. Accordingly, this interim condensed consolidated financial information should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2025, which have been prepared in accordance with HKFRS Accounting Standards ("**HKFRSs**").

3 ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual consolidated financial statements for the year ended 31 December 2025, as described in the annual consolidated financial statements, except for the estimation of income tax, the adoption of new and amended standards as set out below. Income tax expenses for the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

(a) New and amended standards adopted by the Group

A number of new and amended standards became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amendments.

(b) Impact of new and amended standards issued but not yet applied by the Group

Certain new and amended standards have been issued but are not mandatory for application in the current reporting period. The Group did not early adopt these new and amended standards in the current reporting period. The Group is in the process of assessing the impact of adopting these standards on its current or future reporting periods and on foreseeable future transactions.

4 ESTIMATES

The preparation of interim condensed consolidated financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this interim condensed consolidated financial information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2025.

5 FINANCIAL RISK MANAGEMENT

5.1 Financial risk factors

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

The interim condensed consolidated financial information does not include all financial risk management information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025.

Compared to the year ended 31 December 2025, there was no material change in the contractual undiscounted cash flows for financial liabilities.

There have been no significant changes in the Group's risk management policies since 31 December 2025.

5.2 Fair value estimation

The fair value of the Group's assets and liabilities are classified into 3 levels of the fair value measurement hierarchy prescribed under the accounting standards and disclosed as below:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3 – Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

5 FINANCIAL RISK MANAGEMENT (continued)

5.3 Fair value of financial assets and liabilities measured at amortised cost

The fair values of the following financial assets and liabilities approximate their carrying values due to their short-term maturities, or they are estimated by discounting the future contractual cash flows at the current market interest rates that are available to the Group:

- Deposits and other receivables
- Amounts due from related parties
- Trade receivables
- Cash and cash equivalents
- Trade payables
- Other payables and accruals
- Bank and other borrowings
- Loans from shareholders
- Lease liabilities

6 SEGMENT INFORMATION

The executive director has been identified as the chief operating decision-maker. The executive director reviews the Group's internal reports in order to assess performance and allocate resources. The executive director has determined the operating segments based on these reports. Operating segments are reported in a manner consistent with the internal reporting to the Group's key management personnel as follows:

(a) the distribution segment, which includes the operation of distributing products to chain retailers, non-chain retailers and traders;

(b) the e-commerce segment, which includes the operation of online stores and wholesale to e-commerce customers; and

(c) the retail stores segment, which represents the operation of Hong Ning Hong Limited ("**HNH**").

The 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/(loss), which is a measure of adjusted profit/(loss) before tax.

The adjusted profit/(loss) before tax is measured consistently with the Group's profit/(loss) before tax except that gain on remeasurement of previously held interests in an associated company, gain on disposal of a subsidiary, foreign exchange differences, net, finance income, finance costs (other than interests on lease liabilities), share-based payment expenses, corporate and other unallocated expenses and income tax expense are excluded from such measurement.

Segment assets exclude deferred income tax assets, cash and cash equivalents, and corporate and other unallocated assets as these assets are managed on a group basis. Segment liabilities exclude deferred income tax liabilities, bank and other borrowings, loans from shareholders, current tax liabilities, and corporate and other unallocated liabilities as these liabilities are managed on a group basis.

Information provided to the executive director is measured in a manner consistent with that the interim condensed consolidated financial information.

6 SEGMENT INFORMATION (continued)

The following table presents revenue and results for the Group's reportable segments:

	Six months ended 30 June (Unaudited)							
	Distribution		E-commerce		Retail Stores		Total	
	2026	2025	2026	2025	2026	2025	2026	2025
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Revenue from external customers	306,048	343,412	127,587	87,432	62,462	79,235	496,097	510,079
Inter-segment revenue	11,705	11,084	30,371	17,410	4,219	2,217	46,295	30,711
Reportable segment revenue	317,753	354,496	157,958	104,842	66,681	81,452	542,392	540,790
Reportable segment results	7,280	17,761	13,354	(3,701)	(2,568)	1,040	18,066	15,100
Gain on remeasurement of previously held interests in an associated company							–	4,434
Gain on disposal of a subsidiary							4,262	–
Foreign exchange differences, net							(237)	(727)
Finance income							110	5
Finance costs (other than interests on lease liabilities)							(10,527)	(12,814)
Share-based payment expenses							(214)	(8,071)
Corporate and other unallocated expenses							(2,186)	(5,310)
Profit/(loss) before income tax							9,274	(7,383)
Income tax expense							(2,939)	(283)
Profit/(loss) for the period							6,335	(7,666)

