WHITE FLOWER®

PAK FAH YEOW INTERNATIONAL LIMITED

(Incorporated in Bermuda with limited liability)

Stock Code: 239

INTERIM REPORT 2026

This Interim Report is printed on environmentally friendly paper

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CORPORATE INFORMATION

DIRECTORS

Executive Directors
Gan Wee Sean *(Chairman and Chief Executive Officer) (R)*
Gan Fock Wai, Stephen *(R)*
Gan Cheng Hooi, Gavin

Non-executive Director
Gan Fook Yin, Anita *(N)*

Independent Non-executive Directors
Leung Man Chiu, Lawrence *(chairing A, chairing R and chairing N)*
Dell'Orto Renato *(A, R and N)*
Chan Chi Chung, Simon *(A, R and N)*

COMPANY SECRETARY

Lo Tai On

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SOLICITOR

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PRINCIPAL SHARE REGISTRAR

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HONG KONG SHARE REGISTRAR

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STOCK CODE

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(A) Audit Committee member
(R) Remuneration Committee member
(N) Nomination Committee member

HIGHLIGHTS

- Revenue and Underlying Recurring Profit increased year-on-year by 6.7% and 3.7% respectively, primarily due to an increase in sales contribution from Healthcare business.

- Reported profit up 19.1%, primarily due to a significant decrease in non-cash fair value losses on investment properties.

- An interim dividend of HK3.0 cents per share and a special interim dividend of HK6.0 cents per share were declared.

Results Summary

		Six months ended 30 June		
		2026	2025	
	Notes	***HK$'000***	*HK$'000*	Change
Revenue	*1*	**101,035**	94,734	+6.7%
Reported profit	*2*	**47,352**	39,743	+19.1%
Underlying recurring profit	*3*	**46,971**	45,294	+3.7%
		HK cents	*HK cents*	
Earnings per share:	*4*			
Reported profit		**15.2**	12.8	+18.8%
Underlying recurring profit		**15.1**	14.5	+4.1%
Total interim dividends per share	*4*	**9.0**	8.0	+12.5%

		At 30 June 2026	At 31 December 2025	
		HK$'000	*HK$'000*	
Shareholders' funds	*5*	**734,045**	722,748	+1.6%
		HK$	*HK$*	
Net assets value per share	*6*	**2.36**	2.32	+1.7%

Notes:

1. Revenue represents revenue derived from the three business segments, namely healthcare ("Healthcare"), property investments ("Property Investments") and treasury investments ("Treasury Investments").

2. Reported profit ("Reported Profit") is the profit attributable to owners of the Company, which is prepared in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants.

3. Underlying recurring profit ("Underlying Recurring Profit") reflects the Group's performance of the three business segments and is arrived at by excluding from Reported Profit the unrealised fair value changes of financial assets at fair value through profit or loss and of investment properties.

4. The basic and diluted earnings per share and the total interim dividends per share are calculated using the weighted average number of ordinary shares in issue during the period.

5. Shareholders' funds are the equity attributable to owners of the Company, which is equivalent to the total equity as presented in the Company's consolidated statement of financial position.

6. Net assets value per share represents shareholders' funds divided by the number of ordinary shares of the Company in issue as at the end of the reporting period.

MANAGEMENT DISCUSSION AND ANALYSIS

Throughout this Management Discussion and Analysis section, percentage changes are calculated based on figures presented in thousands, as shown in the condensed interim financial information.

BUSINESS REVIEW

Results Overview

The first half of 2026 remained characterised by heightened geopolitical, trade and policy uncertainties. The conflict in the Middle East contributed to volatility in energy prices and financial markets, while consumer sentiment remained cautious in a number of the Group's key markets. Although financial conditions eased in certain economies, the operating environment continued to be uneven across regions.

Against this backdrop, the Group recorded total revenue of HK$101.0 million for the six months ended 30 June 2026, representing an increase of 6.7% from HK$94.7 million in 2025. The increase was primarily attributable to improved performance from the Healthcare and Property Investments segments, partially offset by lower interest income from Treasury Investments. Revenue for each business segment is as follows:

Business segment	**2026** ***HK$'000***	2025 *HK$'000*	Change %
Healthcare	**93,612**	86,724	+7.9
Property Investments	**5,129**	4,748	+8.0
Treasury Investments	**2,294**	3,262	-29.7
Total revenue	**101,035**	94,734	+6.7

Underlying Recurring Profit, which excludes from Reported Profit the unrealised fair value changes of financial assets and investment properties, increased by 3.7% to HK$47.0 million *(2025: HK$45.3 million)*, mainly due to a higher contribution from the Healthcare segment, partially offset by a lower contribution from Treasury Investments. Earnings per share of Underlying Recurring Profit was HK15.1 cents, compared with HK14.5 cents for 2025.

Reported Profit increased by 19.1% to HK$47.4 million *(2025: HK$39.7 million)*, primarily due to the higher recurring contribution from the Healthcare segment and a significant reduction in unrealised fair value losses on investment properties, partially offset by the lower contribution from Treasury Investments. Earnings per share of Reported Profit was HK15.2 cents, compared with HK12.8 cents for 2025.

The reconciliation between Underlying Recurring Profit and Reported Profit is as follows:

	2026 *HK$'000*	2025 *HK$'000*	Change %
Underlying Recurring Profit	**46,971**	45,294	+3.7
Unrealised fair value changes of financial assets	**501**	1,539	
Investment properties – Hong Kong and Singapore	**(120)**	(7,090)	
Reported Profit	**47,352**	39,743	+19.1

Total comprehensive income attributable to owners of the Company for the six months ended 30 June 2026 amounted to approximately HK$45.6 million *(2025: HK$5.0 million)*. The increase was mainly attributable to the higher Reported Profit and the substantial reduction in the revaluation deficit on self-use properties to HK$1.3 million, compared with HK$41.2 million in 2025. This was partially offset by net non-cash exchange losses of approximately HK$0.5 million arising from the translation of overseas operations and inter-company balances representing net investments, compared with net exchange gains of approximately HK$6.5 million in 2025.

OPERATIONS REVIEW

Healthcare

Healthcare remained the Group's core revenue contributor. Segment revenue increased by 7.9% to HK$93.6 million *(2025: HK$86.7 million)*, while segment profit increased by 14.7% to HK$60.1 million *(2025: HK$52.4 million)*. As segment profit increased at a faster rate than revenue, the segment profit margin improved to approximately 64.2% from 60.4% in 2025. Revenue by geographical segment is as follows:

	Six months ended 30 June		
Geographical segment	**2026** *HK$'000*	2025 *HK$'000*	Change %
China (including Chinese Mainland, Hong Kong and Macau)	**80,307**	67,687	+18.6
Southeast Asia	**13,170**	17,993	-26.8
North America	**–**	872	-100.0
Others	**135**	172	-21.5
Segment revenue	**93,612**	86,724	+7.9
Segment result – profit	**60,090**	52,386	+14.7

China

Revenue from the China market, including Chinese Mainland, Hong Kong and Macau, increased by 18.6% to HK$80.3 million *(2025: HK$67.7 million)*. The increase partly reflected the low comparison base in the prior period, when sales in Macau were affected by the inventory built up in 2024 during the product licence renewal process. Purchase volumes in Macau began to normalise during the period, while the Group's core distribution channels in Hong Kong remained stable and recorded some positive growth.

