美瑞健康国际产业集团
Meilleure Health International Industry Group

Interim Report 2026

Meilleure Health International Industry Group Limited
美瑞健康國際產業集團有限公司

(Incorporated in Bermuda with limited liability) (Stock Code : 2327)

CONTENTS

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors
Mr. Zhou Xuzhou *(Co-Chairman)*
Dr. Zeng Wentao *(Co-Chairman)*
Ms. Zhou Wen Chuan
(Vice-Chairman and Chief Executive Officer)

Non-Executive Director
Dr. Mao Zhenhua

Independent Non-Executive Directors
Professor Chau Chi Wai, Wilton
Mr. Chen Shi
Mr. Wu Peng

AUTHORISED REPRESENTATIVES

Mr. Zhou Xuzhou
Ms. Zhou Wen Chuan

JOINT COMPANY SECRETARIES

Ms. Chu Mei Yi
Mr. Tsoi Kwai Kwan

AUDIT COMMITTEE

Professor Chau Chi Wai, Wilton *(Chairman)*
Dr. Mao Zhenhua
Mr. Chen Shi

REMUNERATION COMMITTEE

Mr. Chen Shi *(Chairman)*
Professor Chau Chi Wai, Wilton
Dr. Zeng Wentao

NOMINATION COMMITTEE

Mr. Zhou Xuzhou *(Chairman)*
Ms. Zhou Wen Chuan
Professor Chau Chi Wai, Wilton
Mr. Chen Shi
Mr. Wu Peng

STRATEGIC COMMITTEE

Dr. Mao Zhenhua *(Chairman)*
Mr. Zhou Xuzhou
Dr. Zeng Wentao

REGISTERED OFFICE

Richmond House
12 Par-la-Ville Road
Hamilton HM 08
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG REGISTERED UNDER PART XIV OF THE COMPANIES ORDINANCE

Unit 2906
Tower 1, Lippo Centre
89 Queensway
Admiralty
Hong Kong

AUDITOR

Certified Public Accountants
ZHONGHUI ANDA CPA Limited
Public Interest Entity Auditor registered in accordance with the Financial Reporting Council Ordinance (Cap. 588 of the Laws of Hong Kong)

PRINCIPAL BANKERS

China CITIC Bank International Limited
Nanyang Commercial Bank, Limited

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Corporate Services (Bermuda) Limited
Richmond House
12 Par-la-Ville Road
Hamilton HM 08
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

COMPANY WEBSITE

www.meilleure.com.cn

STOCK CODE

2327

MANAGEMENT DISCUSSION AND ANALYSIS

RESULTS

The Board is pleased to present the unaudited interim results of the Group for the six months ended 30 June 2026 together with the comparative figures for the corresponding period in 2025.

FINANCIAL REVIEW

Below is a summary of the financial information of the Group:

	For the six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Revenue	**164,570**	17,453
Gross profit	**28,457**	14,161
Gross profit margin (%)	**17.3**	81.1
Other income and gains, net	**25,070**	22,647
Total operating expenses *(Note)*	**16,921**	13,254
Finance costs	**4,387**	4,804
Profit before tax	**30,189**	15,907
Profit after tax	**28,334**	15,144
Profit attributable to owners of the Company	**28,344**	15,157

Note: Total operating expenses included (i) selling and distribution expenses; and (ii) administrative expenses.

Revenue

Revenue for the six months ended 30 June 2026 was approximately HK$164.6 million (six months ended 30 June 2025: HK$17.5 million), mainly generated by (i) healthcare-related business; (ii) trading business; and (iii) property related business.

Revenue increased by approximately 840.6% from approximately HK$17.5 million for the six months ended 30 June 2025 to approximately HK$164.6 million for the six months ended 30 June 2026. The increase in revenue of approximately HK$147.1 million was mainly due to (i) an increase in sale of completed properties of approximately HK$151.9 million; and such increase was partially offset by (ii) a decrease in rental income of approximately HK$1.8 million and (iii) a decrease in revenue from healthcare-related business of approximately HK$2.5 million.

MANAGEMENT DISCUSSION AND ANALYSIS

Gross Profit and Gross Profit Margin

The Group's gross profit for the six months ended 30 June 2026 was approximately HK$28.5 million (six months ended 30 June 2025: HK$14.2 million), representing an increase of approximately 100.7% as compared to that for the six months ended 30 June 2025. The gross profit margin for the six months ended 30 June 2026 decreased to approximately 17.3% from approximately 81.1% for the six months ended 30 June 2025.