6 SEGMENT INFORMATION (continued)

The following table presents the total assets and liabilities for the Group's reportable segments:

	Distribution		E-commerce		Retail Stores		Total	
	Unaudited As at 30 June 2026 HK$'000	Audited As at 31 December 2025 HK$'000	Unaudited As at 30 June 2026 HK$'000	Audited As at 31 December 2025 HK$'000	Unaudited As at 30 June 2026 HK$'000	Audited As at 31 December 2025 HK$'000	Unaudited As at 30 June 2026 HK$'000	Audited As at 31 December 2025 HK$'000
Segment assets	532,958	603,517	403,422	318,226	155,184	148,290	1,091,564	1,070,033
Deferred income tax assets							13,750	13,750
Cash and cash equivalents							22,277	70,337
Corporate and other unallocated assets							12,609	16,143
Total							1,140,200	1,170,263

	Distribution		E-commerce		Retail Stores		Total	
	Unaudited As at 30 June 2026 HK$'000	Audited As at 31 December 2025 HK$'000	Unaudited As at 30 June 2026 HK$'000	Audited As at 31 December 2025 HK$'000	Unaudited As at 30 June 2026 HK$'000	Audited As at 31 December 2025 HK$'000	Unaudited As at 30 June 2026 HK$'000	Audited As at 31 December 2025 HK$'000
Segment liabilities	(31,247)	(49,852)	(98,604)	(102,064)	(40,890)	(48,108)	(170,741)	(200,024)
Deferred income tax liabilities							(7,740)	(8,455)
Bank and other borrowings							(303,069)	(310,384)
Loans from shareholders							(99,882)	(101,882)
Current tax liabilities							(7,859)	(3,163)
Corporate and other unallocated liabilities							(897)	(1,127)
Total							(590,188)	(625,035)

6 SEGMENT INFORMATION (continued)

	Six months ended 30 June (Unaudited)				
	Distribution HK$'000	E-commerce HK$'000	Retail Stores HK$'000	Unallocated HK$'000	Total HK$'000
2026					
Other segment information					
Depreciation of property, plant and equipment, including leasehold land	1,744	390	9	123	2,266
Depreciation of right-of-use assets	2,618	291	1,251	228	4,388
Amortisation of intangible assets	729	2,936	785	–	4,450
Addition to non-current assets	3,558	1,215	–	–	4,773
2025					
Other segment information					
Depreciation of property, plant and equipment, including leasehold land	1,785	632	10	121	2,548
Depreciation of right-of-use assets	2,602	1,034	629	232	4,497
Amortisation of intangible assets	729	1,957	785	–	3,471
Addition to non-current assets	318	193,183	2,043	726	196,270

7 REVENUE, OTHER GAINS, NET

Revenue, other gains, net recognised during the period are as follows:

	Unaudited Six months ended 30 June 2026 HK$'000	 2025 HK$'000
Revenue		
Sale of goods	496,097	510,079
Disaggregated revenue information		
Geographical markets		
Hong Kong	301,228	336,636
Mainland China	127,587	87,432
Macau	43,679	42,916
Singapore	17,785	36,625
Malaysia	5,682	6,271
Others	136	199
Timing of revenue recognition		
Goods transferred at a point of time	496,097	510,079
Other gains, net		
Gain on remeasurement of previously held interests in an associated company	–	4,434
Gain on disposal of a subsidiary	4,262	–
Others	1,762	(1,485)
	6,024	2,949

8 EXPENSES BY NATURE

Expenses included in cost of sales, selling and distribution expenses, general and administrative expenses are analysed as follows:

	Unaudited Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Cost of inventories sold	**372,014**	379,579
Written-down of inventories	**1,545**	1,296
Depreciation of property, plant and equipment	**2,266**	2,548
Depreciation of right-of-use assets	**4,388**	4,497
Amortisation of intangible assets	**4,450**	3,471
Employee benefit expenses	**31,432**	43,295
Share-based payment expense	**214**	8,071
Expenses under short-term leases	**289**	377
Advertising fee	**28,771**	31,478

9 INCOME TAX EXPENSE

Hong Kong profits tax has been provided at 16.5% (six months ended 30 June 2025: same) of the estimated assessable profits for the period. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates.