In Chinese Mainland, consumer behaviour continued to shift towards online channels. The Group continued to strengthen its presence on major digital platforms, including Douyin and Xiaohongshu, enhance collaborations with key opinion leaders and develop cross-border e-commerce operations. During the period, the Group also prepared a series of advertising and promotional campaigns in preparation for its 100th anniversary. These initiatives are expected to strengthen brand awareness, increase product exposure, stimulate consumer demand and support the Group's longer-term growth.

Southeast Asia

Revenue from Southeast Asia decreased by 26.8% to HK$13.2 million *(2025: HK$18.0 million)*. The decrease was mainly attributable to shipment delays to the Philippines arising from the late delivery of a key packaging material by a supplier. As a result, certain orders originally scheduled for the first half of 2026 were deferred to the second half of the year. In Thailand, sales were affected by weaker market demand amid higher energy prices associated with the conflict in the Middle East. The distributor also adopted a more cautious inventory strategy ahead of the product licence renewal scheduled for the fourth quarter of 2026, taking into account the possibility of changes to the packaging layout following the renewal. In Singapore, sales continued to face headwinds as subdued consumer sentiment weighed on demand within the medicated oil category.

North America

No revenue was recorded from North America during the period, compared with HK$0.9 million in 2025. In the United States, the distributor did not place orders during the first half of 2026 due to uncertainty arising from the sporadic implementation of tariffs and subsequent legal challenges. To avoid frequent price adjustments and maintain price stability in the market, the distributor adopted a cautious purchasing approach. Nevertheless, underlying demand remained intact, and orders are expected to resume in the second half of 2026. Accordingly, the Group expects North American revenue for the full year to remain broadly stable.

Property Investments

Property Investments segment revenue increased by 8.0% to HK$5.1 million *(2025: HK$4.7 million)*, supported by higher rental income across Hong Kong, Singapore and the United Kingdom. The segment result improved from a loss of HK$3.0 million in 2025 to a profit of HK$4.2 million in 2026, mainly due to the substantial reduction in unrealised fair value losses on investment properties. The revenue breakdown for each geographical segment is as follows:

	Six months ended 30 June		
Geographical segment	**2026** *HK$'000*	2025 *HK$'000*	Change %
Hong Kong – office and residential	**1,659**	1,591	+4.3
Singapore – industrial	**186**	171	+8.8
United Kingdom – retail/residential	**3,284**	2,986	+10.0
Segment revenue	**5,129**	4,748	+8.0
Segment result – profit (loss)	**4,231**	(2,978)	n/m

Note: n/m = not meaningful

For the six months ended 30 June 2026, approximately 32.3%, 3.6% and 64.0% *(2025: 33.5%, 3.6% and 62.9%)* of segment revenue was derived from investment properties in Hong Kong, Singapore and the United Kingdom respectively. All of these properties were fully occupied during the period *(2025: fully occupied)*.

Underlying Recurring Segment Result, which excludes from the segment result the unrealised fair value changes of investment properties, was a profit of HK$4.4 million, representing an increase of 5.8% from HK$4.1 million in 2025. The property expenses ratio as a percentage of segment revenue increased to 15.2% *(2025: 13.4%)*, reflecting higher property operating expenses relative to segment revenue during the period.

The segment result for the six months ended 30 June 2026 was a profit of HK$4.2 million *(2025: loss of HK$3.0 million)*, primarily due to the significant reduction in unrealised fair value losses on investment properties compared with the same period in 2025.

The reconciliation between Underlying Recurring Segment Result and the segment result is as follows:

	Six months ended 30 June		
	2026	2025	Change
	HK$'000	*HK$'000*	*%*
Underlying Recurring Segment Result	**4,351**	4,112	+5.8
Unrealised fair value changes – Hong Kong and Singapore	**(120)**	(7,090)	
Segment result – profit (loss)	**4,231**	(2,978)	n/m

Note: n/m = not meaningful

Treasury Investments

In addition to placing funds with reputable banks, the Group diversified its investment portfolio to include equity and debt securities, mutual funds and dual currency investments, with a view to optimising returns while maintaining prudent risk management.

Segment revenue, primarily generated from interest income, decreased by 29.7% to HK$2.3 million *(2025: HK$3.3 million)*, reflecting lower bank deposit rates during the period. Underlying Recurring Segment Result decreased by 59.6% to a profit of HK$2.4 million *(2025: HK$5.9 million)*, while segment profit decreased by 61.2% to HK$2.9 million *(2025: HK$7.4 million)*. The decreases were mainly attributable to lower interest income and lower investment returns compared with the prior period. The unrealised fair value gain on financial assets also decreased to HK$0.5 million from HK$1.5 million in 2025.

The reconciliation between Underlying Recurring Segment Result and the segment result is as follows:

	Six months ended 30 June		
	2026	2025	Change
	HK$'000	*HK$'000*	*%*
Underlying Recurring Segment Result	**2,381**	5,888	-59.6
Unrealised fair value changes of financial assets	**501**	1,539	
Segment result – profit	**2,882**	7,427	-61.2

FINANCIAL REVIEW

The results overview and operations review in the preceding sections also cover the financial performance of the Group's three business segments. This section discusses other significant financial items.

Staff Costs

Staff costs are classified into production-related payroll expenses and administration payroll expenses, which include costs for management and head office staff. Total staff costs increased slightly by 2.6% from HK$22.1 million to HK$22.7 million, primarily reflecting the impact of annual salary increments.

Other Operating Expenses

Other operating expenses remained broadly stable, decreasing by 0.5% to HK$10.7 million *(2025: HK$10.8 million)*. The ratio of other operating expenses to total revenue decreased to 10.6% *(2025: 11.4%)*, reflecting improved operating leverage as total revenue increased while other operating expenses remained broadly unchanged.

Finance Costs

Finance costs decreased by 1.2% to HK$407,000 *(2025: HK$412,000)*, reflecting the impact of lower interest rates during the period. The interest coverage ratio, calculated as profit from operations before interest, taxation and unrealised fair value changes of financial assets and investment properties divided by finance costs, improved to 139.3 times *(2025: 131.0 times)*.

Taxation

Taxation increased by 12.6% from HK$8.3 million to HK$9.3 million, principally due to the increase in taxable operating profits of subsidiaries.