The increase in gross profit of approximately HK$14.3 million was mainly due to (i) an increase in gross profit of the property-related business of HK$18.1 million, mainly resulting from an increase in sales of completed properties; and such increase was partially offset by (ii) decrease in gross profit of the healthcare-related business of HK$3.7 million, mainly resulting from a decrease in the sale of healthcare-related products.

On the other hand, the decrease in gross profit margin was mainly due to (i) property sales has a lower gross profit margin as compared to that of other business segments of the Group and (ii) a decrease in the proportion of the revenue derived from the healthcare-related business to the Group's total revenue for the six months ended 30 June 2026 as compared to that for the six months ended 30 June 2025, as the healthcare-related business has a higher gross profit margin as compared to that of other business segments of the Group.

Other Income and Gains, Net

Other income and gains, net for the six months ended 30 June 2026 was approximately HK$25.1 million (six months ended 30 June 2025: HK$22.6 million), representing an increase of approximately HK$2.5 million or approximately 11.1%, as compared to that for the six months ended 30 June 2025, such increase mainly due to (i) the other income increased from approximately HK$1.2 million for the six months ended 30 June 2025 to approximately HK$6.5 million for the six months ended 30 June 2026; such increase was partially offset by (ii) a decrease in fair value gain on investments at FVTPL of HK$2.2 million; and (iii) a decrease in interest income of HK$0.6 million.

Total Operating Expenses

Total operating expenses for the six months ended 30 June 2026 were approximately HK$16.9 million (six months ended 30 June 2025: HK$13.3 million), representing an increase of approximately HK$3.6 million or approximately 27.1% as compared to that for the six months ended 30 June 2025. Such increase was mainly due to an increase in commission expenses for the pre-sale of residential property development project in Australia of approximately HK$3.9 million.

Finance Costs

Finance costs for the six months ended 30 June 2026 were approximately HK$4.4 million (six months ended 30 June 2025: HK$4.8 million), representing a decrease of approximately HK$0.4 million or approximately 8.3% as compared to that for the six months ended 30 June 2025. Such decrease was mainly due to a decrease in interest on bank loans of approximately HK$0.5 million, primarily resulting from a decrease in the average interest rate in bank borrowings during the six months ended 30 June 2026 as compared to that for the six months ended 30 June 2025.

Profit After Tax

Profit after tax for the six months ended 30 June 2026 was approximately HK$28.3 million (six months ended 30 June 2025: HK$15.1 million), representing an increase of approximately HK$13.2 million or approximately 87.4% as compared to that for the six months ended 30 June 2025. Such increase was mainly due to:

(i) the Group's Australian real estate projects commenced progressive handovers, an increase in the segment profit of property-related business of the Group from approximately HK$6.1 million for the six months ended 30 June 2025 to approximately HK$20.8 million for the six months ended 30 June 2026; and

(ii) a favourable financial impact arising from the movements of loss allowance for trade and other receivables, which changed from an impairment loss of approximately HK$1.3 million for the six months ended 30 June 2025 to a reversal of impairment loss of approximately HK$0.1 million for the six months ended 30 June 2026.

Such increase was partially offset by (i) an unfavourable financial impact arising from the movements of fair value change on investments at FVTPL, which changed from a fair value gain of approximately HK$0.9 million for the six months ended 30 June 2025 to a fair value loss of approximately HK$1.3 million for the six months ended 30 June 2026; and (ii) the interest income decreased from approximately HK$14.8 million for the six months ended 30 June 2025 to approximately HK$14.2 million for the six months ended 30 June 2026.

BUSINESS REVIEW

Healthcare-related Business

The healthcare-related business comprises the sale of healthcare-related products and CBD downstream products and the provision of aesthetic medical services and healthcare management services. The revenue derived from the healthcare-related business for the six months ended 30 June 2026 was approximately HK$4.4 million, representing a decrease of approximately 33.3% as compared to approximately HK$6.6 million for the six months ended 30 June 2025. The result for this segment changed from a gain of approximately HK$0.1 million for the six months ended 30 June 2025 to a loss of approximately HK$0.1 million for the six months ended 30 June 2026. Such decrease was mainly due to decrease in gross profit of approximately HK$3.7 million, primarily resulting from a decrease in the sales order of healthcare-related products during the six months ended 30 June 2026, which was partially offset by an increase in other income of approximately HK$3.2 million during the six months ended 30 June 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