	Unaudited Six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Current tax – Hong Kong	**2,650**	378
Current tax – Macau and others	**1,002**	1,058
Deferred tax	**(713)**	(1,153)
Total income tax expense for the period	**2,939**	283

10 EARNINGS/(LOSSES) PER SHARE

Basic

Basic earnings/(losses) per share is calculated by dividing the profit/(loss) attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	Unaudited Six months ended 30 June 2026	2025
Profit/(losses) attributable to equity holders of the Company (*HK$'000*)	7,132	(7,984)
Weighted average number of ordinary shares in issue (in thousands)	869,070	808,244
Basic earnings/(losses) per share (HK cents)	1	(1)

Diluted

Diluted earnings/(losses) per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all potentially dilutive ordinary shares. The Company has one category of potentially dilutive ordinary shares: share awards. For the share awards, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average market share price of the Company's shares for the period) based on the monetary value of the outstanding share awards. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share awards.

For the six months ended 30 June 2026, the calculation of diluted earnings per share was based on the profit attributable to equity holders of the Company and the adjusted weighted average number of ordinary shares outstanding assuming the conversion of all potentially dilutive ordinary shares, which was calculated as follows:

	Unaudited Six months ended 30 June 2026
Profit attributable to the equity holders of the Company *(HK$'000)*	7,132
Weighted average number of ordinary shares in issue (thousand shares)	869,070
Adjustment for share awards (thousand shares)	4,106
Weighted average number of ordinary shares for diluted earnings per share (thousand shares)	873,176
Diluted earnings per share attributable to the equity holders of the Company (HK cents per share)	1

For the six months ended 30 June 2025, the diluted loss per share was the same as the basic loss per share as the share awards would result in antidilutive impact to the basic loss per share.

11 DIVIDEND

No dividends have been declared for the six months ended 30 June 2026 (six months ended 30 June 2025: same).

12 PROPERTY, PLANT AND EQUIPMENT

	Unaudited As at 30 June 2026 HK$'000	Unaudited As at 30 June 2025 HK$'000
Net book value as at 1 January	**50,288**	53,058
Addition	**27**	476
Acquisition of a subsidiary	**–**	2,200
Disposal	**(82)**	–
Depreciation	**(2,266)**	(2,548)
Exchange differences	**278**	134
Net book value as at 30 June	**48,245**	53,320

At 30 June 2026, certain of the Group's property, plant and equipment with a net carrying value of approximately HK$38,816,000 (31 December 2025: HK$10,902,000), were pledged to secure loans of the Group *(Note 17)*.

13 LEASES

	Unaudited As at 30 June 2026 HK$'000	Audited As at 31 December 2025 HK$'000
Right-of-use assets		
Properties	**7,213**	15,044
Lease liabilities		
Non-current	**2,508**	6,759
Current	**4,833**	9,029
	7,341	15,788

During the six months ended 30 June 2026, the additions to right-of-use assets amounted to HK$4,746,000 (six months ended 30 June 2025: HK$13,948,000) and the depreciation expense incurred for the period amounted to HK$4,388,000 (six months ended 30 June 2025: HK$4,497,000).

14 INTANGIBLE ASSETS

	Goodwill HK$'000 (Unaudited)	Exclusive distribution rights HK$'000 (Unaudited)	Customer relationships and supplier relationships HK$'000 (Unaudited)	Brand name HK$'000 (Unaudited)	Total HK$'000 (Unaudited)
Opening net book amount as at 1 January 2026	203,794	783	44,941	5,785	255,303
Amortisation during the period	–	(484)	(3,576)	(390)	(4,450)
Exchange realignment	5	–	120	–	125
Closing net book amount as at 30 June 2026	203,799	299	41,485	5,395	250,978
Opening net book amount as at 1 January 2025	64,584	2,155	9,557	6,565	82,861
Acquisition of a subsidiary	138,546	–	41,100	–	179,646
Amortisation during the period	–	(484)	(2,597)	(390)	(3,471)
Exchange realignment	2,255	–	1,472	–	3,727
Closing net book amount as at 30 June 2025	205,385	1,671	49,532	6,175	262,763

15 TRADE RECEIVABLES

	Unaudited As at 30 June 2026 HK$'000	Audited As at 31 December 2025 HK$'000
Trade receivables	275,819	297,932
Amounts due from related parties *(Note 22(b))*	492	495
Less: Provision for impairment	(1,482)	(1,482)
Total	274,829	296,945

The Group's credit terms to trade debtors range generally from 30 to 120 days. As at 30 June 2026 and 31 December 2025, the ageing analysis of the gross trade receivables (including amounts due from related parties in trade nature) based on invoice date is as follows:

	Unaudited As at 30 June 2026 HK$'000	Audited As at 31 December 2025 HK$'000
Trade receivables		
Within 90 days	215,024	196,457
91 to 180 days	14,162	39,968
Over 180 days	47,125	62,002
Total	276,311	298,427

16 TRADE PAYABLES

	Unaudited As at 30 June 2026 HK$'000	Audited As at 31 December 2025 HK$'000
Trade payables	29,570	39,663
Amounts due to related parties *(Note 22(b))*	108,597	107,215
Total	138,167	146,878

As at 30 June 2026 and 31 December 2025, the ageing analysis of the trade payables (including amounts due to related parties in trade nature) based on invoice date is as follows:

	Unaudited As at 30 June 2026 HK$'000	Audited As at 31 December 2025 HK$'000
Within 30 days	35,037	41,199
31 to 60 days	19,192	36,491
61 to 120 days	58,852	48,223
Over 120 days	25,086	20,965
Total	138,167	146,878

17 BANK AND OTHER BORROWINGS

	Unaudited As at 30 June 2026 HK$'000	Audited As at 31 December 2025 HK$'000
Current:		
Bank and other borrowings – Secured	70,923	89,111
Invoice financing loans – Secured	193,146	182,273
Bank borrowings – Unsecured	39,000	39,000
	303,069	310,384

18 SHARE CAPITAL

	Number of ordinary shares of HK$0.01 each	Nominal value of ordinary shares HK$'000
Authorised:		
At 31 December 2025, 1 January 2026 and 30 June 2026	10,000,000,000	100,000
Issued and fully paid:		
At 31 December 2025, 1 January 2026 and 30 June 2026	894,000,000	8,940

19 SHARE-BASED SCHEME

(a) Share option scheme

The Company has adopted a share option scheme ("**Share Option Scheme**") pursuant to the shareholders' written resolution passed on 23 March 2020. The purposes of the Share Option Scheme are to enable the Group to grant options to selected participants as incentives or rewards for their contribution to the Group.

Eligible persons include (a) any employee (whether full-time or part-time including any executive director but excluding any non-executive director) of the Company, any of its subsidiaries or any entity ("**Invested Entity**") in which the Group holds an equity interest; (b) any non-executive director (including independent non-executive director) of the Company, any of its subsidiaries or any Invested Entity; (c) any supplier of goods or services to any member of the Group or any Invested Entity; (d) any customer of any member of the Group or any Invested Entity; (e) any person or entity that provides research, development or other technological support to any member of the Group or any Invested Entity; (f) any adviser (professional or otherwise) or consultant to any area of business or business development of the Group or any Invested Entity; and (g) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of the Group, and, for the purposes of the Share Option Scheme, the options may be granted to any company wholly-owned by one or more persons belonging to any of the above classes of participants.

19 SHARE-BASED SCHEME (continued)

(a) Share option scheme (continued)

The maximum number of shares to be allotted and issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Group must not in aggregate exceed 30% of the issued share capital of the Company from time to time. The initial total number of shares which may be allotted and issued upon exercise of all options (excluding, for this purpose, options which have lapsed in accordance with the terms of the Share Option Scheme and any other share option schemes of the Group) to be granted under the Share Option Scheme and any other share option schemes of the Group must not in aggregate exceed 10% of the shares in issue on the listing date (i.e. 80,000,000 shares). The total number of shares issued and which may fall to be issued upon exercise of the options to be granted under the Share Option Scheme and any other share option schemes of the Group (including both exercised or outstanding options) to each participant in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being ("**Individual Limit**"). Any further grant of options in excess of the Individual Limit in any 12-month period up to and including the date of such further grant shall be subject to the issue of a circular to the shareholders and the shareholders' approval in general meeting of the Company with such participant and his associates abstaining from voting. The number and terms (including the exercise price) of the options to be granted to such participant must be fixed before shareholders' approval and the date of board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the exercise price under the Listing Rules.

An offer of the grant of the option may be accepted by a participant within 21 days from the date of the offer of grant of the option. An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period to be determined and notified by the directors to each grantee. The period may commence on the date upon which the offer for the grant of options is made but shall end in any event not later than 10 years from the date of grant of the option subject to the provisions for early termination thereof. Unless otherwise determined by the directors and stated in the offer of the grant of options to a grantee, there is no minimum period required under the Share Option Scheme for the holding of an option before it can be exercised.