Investment Properties

The Group's investment properties in Hong Kong and the United Kingdom were valued as at 30 June 2026 by an independent professional valuer on a fair value basis. No revaluation was made for the Group's investment property in Singapore, as its fair value change was considered insignificant for the period. The valuation of the investment property portfolio as at 30 June 2026 was HK$227.5 million, representing a slight decrease of 0.4% from HK$228.5 million as at 31 December 2025. The decrease mainly reflected the translation effect of a weaker Pound Sterling on the United Kingdom properties and a slight decline in the valuation of the Hong Kong properties. The valuation of the Group's investment properties by geographical segment as at the reporting date is as follows:

Geographical segment	**30 Jun 2026** **Original currency**	**30 Jun 2026** ***HK$'000***	31 Dec 2025 Original currency	31 Dec 2025 *HK$'000*	Change %
Hong Kong – office and residential	**HK$101,971,000**	**101,971**	HK$102,090,000	102,090	-0.1
Singapore – industrial	**S$2,434,000**	**14,742**	S$2,434,000	14,742	–
United Kingdom – retail/residential	**GBP10,660,000**	**110,757**	GBP10,660,000	111,664	-0.8
Total		**227,470**		228,496	-0.4

An unrealised fair value loss on investment properties of HK$0.1 million was recorded for the period *(2025: HK$7.1 million)*, representing a reduction of approximately 98.3%. In addition, the translation of the United Kingdom properties resulted in a non-cash exchange loss of approximately HK$0.9 million, as their Pound Sterling valuation remained unchanged while the Pound Sterling weakened against the Hong Kong Dollar. Overall, the investment property portfolio remained stable and continued to provide recurring rental income, supported by full occupancy.

FINANCIAL RESOURCES AND TREASURY POLICIES

The Group continued to adhere to prudent treasury policies. The gearing ratio, calculated as interest-bearing borrowings divided by total shareholders' funds, was 0.7% as at 30 June 2026 *(31 December 2025: 0.7%)*. Total bank borrowings of the Group amounted to HK$4.9 million *(31 December 2025: HK$4.8 million)*, and were mainly denominated in Pound Sterling and carried floating interest rates.

The current ratio, calculated as current assets divided by current liabilities, was 7.2 times as at 30 June 2026 *(31 December 2025: 18.4 times)*. The decrease was mainly attributable to the inclusion of approximately HK$35.3 million of dividends payable in current liabilities as at 30 June 2026, principally arising from the final and special final dividends for 2025 approved by shareholders during the period. Accordingly, the decrease in the current ratio mainly reflected the timing of the dividend payment and did not indicate a deterioration in the Group's underlying liquidity position. The Group maintained sufficient cash reserves, marketable securities and available banking facilities to meet its short-term liabilities, commitments and working capital requirements.

EXCHANGE RATE EXPOSURES

Most of the Group's business transactions were conducted in Hong Kong Dollars and United States Dollars. Some sales to Chinese Mainland and overseas markets were denominated in Renminbi, Australian Dollars and Malaysian Ringgit, while rental income in the United Kingdom was received in Pound Sterling. As at 30 June 2026, the Group's bank borrowings were mainly denominated in Pound Sterling. The Group also held equity and debt securities denominated in foreign currencies.

The Group considers that it has no significant exposure to fluctuations in the United States Dollar as long as the Hong Kong Dollar remains pegged to the United States Dollar. Excluding United States Dollar exposures, the Group's foreign exchange exposure relating to investments in overseas securities and bank balances as at 30 June 2026 amounted to approximately HK$46.9 million *(31 December 2025: HK$36.7 million)*, representing approximately 5.3% *(31 December 2025: 4.4%)* of the Group's total assets. The Group was also exposed to foreign exchange rate movements, net of the underlying bank borrowings, of approximately HK$105.9 million *(31 December 2025: HK$106.9 million)* in relation to the carrying amount of its investment properties in the United Kingdom.

PLEDGE OF ASSETS

As at 30 June 2026, the Group's investment properties in the United Kingdom with an aggregate carrying value of approximately HK$110.8 million *(31 December 2025: HK$111.7 million)* were pledged to secure banking facilities granted to the Group to the extent of approximately HK$9.4 million *(31 December 2025: HK$10.2 million)*, of which approximately HK$4.9 million *(31 December 2025: HK$4.8 million)* was utilised as at 30 June 2026.

CONTINGENT LIABILITIES

As at 30 June 2026, no legal proceedings had been initiated by any third parties against the Group as defendant, nor were there any outstanding claims which might result in significant financial losses to the Group.

PLAN FOR SIGNIFICANT INVESTMENT OR ACQUISITION OF CAPITAL ASSETS IN THE FUTURE

The Group has no plan for any significant investment or acquisition of material capital assets.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2026, the Group had a total of 100 employees *(31 December 2025: 100)*. Remuneration packages of employees and directors are reviewed annually and determined by reference to market remuneration and individual performance. In addition to salary payments, the Group also provides other employment benefits, including medical allowance and educational subsidies, to eligible employees.

OUTLOOK

Looking into the second half of 2026, the Group remains cautious in its outlook. The operating environment is expected to continue to be affected by geopolitical tensions, energy price volatility, trade and tariff uncertainties and cautious consumer sentiment. These factors may affect production and logistics costs, exchange rates and consumer spending in the Group's key markets.

For the Healthcare segment, the improvement in China during the first half is encouraging, although the pace and sustainability of recovery remain subject to market conditions. Sales of core products may experience modest fluctuations amid uncertainties in the global economy and consumer market. Nevertheless, the planned launch of new products, including Hoe Hin White Flower Oil Roll-On and GoodDay essential oil, is expected to broaden the product portfolio, attract new consumer groups and generate additional sales momentum. Together with the Group's 100th anniversary advertising and promotional campaigns, these initiatives are expected to reinforce brand visibility and support consumer demand.

In Southeast Asia, the deferred Philippine orders are expected to be recognised in the second half, although performance in Thailand and Singapore will remain sensitive to local economic conditions, consumer sentiment and distributor inventory management. In North America, orders are anticipated to resume as tariff-related uncertainty becomes clearer. The Group will continue to monitor market developments closely and manage production, shipments and pricing prudently.

By Order of the Board
Pak Fah Yeow International Limited
Gan Wee Sean
Chairman

Hong Kong, 20 August 2026

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION

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To the board of directors
Pak Fah Yeow International Limited
(incorporated in Bermuda with limited liability)

Introduction

We have reviewed the condensed interim financial information of Pak Fah Yeow International Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 16 to 37, which comprises the condensed consolidated statement of financial position as of 30 June 2026 and the related condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six months then ended, and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). The directors of the Company are responsible for the preparation and presentation of this condensed interim financial information in accordance with HKAS 34.