The subscription price for shares under the Share Option Scheme will be a price determined by the directors, but shall not be less than the higher of (i) the closing price of shares as stated in the Stock Exchange's daily quotations sheet on the date of the offer of grant, which must be a business day; (ii) the average closing price of shares as stated in the Stock Exchange's daily quotations for the five trading days immediately preceding the date of the offer of grant; and (iii) the nominal value of the shares. A nominal consideration of HK$1.0 is payable on acceptance of the grant of an option.

No share options were granted, under the Share Option Scheme during the current and prior period.

19 SHARE-BASED SCHEME (continued)

(b) Share award scheme

On 25 May 2020, the Board adopted a share award scheme as means to recognise the contributions by certain eligible persons and giving incentives thereto in order to retain them for the continuing operation and development of the Group and attract suitable personnel for further development of the Group ("**Share Award Scheme**").

Subject to any early termination as may be determined by the Board in accordance with the rules of the Share Award Scheme, the Share Award Scheme shall be valid and effective for a term of 10 years commencing on 25 May 2020 ("**Adoption Date**"), provided that no further settlement of the reference amount ("**Reference Amount**") shall be made by the Company on or after the 10th anniversary of the Adoption Date. Subject to compliance with all applicable laws, codes or regulations including without limitation those imposed by the Listing Rules from time to time, the Board shall cause the Company to instruct the trustee ("**Trustee**") to purchase the awarded shares. In each case, the purchase shall be made on the open market with the Reference Amount from the funds of the Group. The shares purchased shall be held by the Trustee until they are vested in the selected grantees. The Trustee shall not exercise any voting rights in respect of any shares held under the trust.

The aggregate number of shares to be awarded pursuant to the Share Award Scheme shall not exceed 5% of the total issued share capital of the Company as at the Adoption Date (i.e. 40,000,000 shares). The maximum number of shares which may be awarded to a selected grantee at any one time shall not exceed 0.50% of the total number of issued shares as at the Adoption Date. If and whenever there shall be an alteration to the nominal value of the shares as a result of consolidation or subdivision ("**Capital Reorganisation**") and the effective date of such Capital Reorganisation falls on a day when the Share Award Scheme remains in effect, the maximum number of the shares referred to above shall be adjusted proportionally. Such adjustment shall automatically become effective on the date on which the Capital Reorganisation takes effect.

Awarded shares held by the Trustee upon the trust and which are referable to a selected grantee shall vest to that selected grantee in accordance with a vesting schedule determined at the discretion of the Board, provided that the selected grantee remains at all times after the grant of the award and on each relevant vesting date an eligible person and the transfer documents and any other relevant documents as prescribed by the Trustee to effect the transfer have been duly executed by the selected grantee.

19 SHARE-BASED SCHEME (continued)

(b) Share award scheme (continued)

During six months ended 30 June 2026, no awarded shares have been granted to the selected grantees under the Share Award Scheme (six months ended 30 June 2025: Nil).

Movements in the number of share award outstanding are as follows:

	Share awards (thousands) 2026	Share awards (thousands) 2025
At 1 January	2,112	13,770
Vested	(960)	(3,622)
Forfeited	(1,008)	(16)
At 30 June	144	10,132

The share awards will be vested to the selected grantees during the vesting periods up to five years. For the six months ended 30 June 2026, the weighted average fair value of share awards granted was HK$3.84 (six months ended 30 June 2025: HK$2.83). The fair value is the same with the closing share price of the Company quoted on the Stock Exchange on the date of grant.

960,000 awarded shares were vested during the six months ended 30 June 2026 (six months ended 30 June 2025: 3,622,000 awarded shares). During the six months ended 30 June 2026, share-based payment expense of HK$214,000 (six months ended 30 June 2025: HK$8,071,000) was recognised in the interim condensed consolidated profit or loss and other comprehensive income and was credited to equity.

20 CONTINGENT LIABILITIES

As at 30 June 2026, the Group had no contingent liabilities (31 December 2025: Nil).

21 CAPITAL COMMITMENT

Save as disclosed elsewhere in the interim condensed consolidated financial information, the Group had no material capital commitment as at 30 June 2026 (31 December 2025: Nil).