Our responsibility is to express a conclusion on this condensed interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of review

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

Conclusion

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

Forvis Mazars CPA Limited
Certified Public Accountants
Hong Kong, 20 August 2026

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Six months ended 30 June 2026

		Six months ended 30 June	
		2026	2025
		(unaudited)	(unaudited)
	Notes	***HK$'000***	*HK$'000*
Revenue	3	**101,035**	94,734
Other revenue	4	**177**	66
Other net income	5	**242**	158
Changes in inventories of finished goods		**1,347**	3,332
Raw materials and consumables used		**(10,979)**	(13,589)
Staff costs		**(22,686)**	(22,105)
Depreciation expenses		**(1,857)**	(2,918)
Net exchange gain		**149**	5,094
Other operating expenses		**(10,738)**	(10,794)
Profit from operations before fair value changes of financial assets through profit or loss and of investment properties		**56,690**	53,978
Net gain on changes in fair value of financial assets at fair value through profit or loss		**501**	1,539
Revaluation deficit in respect of investment properties		**(120)**	(7,090)
Profit from operations		**57,071**	48,427
Finance costs	6	**(407)**	(412)
Profit before taxation	6	**56,664**	48,015
Taxation	7	**(9,312)**	(8,272)
Profit for the period, attributable to owners of the Company		**47,352**	39,743

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

Six months ended 30 June 2026

		Six months ended 30 June	
		2026	2025
		(unaudited)	(unaudited)
	Notes	***HK$'000***	*HK$'000*
Other comprehensive (loss) income			
Items that may be reclassified subsequently to profit or loss:			
Exchange difference arising from translation of financial statements of overseas subsidiaries		**(455)**	6,277
Exchange difference arising from translation of inter-company balances with overseas subsidiaries representing net investments		**(28)**	174
		(483)	6,451
Item that will not be reclassified to profit or loss:			
Revaluation deficit of leasehold land and buildings, net of tax effect of HK$255,000 *(2025: HK$8,143,000)*		**(1,292)**	(41,203)
Other comprehensive loss for the period, net of tax, attributable to owners of the Company		**(1,775)**	(34,752)
Total comprehensive income for the period, attributable to owners of the Company		**45,577**	4,991
Earnings per share			
Basic and diluted	9	**15.2 cents**	12.8 cents

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026

	Notes	At 30 June 2026 (unaudited) HK$'000	At 31 December 2025 (audited) HK$'000
Non-current assets			
Investment properties	10	**227,470**	228,496
Property, plant and equipment	10	**205,690**	203,060
Intangible assets		**2,450**	2,450
Financial assets at fair value through profit or loss	12	**4,823**	4,831
Deferred tax assets		**1,157**	1,128
		441,590	439,965
Current assets			
Inventories		**14,587**	12,634
Trade and other receivables	11	**21,855**	27,241
Financial assets at fair value through profit or loss	12	**22,874**	13,268
Tax recoverable		**–**	3,999
Bank balances and cash		**377,393**	331,267
		436,709	388,409
Current liabilities			
Bank borrowings, secured	13	**4,880**	4,794
Current portion of deferred income		**321**	324
Trade and other payables	14	**12,571**	12,947
Tax payables		**7,383**	2,022
Dividends payable		**35,278**	1,027
		60,433	21,114
Net current assets		**376,276**	367,295
Total assets less current liabilities		**817,866**	807,260

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

At 30 June 2026

	Notes	**At 30 June 2026 (unaudited)** ***HK$'000***	At 31 December 2025 (audited) *HK$'000*
Non-current liabilities			
Long-term portion of consideration payable for acquisition of trademarks		**2,072**	2,073
Long-term portion of deferred income		**42,869**	43,382
Provision for directors' retirement benefits		**7,021**	6,843
Deferred tax liabilities		**31,859**	32,214
		83,821	84,512
NET ASSETS		**734,045**	722,748
Capital and reserves			
Share capital	*15*	**15,582**	15,582
Share premium and reserves		**718,463**	707,166
TOTAL EQUITY		**734,045**	722,748

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Six months ended 30 June 2026

	Unaudited Attributable to owners of the Company							
	Share capital *HK$'000*	Share premium *HK$'000*	Properties revaluation reserve *HK$'000*	Exchange reserve *HK$'000*	Proposed dividends *HK$'000*	Retained profits *HK$'000*	Sub-total *HK$'000*	Total *HK$'000*
At 1 January 2025	15,582	21,997	186,521	(39,231)	32,722	514,317	716,326	731,908
Profit for the period	–	–	–	–	–	39,743	39,743	39,743
Other comprehensive (loss) income	–	–	(41,203)	6,451	–	–	(34,752)	(34,752)
Total comprehensive (loss) income attributable to owners of the Company	–	–	(41,203)	6,451	–	39,743	4,991	4,991
Transfer	–	–	(1,544)	–	–	1,544	–	–
Transactions with owners:								
Distributions to owners								
Interim dividends declared *(note 8)*	–	–	–	–	9,349	(9,349)	–	–
Special interim dividends declared *(note 8)*	–	–	–	–	15,582	(15,582)	–	–
2024 final and special final dividends transferred to dividends payable	–	–	–	–	(32,722)	–	(32,722)	(32,722)
Total transactions with owners	–	–	–	–	(7,791)	(24,931)	(32,722)	(32,722)
At 30 June 2025	15,582	21,997	143,774	(32,780)	24,931	530,673	688,595	704,177
At 1 January 2026	15,582	21,997	133,255	(31,909)	34,280	549,543	707,166	722,748
Profit for the period	–	–	–	–	–	47,352	47,352	47,352
Other comprehensive loss	–	–	(1,292)	(483)	–	–	(1,775)	(1,775)
Total comprehensive (loss) income attributable to owners of the Company	–	–	(1,292)	(483)	–	47,352	45,577	45,577
Transfer	–	–	(624)	–	–	624	–	–
Transactions with owners:								
Distributions to owners								
Interim dividends declared *(note 8)*	–	–	–	–	9,349	(9,349)	–	–
Special interim dividends declared *(note 8)*	–	–	–	–	18,698	(18,698)	–	–
2025 final and special final dividends transferred to dividends payable	–	–	–	–	(34,280)	–	(34,280)	(34,280)
Total transactions with owners	–	–	–	–	(6,233)	(28,047)	(34,280)	(34,280)
At 30 June 2026	**15,582**	**21,997**	**131,339**	**(32,392)**	**28,047**	**569,472**	**718,463**	**734,045**

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

Six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	HK$'000	*HK$'000*
OPERATING ACTIVITIES		
Cash generated from operations	**50,100**	64,050
Interest received	**2,294**	3,262
Interest paid	**(127)**	(132)
Income taxes paid	**(70)**	(17)
Net cash generated from operating activities	**52,197**	67,163
INVESTING ACTIVITIES		
Decrease (increase) in time deposits with original maturity of over three months when acquired	**57,725**	(5,567)
Purchase of property, plant and equipment	**(6,060)**	(77)
Sales proceeds from disposal of property, plant and equipment	**200**	–
Net cash generated from (used in) investing activities	**51,865**	(5,644)
FINANCING ACTIVITIES		
Consideration paid for acquisition of trademark	**(280)**	(280)
Net movement in bank borrowings	**125**	143
Dividends paid	**(29)**	(117)
Net cash used in financing activities	**(184)**	(254)
Net increase in cash and cash equivalents	**103,878**	61,265
Cash and cash equivalents at beginning of the reporting period	**263,306**	270,710
Effect of foreign exchange rate changes	**(27)**	1,102
Cash and cash equivalents at end of the reporting period	**367,157**	333,077
Analysis of the balances of cash and cash equivalents		
Cash at bank and in hand	**77,226**	94,902
Time deposits	**300,167**	248,850
Total cash and bank balances as stated in consolidated statement of financial position	**377,393**	343,752
Less: time deposits with original maturity of over three months	**(10,236)**	(10,675)
Total cash and bank balances as stated in consolidated statement of cash flows	**367,157**	333,077

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

Six months ended 30 June 2026

1. BASIS OF PREPARATION

The unaudited condensed interim financial information of Pak Fah Yeow International Limited (the "Company") and its subsidiaries (together the "Group") for the six months ended 30 June 2026 (the "Interim Financial Information") has been prepared in accordance with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

The Interim Financial Information does not include all the information and disclosures required in the annual financial statements and should be read, where relevant, in conjunction with the Group's annual financial statements for the year ended 31 December 2025 ("2025 Annual Financial Statements").

The Interim Financial Information is unaudited, but has been reviewed by the Company's Audit Committee.

2. PRINCIPAL ACCOUNTING POLICIES

The Interim Financial Information has been prepared under the historical cost convention except for investment properties, leasehold land and buildings and financial assets at fair value through profit or loss, which are measured at fair value.

The accounting policies adopted in the preparation of the Interim Financial Information are consistent with those used in the preparation of the 2025 Annual Financial Statements, except for the adoption of the following new/revised HKFRS Accounting Standards that are effective for the Group's financial year beginning on 1 January 2026.

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Annual Improvements to HKFRS Accounting Standards	Volume 11
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity
HKFRS 7, HKFRS 18, HKAS 1, HKAS 8, HKAS 36 and HKAS 37	Disclosures about Uncertainties in the Financial Statements (amendments)

2. PRINCIPAL ACCOUNTING POLICIES (CONTINUED)

The adoption of these amendments to HKFRS Accounting Standards does not have any significant impacts on the Interim Financial Information of the Group.

The Group has not early adopted any new/revised HKFRS Accounting Standards that have been issued but are not yet effective for the financial year beginning on 1 January 2026. The directors are in the process of assessing the possible impact on the future adoption of these new/revised HKFRS Accounting Standards, but are not yet in a position to reasonably estimate their impact on the Group's results and financial position.

3. OPERATING SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the chief operating decision maker – the executive directors for making strategic decisions and resources allocation. The Group's operating segments are structured and managed separately according to the nature of their businesses. The Group is currently organised into three operating businesses as follows:

(a) Healthcare – manufacture and sale of Hoe Hin brand of products

(b) Property investments

(c) Treasury investments

Each of the Group's operating segments represents a strategic business unit subject to risks and returns that are different from those of the other operating segments.

For the purposes of assessing the performance of each of the operating segments, the executive directors assess segment profit or loss before income tax without allocation of finance costs, directors' emoluments, office staff salaries, legal and professional fees and central administrative costs and the basis of preparing such information is consistent with that of the Interim Financial Information. All assets are allocated to reportable segments other than deferred tax assets, tax recoverable and other corporate assets. All liabilities are allocated to reportable segments other than deferred tax liabilities, provision for directors' retirement benefits, tax payable, dividends payable and other corporate liabilities.

3. OPERATING SEGMENT INFORMATION (CONTINUED)

Business segments

	Six months ended 30 June 2026			
	Healthcare (unaudited) *HK$'000*	Property investments (unaudited) *HK$'000*	Treasury investments (unaudited) *HK$'000*	Consolidated (unaudited) *HK$'000*
Revenue from external customers	**93,612**	**5,129**	**2,294**	**101,035**
Segment results	**60,090**	**4,231**	**2,882**	**67,203**
Unallocated corporate expenses				**(10,132)**
Profit from operations				**57,071**
Finance costs				**(407)**
Profit before taxation				**56,664**
Taxation				**(9,312)**
Profit for the period				**47,352**

	Six months ended 30 June 2025			
	Healthcare (unaudited) *HK$'000*	Property investments (unaudited) *HK$'000*	Treasury investments (unaudited) *HK$'000*	Consolidated (unaudited) *HK$'000*
Revenue from external customers	86,724	4,748	3,262	94,734
Segment results	52,386	(2,978)	7,427	56,835
Unallocated corporate expenses				(8,408)
Profit from operations				48,427
Finance costs				(412)
Profit before taxation				48,015
Taxation				(8,272)
Profit for the period				39,743

3. OPERATING SEGMENT INFORMATION (CONTINUED)

Segment assets and liabilities

The following table presents segment assets and liabilities of the Group's business segments as at 30 June 2026 and 31 December 2025:

	At 30 June 2026			
	Healthcare (unaudited) ***HK$'000***	**Property investments (unaudited)** ***HK$'000***	**Treasury investments (unaudited)** ***HK$'000***	**Consolidated (unaudited)** ***HK$'000***
Assets				
Segment assets	**313,687**	**229,070**	**333,344**	**876,101**
Unallocated corporate assets				**2,198**
Consolidated total assets				**878,299**
Liabilities				
Segment liabilities	**11,451**	**49,387**	**–**	**60,838**
Unallocated corporate liabilities				**83,416**
Consolidated total liabilities				**144,254**

	At 31 December 2025			
	Healthcare (audited) *HK$'000*	Property investments (audited) *HK$'000*	Treasury investments (audited) *HK$'000*	Consolidated (audited) *HK$'000*
Assets				
Segment assets	312,816	229,791	279,242	821,849
Unallocated corporate assets				6,525
Consolidated total assets				828,374
Liabilities				
Segment liabilities	11,398	49,451	–	60,849
Unallocated corporate liabilities				44,777
Consolidated total liabilities				105,626

3. OPERATING SEGMENT INFORMATION (CONTINUED)

Geographical information

	Revenue from external customers		Results from operations	
	Six months ended 30 June		Six months ended 30 June	
	2026	2025	**2026**	2025
	(unaudited)	(unaudited)	**(unaudited)**	(unaudited)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
China	**83,651**	71,764	**54,834**	37,518
Southeast Asia	**13,887**	18,748	**8,066**	14,238
North America	**1**	872	**16**	391
United Kingdom	**3,362**	3,178	**3,117**	3,077
Europe (excluding United Kingdom)	**–**	–	**243**	910
Other regions	**134**	172	**35**	103
Unallocated corporate expenses	**–**	–	**(9,240)**	(7,810)
	101,035	94,734	**57,071**	48,427

4. OTHER REVENUE

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	HK$'000	*HK$'000*
Listed investments:		
Dividend income from financial assets at fair value through profit or loss	**177**	67
Loss on disposal of financial assets at fair value through profit or loss	**–**	(1)
	177	66

5. OTHER NET INCOME

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	HK$'000	*HK$'000*
Sundry income	**242**	158

6. PROFIT BEFORE TAXATION

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	HK$'000	*HK$'000*
This is stated after charging:		
(a) Finance costs		
Interest on bank borrowings	**127**	132
Interest on consideration payable for acquisition of trademarks	**280**	280
	407	412
(b) Other items		
Cost of inventories	**22,369**	23,343

7. TAXATION

Under the two-tiered profits tax rates regime introduced in 2018, the first HK$2 million of profits of a qualifying group entity are taxed at 8.25% and profits above HK$2 million are taxed at 16.5%. The profits of other group entities in Hong Kong not qualifying for the two-tiered profits tax rates continue to be taxed at a flat rate of 16.5%.