22 RELATED PARTIES TRANSACTIONS

In addition to the transactions set out elsewhere in the interim condensed consolidated financial information, the Group had the following transactions with related parties during the period:

(a) Transactions with related parties

	Unaudited Six months ended 30 June 2026 HK$'000	Unaudited Six months ended 30 June 2025 HK$'000
Sale of products:		
– China Resources Pharmaceutical Group Limited ("**CR Pharmaceutical**") and its subsidiaries and an associate (together, the "**CR Pharmaceutical Group**") *(note (i))*	101	71
– Talent Smart Holdings Limited and its subsidiaries ("**Talent Smart Group**") *(note (ii))*	–	2
– Combo Win Asia Limited ("**CWA**") and its subsidiaries *(note (iii))*	–	76
Purchase of products:		
– The CR Pharmaceutical Group *(note (i))*	2,709	214
– Talent Smart Group *(note (ii))*	8,052	9,545
– Jacobson Medical (Hong Kong) Limited and its subsidiaries ("**Jacobson Medical**") *(note (iv))*	159,369	130,300
Service expense:		
– CWA and its subsidiaries *(note (v))*	–	721

22 RELATED PARTIES TRANSACTIONS (continued)

(a) Transactions with related parties (continued)

During the period ended 30 June 2026, the Group leased properties from Mr. Wong Ka Chun Michael, the controlling shareholder of the Company, ("**Controlling Shareholder**") for warehouse and carpark use. The monthly lease payable was determined on a basis mutually agreed by both parties with reference to the prevailing market rent of similar properties located at the surrounding area available to independent third parties at the time when the lease agreement was entered into. Right-of-use assets of HK$1,704,000 (31 December 2025: HK$3,409,000) and lease liabilities of HK$1,771,000 (31 December 2025: HK$3,514,000) in respect to the leases were recognised in the interim condensed consolidated statement of financial position as at 30 June 2026.

During the period ended 30 June 2026, depreciation of right-of-use assets of HK$1,704,000 (six months ended 30 June 2025: HK$4,497,000) and interest expense on the lease liabilities of HK$38,000 (six months ended 30 June 2025: HK$293,000) was charged to the interim condensed consolidated statement of profit or loss and other comprehensive income.

Notes:

(i) During the six months ended 30 June 2026, sales to and purchase of products from the CR Pharmaceutical Group were transacted pursuant to the terms and conditions mutually agreed between the Company and the CR Pharmaceutical Group.

(ii) Sales to and purchase of products from Talent Smart Group were transacted pursuant to the terms and conditions mutually agreed between the Company and Talent Smart Group.

(iii) The sales to CWA and its subsidiaries, an associate of the Company during the period before it became a wholly owned subsidiary of the Group from 1 March 2025 onwards, were made at a mutually agreed price.

(iv) The purchase of products from Jacobson Medical, a group controlled by the same ultimate beneficial owner of Jacobson Pharma Corporation Limited, were transacted pursuant to the terms and conditions mutually agreed between the Company and Jacobson Medical.

(v) Service expense payable to CWA and its subsidiaries before it became a wholly owned subsidiary of the Group from 1 March 2025 onwards, were transacted at a rate mutually agreed between the two parties.

22 RELATED PARTIES TRANSACTIONS (continued)

(b) Outstanding balances with related parties

	Notes	Unaudited As at 30 June 2026 HK$'000	Audited As at 31 December 2025 HK$'000
Trade receivables			
Trade receivables due from			
– CR Pharmaceutical Group	*(i)*	455	459
– Talent Smart Group	*(i)*	37	36
		492	495
Trade payables			
Trade payable due to			
– CR Pharmaceutical Group	*(i)*	150	150
– Talent Smart Group	*(i)*	–	1,557
– Jacobson Medical	*(ii)*	108,447	105,508
		108,597	107,215
Loans from shareholders			
– Jacobson Group Treasury Limited	*(iii)*	85,000	85,000
– Mr. Wong Ka Chun Michael	*(iv)*	14,882	16,882
		99,882	101,882

Notes:

(i) As at 30 June 2026, these balances are unsecured, interest-free and repayable/recoverable on demand.

(ii) As at 30 June 2026, the balances with the Jacobson Medical are unsecured, interest-free and with a credit period of 90 days.

(iii) As at 30 June 2026, the balance with the Jacobson Group Treasury Limited is secured by all shares in HNH held by the Group, with interest bearing at HIBOR + 2.5% per annum and was repayable on 31 March 2028. At 30 June 2026, all of the Group's shares in HNH were pledged to secure a loan from a shareholder granted to the Group.

(iv) As of 30 June 2026, the outstanding balances comprise two unsecured loans from Mr. Wong Ka Chun Michael, each bearing interest at 6.5% per annum. One loan is due for repayment in full by 31 May 2030, while the other is repayable in monthly installments, with the final installment due on 17 February 2030. An amount of HK$4,000,000 is classified as current liabilities.