Overseas taxation has been provided on the estimated assessable profits for the period, in respect of the Group's overseas operations, at the rates of taxation prevailing in the relevant jurisdictions.

7. TAXATION (CONTINUED)

The charge comprises:

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	HK$'000	*HK$'000*
Current tax		
Hong Kong Profits Tax		
– Current period	**8,809**	7,822
Overseas tax	**632**	621
	9,441	8,443
Deferred taxation		
Origination and reversal of temporary differences	**(129)**	(171)
	9,312	8,272

8. DIVIDENDS

Dividends attributable to the previous financial year, approved during the period

At the board meeting held on 30 March 2026, the directors proposed for the year ended 31 December 2025 a final dividend of HK3.8 cents per share totalling HK$11,842,000 *(year ended 31 December 2024: HK3.8 cents per share totalling HK$11,842,000)* and a special final dividend of HK7.2 cents per share totalling HK$22,438,000 *(year ended 31 December 2024: HK6.7 cents per share totalling HK$20,880,000)*. Upon the approval by shareholders on 2 June 2026, the appropriation of the said dividends was transferred to dividends payable.

Dividends attributable to the period

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	HK$'000	*HK$'000*
Interim dividend of HK3.0 cents per share *(2025: HK3.0 cents per share)*	**9,349**	9,349
Special interim dividend of HK6.0 cents per share *(2025: HK5.0 cents per share)*	**18,698**	15,582
	28,047	24,931

8. DIVIDENDS (CONTINUED)

Dividends attributable to the period (Continued)

On 20 August 2026, the directors declared for the six months ended 30 June 2026 an interim dividend of HK3.0 cent per share *(2025: HK3.0 cents per share)* and a special interim dividend of HK6.0 cents per share *(2025: HK5.0 cents per share)* totalling HK$28,047,000 *(2025: HK$24,931,000 declared on 21 August 2025)*, which will be payable to shareholders whose names appear on the register of members of the Company on 6 October 2026.

9. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share is based on the profit attributable to owners of the Company for the period of HK$47,352,000 *(2025: HK$39,743,000)* and the weighted average number of 311,640,000 *(2025: 311,640,000)* ordinary shares in issue during the period.

Diluted earnings per share equals to basic earnings per share as there were no potential dilutive ordinary shares outstanding during the six months ended 30 June 2026 and 2025.

10. MOVEMENTS IN INVESTMENT PROPERTIES AND PROPERTY, PLANT AND EQUIPMENT

The Group's investment properties situated in Hong Kong and leasehold land and buildings situated in Hong Kong were stated at fair value as at 30 June 2026 as estimated by the directors with reference to the valuation provided by an independent professional valuer. The Group recorded a net deficit on revaluation of the investment properties situated in Hong Kong of HK$120,000 *(six months ended 30 June 2025: HK$7,090,000)* during the period, which was recognised in profit or loss. In addition, the Group recorded a deficit on revaluation of the leasehold land and buildings situated in Hong Kong of HK$1,547,000 *(six months ended 30 June 2025: HK$49,346,000)* during the period, which was recognised in the properties revaluation reserve.

In addition, the Group's investment properties situated in London, the United Kingdom were also stated at fair value as at 30 June 2026 as estimated by the directors with reference to the valuation provided by an independent professional valuer. No surplus or deficit on revaluation was noted during the two periods ended 30 June 2026 and 2025. During the period, the Group recorded a deficit on exchange realignment of HK$907,000 *(six months ended 30 June 2025: surplus of HK$10,824,000)* on the investment properties situated in the United Kingdom, which was recognised as part of the exchange difference arising from translation of financial statements of overseas subsidiaries in the exchange reserve.

In the opinion of the directors, the change in fair value of the Group's investment properties situated in Singapore for the period was not material.

During the period, the Group acquired property, plant and equipment of HK$6,060,000 *(six months ended 30 June 2025: HK$77,000)*.

11. TRADE AND OTHER RECEIVABLES

	At 30 June 2026 (unaudited) *HK$'000*	At 31 December 2025 (audited) *HK$'000*
Trade receivables	**14,867**	12,221
Bills receivables	**3,879**	9,314
Other receivables		
Deposits, prepayments and other debtors	**3,109**	5,706
	21,855	27,241

The Group allows a credit period ranging from 30 days to 120 days *(31 December 2025: 30 days to 120 days)* to its customers. The ageing analysis of trade receivables by invoice date is as follows:

	At 30 June 2026 (unaudited) *HK$'000*	At 31 December 2025 (audited) *HK$'000*
Within 30 days	**9,205**	7,627
31 – 60 days	**1,604**	1,613
61 – 90 days	**2,906**	1,580
91 – 120 days	**1,152**	1,401
	14,867	12,221

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group's major investments as at 30 June 2026 are detailed below:

	At 30 June 2026 (unaudited)				
	Stock code	Fair/ Market value	Approximate percentage of the Group's investment portfolio	Approximate percentage of the Group's net assets	Unrealised fair value gain (loss) for the six months ended 30 June 2026
		HK$'000	%	%	*HK$'000*
Equity securities, listed in Hong Kong					
HSBC Holdings plc	0005.HK	2,040	7.37	0.28	351
Mutual funds, unlisted					
KBC Eco Fund SICAV-Water capitalisation	N/A	3,022	10.91	0.41	147
JBM SICAV-SAM S WATER Robeco Capital Growth	N/A	4,060	14.66	0.55	83
Brookfield Oaktree Wealth solutions alternative	N/A	1,973	7.12	0.27	23
HSBC GIF – STRATEGIC DURATION AND INCOME BOND	N/A	1,726	6.23	0.24	(76)
13.14% Autocall Barrier RCN UBSL	N/A	2,028	7.32	0.28	28
15.18% Autocallable RCN SGI	N/A	2,017	7.28	0.27	17
Debt securities, unlisted					
Aberdeen Marina Club Limited*	N/A	2,785	10.06	0.38	–
Shenzhen Xili Golf Club*	N/A	1,842	6.65	0.25	–

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

The Group's major investments as at 31 December 2025 are detailed below:

	At 31 December 2025 (audited)				
	Stock code	Fair/ Market value	Approximate percentage of the Group's investment portfolio	Approximate percentage of the Group's net assets	Unrealised fair value gain for the year ended 31 December 2025
		HK$'000	*%*	*%*	*HK$'000*
Equity securities, listed in Hong Kong					
HSBC Holdings plc	0005.HK	1,689	9.33	0.23	643
Tencent	0700.HK	1,198	6.62	0.17	364
Mutual funds, unlisted					
HSBC GIF – STRATEGIC DURATION AND INCOME BOND	N/A	1,186	6.55	0.16	–
KBC Eco Fund SICAV-Water capitalisation	N/A	2,875	15.88	0.40	580
Multipartner SICAV-RobecoSAM Sustainable Water Fund B – capitalisation	N/A	3,976	21.97	0.55	352
Debt securities, unlisted					
Aberdeen Marina Club Limited*	N/A	2,785	15.39	0.39	–
Shenzhen Xili Golf Club*	N/A	1,842	10.18	0.25	–

* neither held for sale nor repayment in immediate future.

13. BANK BORROWINGS, SECURED

The analysis of the carrying amount of bank borrowings is as follows:

	At 30 June 2026 (unaudited) ***HK$'000***	At 31 December 2025 (audited) *HK$'000*
Bank borrowings due for repayment within one year	**4,880**	4,794

The revolving loan of HK$4,880,000 (*31 December 2025: HK$4,794,000*) bears interest at the bank's cost of fund plus 1.14% per annum (*31 December 2025: 1.79% per annum*) and is repayable one month after drawdown. The loan is secured by pledging the Group's investment properties with an aggregate carrying value of HK$110,757,000 (*31 December 2025: HK$111,664,000*) together with the assignment of rental monies derived from the investment properties.

14. TRADE AND OTHER PAYABLES

	At 30 June 2026 (unaudited) ***HK$'000***	At 31 December 2025 (audited) *HK$'000*
Trade payables	**1,286**	1,812
Other payables		
Accrued charges and other creditors	**6,204**	6,689
Accrued advertising and promotion expenses	**3,597**	2,813
Accrued rebates and discounts	**1,484**	1,633
	11,285	11,135
	12,571	12,947

14. TRADE AND OTHER PAYABLES (CONTINUED)

The ageing analysis of trade payables by invoice date is as follows:

	At 30 June 2026 (unaudited) ***HK$'000***	At 31 December 2025 (audited) *HK$'000*
Within 30 days	**989**	1,212
31 – 60 days	**267**	5
More than 90 days	**30**	595
	1,286	1,812

15. SHARE CAPITAL

	At 30 June 2026 (unaudited)		At 31 December 2025 (audited)	
	No. of shares	***HK$'000***	No. of shares	*HK$'000*
Authorised:				
At beginning and end of the reporting period – Ordinary shares of HK$0.05 each	**600,000,000**	**30,000**	600,000,000	30,000
Issued and fully paid:				
At beginning and **end of the reporting period**	**311,640,000**	**15,582**	311,640,000	15,582

16. PLEDGE OF ASSETS

The Group's investment properties in the United Kingdom were pledged to secure banking facilities, including bank borrowings, granted to the Group to the extent of HK$9,351,000 (*31 December 2025: HK$10,213,000*), of which HK$4,880,000 (*31 December 2025: HK$4,794,000*) were utilised at the end of the reporting period.

16. PLEDGE OF ASSETS (CONTINUED)

The carrying amounts of the Group's pledged assets are as follows:

	At 30 June 2026 (unaudited)	At 31 December 2025 (audited)
	HK$'000	*HK$'000*
Investment properties	**110,757**	111,664

17. RELATED PARTY TRANSACTIONS

In addition to the transactions/information disclosed elsewhere in this Interim Financial Information, during the period, the Group had the following transactions with related parties.

	Six months ended 30 June	
	2026 (unaudited)	2025 (unaudited)
	HK$'000	*HK$'000*
Compensation paid to key management personnel, including directors:		
– Salaries and other benefits	**9,290**	8,960
– Contributions to defined contribution plan	**36**	36

18. FAIR VALUE DISCLOSURES

The following presents the financial assets measured at fair value or required to disclose their fair value in this Interim Financial Information on a recurring basis at the end of the reporting period across the three levels of the fair value hierarchy defined in HKFRS 13, Fair Value Measurement, with the fair value measurement categorised in its entirety based on the lowest level input that is significant to the entire measurement. The levels of inputs are defined as follows:

- Level 1 (highest level): quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly;
- Level 3 (lowest level): unobservable inputs for the asset or liability.

18. FAIR VALUE DISCLOSURES (CONTINUED)

Financial assets measured at fair value

	30 June 2026 (unaudited) *HK$'000*	**Level 1 (unaudited)** *HK$'000*	**Level 2 (unaudited)** *HK$'000*	**Level 3 (unaudited)** *HK$'000*
Financial assets at fair value through profit or loss				
Equity securities, listed in Hong Kong	**3,857**	**3,857**	–	–
Equity securities, listed overseas	**207**	**207**	–	–
Mutual funds, unlisted	**18,810**	–	**18,810**	–
Debt securities, unlisted	**4,823**	**4,823**	–	–
	27,697	**8,887**	**18,810**	–

	31 December 2025 (audited) *HK$'000*	Level 1 (audited) *HK$'000*	Level 2 (audited) *HK$'000*	Level 3 (audited) *HK$'000*
Financial assets at fair value through profit or loss				
Equity securities, listed in Hong Kong	3,781	3,781	–	–
Equity securities, listed overseas	102	102	–	–
Mutual funds, unlisted	9,385	–	9,385	–
Debt securities, unlisted	4,823	4,823	–	–
Private equity fund, unlisted	8	–	–	8
	18,099	8,706	9,385	8

During the period ended 30 June 2026 and the year ended 31 December 2025, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements. The Group's policy is to recognise transfers between levels as at the end of the reporting period.

18. FAIR VALUE DISCLOSURES (CONTINUED)

Movements in level 3 fair value measurements

Description	**Private equity fund, unlisted**	
	At 30 June 2026 (unaudited) *HK$'000*	At 31 December 2025 (audited) *HK$'000*
At beginning of the reporting period	**8**	44
Disposals	**–**	(36)
Write off	**(8)**	–
At end of the reporting period	**–**	8

Description of the valuation techniques and inputs used in Level 2 fair value measurement

The unlisted mutual funds are valued based on quoted market prices from dealers or by reference to quoted market prices for similar instruments.

Description of the valuation techniques and inputs used in Level 3 fair value measurement

The unlisted private equity fund's assets mainly comprise investment in unlisted companies in various industries (the "Investment") and the fair value of the Investment is estimated by the external fund manager by reference to a number of factors including the operating cash flows and financial performance of the Investment, trends within sectors and/or regions, underlying business models, expected exit timing and strategy and any specific rights or terms associated with the Investment.

Valuation processes of the Group

The Group reviews estimation of fair value of the unlisted private equity fund which is categorised into Level 3 of the fair value hierarchy. Reports with estimation of fair value are prepared by the external fund manager on a quarterly basis. Discussion of the valuation process and results is held between the chief financial officer and the Audit Committee twice a year, to coincide with the reporting dates.

DISCLOSURE OF INTERESTS AND OTHER INFORMATION

DIRECTORS' INTERESTS IN SECURITIES

As at 30 June 2026, the interests and short positions of the directors and chief executive in the shares of the Company and associated corporations, as defined in Part XV of Securities and Futures Ordinance (the "SFO") and as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by the Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules, were as follows:

(a) Long positions in shares of the Company

	Number of shares held				Percentage of issued shares of the Company
Name of director	Personal interests	Family interests	Corporate interests	Total	
Mr. Gan Wee Sean	27,208,322	2,380,560 *(Note 1)*	–	29,588,882	9.49%
Mr. Gan Fock Wai, Stephen	10,746,879	–	62,527,920 *(Note 2)*	73,274,799	23.51%
Mr. Gan Cheng Hooi, Gavin	–	–	65,323,440 *(Note 3)*	65,323,440	20.96%
Ms. Gan Fook Yin, Anita	1,190,280	–	–	1,190,280	0.38%

(b) Long positions in non-voting deferred shares of associated corporations

(i) Hoe Hin Pak Fah Yeow Manufactory Limited ("HHPFY")

	Number of non-voting deferred shares of HK$1,000 each held				Percentage of issued non-voting deferred shares of the respective corporations
Name of director	Personal interests	Family interests	Corporate interests	Total	
Mr. Gan Wee Sean	8,600	800 *(Note 1)*	–	9,400	42.7%
Mr. Gan Fock Wai, Stephen	2,800	–	–	2,800	12.7%

DIRECTORS' INTERESTS IN SECURITIES (CONTINUED)

(b) Long positions in non-voting deferred shares of associated corporations (Continued)

(ii) Pak Fah Yeow Investment (Hong Kong) Company, Limited ("PFYI")

	Number of non-voting deferred shares of HK$1 each held				Percentage of issued non-voting deferred shares of the respective corporations
Name of director	**Personal interests**	**Family interests**	**Corporate interests**	**Total**	
Mr. Gan Wee Sean	8,244,445	711,111 *(Note 1)*	–	8,955,556	42.2%
Mr. Gan Fock Wai, Stephen	2,800,000	–	–	2,800,000	13.2%

Notes:

1. Madam Khoo Phaik Gim, wife of Mr. Gan Wee Sean, beneficially owned 2,380,560 shares of the Company, 800 non-voting deferred shares of HHPFY and 711,111 non-voting deferred shares of PFYI.

2. These 62,527,920 shares were beneficially owned by Gan's Enterprises Limited, a company in which Mr. Gan Fock Wai, Stephen has an interest of approximately 32%.

3. These 65,323,440 shares were beneficially owned by Hexagan Enterprises Limited, a company in which Mr. Gan Cheng Hooi, Gavin has an interest of approximately 29.25%.

Other than as disclosed above, as at 30 June 2026, none of the directors or chief executives, nor their associates, had any interests and short positions in shares, underlying shares and debentures of the Company or any of its associated corporations as defined in Part XV of the SFO and none of the directors or chief executives, or their spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such rights at any time during the period.

SUBSTANTIAL SHAREHOLDERS

As at 30 June 2026, the interests or short positions of every person, other than the directors and their respective associates as disclosed in "DIRECTORS' INTERESTS IN SECURITIES" above, in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO, are set out below:

Long position in the shares and underlying shares of the Company

Name of substantial shareholder	Number of shares held				Percentage of issued shares of the Company
	Personal interests	Family interests	Corporate interests	Total	
Mdm. Khoo Phaik Gim	2,380,560	27,208,322	–	29,588,882 *(Note 1)*	9.49%
Mr. Gan Cheng Chuah, Gary	–	–	65,323,440 *(Note 2)*	65,323,440	20.96%
Mr. Jonathan William Brooke	21,815,000	–	15,582,500 *(Note 3)*	37,397,500	12.00%

Notes:

1. These 29,588,882 shares comprise 2,380,560 shares beneficially owned by Mdm. Khoo Phaik Gim and 27,208,322 shares beneficially owned by Mr. Gan Wee Sean, her husband and an executive director and the chairman of the Company.

2. These 65,323,440 shares were beneficially owned by Hexagan Enterprises Limited, a company in which Mr. Gan Cheng Chuah, Gary has an interest of approximately 40.75%.

3. Mr. Jonathan William Brooke holds 100% issued shares of Brooke Capital Limited and Fort Galle Limited. Out of 15,582,500 shares of the Company, 15,147,500 shares are held by Brooke Capital Limited and the remaining 435,000 shares are held by Fort Galle Limited. Accordingly, Mr. Jonathan William Brooke is deemed to be interested in these 15,582,500 shares.

Save as disclosed above, as at 30 June 2026, the Company had not been notified of any other interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO.

ARRANGEMENTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the period was the Company or any of its subsidiaries a party to any arrangements, to enable the directors of the Company to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

OTHER INFORMATION

INTERIM DIVIDENDS

The directors resolved to declare in respect of the six months ended 30 June 2026 an interim dividend of HK3.0 cents per share *(30 June 2025: HK3.0 cents per share)* and a special interim dividend of HK6.0 cents per share *(30 June 2025: HK5.0 cents per share)* payable to the shareholders whose names appear on the register of members of the Company on 6 October 2026. The interim dividend and the special interim dividend will be paid to the shareholders on 4 December 2026.

CLOSING OF REGISTER OF MEMBERS

The register of members will be closed from Friday, 2 October 2026 to Tuesday, 6 October 2026, both days inclusive, during which no transfer of shares will be registered. The record date for entitlement to the proposed interim dividends is 6 October 2026. In order to qualify for the interim dividend and the special interim dividend, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Wednesday, 30 September 2026.

PURCHASE, SALE OR REDEMPTION OF COMPANY'S LISTED SECURITIES

During the period, there were no purchase, sale or redemption by the Company, or any of its subsidiaries, of the Company's listed shares.

CORPORATE GOVERNANCE

The Company has adopted the Corporate Governance Code ("CG Code") as set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") as its own code on corporate governance practices.

The Company has complied with code provisions in force as set out in the CG Code for the six months ended 30 June 2026 except the following deviation:

CORPORATE GOVERNANCE (CONTINUED)

Code provision C.2.1 stipulates that the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual. Mr. Gan Wee Sean, the Chairman of the board of directors, was appointed as the acting Chief Executive Officer on 21 April 2008 and the Chief Executive Officer on 1 September 2011. Although these two roles are performed by the same individual, certain responsibilities have been shared with the other executive directors to balance the power and authority. In addition, all major decisions have been made in consultation with members of the board as well as senior management. The board has one non-executive director and also three independent non-executive directors who offer different independent perspectives. Therefore, the board is of the view that there are adequate balance of power and safeguards in place. The board would review and monitor the situation on a regular basis and would ensure that the present structure would not impair the balance of power in the Company.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding directors' securities transactions. Having made specific enquiry of all directors, the directors have confirmed compliance with the required standard set out in the Model Code during the six months ended 30 June 2026.

AUDIT COMMITTEE

The audit committee of the Company comprises the three independent non-executive directors of the Company, and meets at least twice each year. The interim financial information of the Company for the six months ended 30 June 2026 and this interim report have been reviewed by the audit committee. At the request of the directors, the interim financial information set out on page 16 to page 37 has also been reviewed by the Company's auditor, Forvis Mazars CPA Limited, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA and an unmodified review report has been issued.