Trading Business

The trading business comprises the sale of construction materials and renewable energy products, healthcare related products sale agency services and the provision of procurement services of renewable energy products. The revenue derived from the trading business for the six months ended 30 June 2026 was approximately HK$0.1 million, representing a decrease of approximately 87.5% as compared to approximately HK$0.8 million for the six months ended 30 June 2025. The result for this segment changed from a loss of approximately HK$1.0 million for the six months ended 30 June 2025 to a profit of approximately HK$0.8 million for the six months ended 30 June 2026. Such increase mainly due to a favourable financial impact arising from the movements of loss allowance for trade and other receivables, which changed from an impairment loss of approximately HK$1.3 million for the six months ended 30 June 2025 to a reversal of impairment loss of approximately HK$0.8 million for the six months ended 30 June 2026.

Property-related Business

The revenue derived from the property-related business for the six months ended 30 June 2026 was approximately HK$160.1 million, representing an increase of approximately 1,501.0% as compared to approximately HK$10.0 million for the six months ended 30 June 2025. The profit derived from this segment for the six months ended 30 June 2026 was approximately HK$20.8 million, representing an increase of approximately 241.0% as compared to the profit of approximately HK$6.1 million for the six months ended 30 June 2025. The change was mainly due to the gross profit from the property sales of approximately HK$20.3 million for the six months ended 30 June 2026; and such increase was partially offset by (i) a decrease in rental income of approximately HK$1.8 million, (ii) an increase in commission fee of approximately HK$3.9 million, and (iii) a loss on disposal of investment properties of approximately HK$1.7 million.

The Group wholly owns a residential property development project located at Lot A & B, 626 Heidelberg Road, Alphington, VIC, 3078, Australia. Such project covers a total site area of approximately 11,488 sq.m. Advantageously located just 6.5 kilometres from Melbourne's central business district, the site provides a gross floor area of approximately 18,752 sq.m. to be developed into 109 residential units of townhouses.

During the six months ended 30 June 2026, the project was still in the progress and part of completed properties commenced progressive handovers. As at the date of this Interim Report, the project's civil works had been completed. The pre-sale of the project has commenced in November 2022, which will rapidly realise the value of the land reserve, deliver business growth for the Group and boost brand value.

Equity Investment Business

The loss derived from this segment for the six months ended 30 June 2026 was approximately HK$2.6 million, representing an increase of approximately 225.0% as compared to the loss of approximately HK$0.8 million for the six months ended 30 June 2025. Such change was mainly due to (i) an increase in share of losses of joint ventures, which increased from approximately HK$0.9 million for the six months ended 30 June 2025 to approximately HK$3.0 million for the six months ended 30 June 2026; and (ii) an unfavourable financial impact arising from the movements of fair value change on investments at FVTPL, which changed from a fair value gain of approximately HK$0.9 million for the six months ended 30 June 2025 to a fair value loss of approximately HK$1.3 million for the six months ended 30 June 2026, as a result of the decrease in revenue from and profit of equity-invested entities; and such decrease was partially offset by the gain on partial disposals of investments in a joint venture of approximately HK$3.1 million.

REVIEW OF FINANCIAL POSITION

	As at	
	30 June 2026	31 December 2025
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
NON-CURRENT ASSETS		
Investment properties	**678,272**	663,388
Investment in a joint venture	**31,311**	46,407
Investments at FVTPL	**36,241**	35,970
Equity investments at FVTOCI	**8,842**	8,499
Investment in associates	**3,694**	4,011
Prepayments, deposits and other receivables	**7,078**	6,785
Others	**33,255**	34,759
Total Non-current Assets	**798,693**	799,819
CURRENT ASSETS		
Prepayments, deposits and other receivables	**640,551**	605,198
Properties held for sale under development	**310,558**	373,072
Bank and cash balances	**7,763**	13,079
Trade receivables	**22,747**	16,099
Restricted bank deposit	**3,092**	7,105
Others	**2,657**	1,214
Total Current Assets	**987,368**	1,015,767
Total Assets	**1,786,061**	1,815,586
LIABILITIES		
Bank borrowings	**290,968**	380,395
Deferred tax liabilities	**99,865**	96,484
Dividend payable	**16,221**	–
Accruals and other payables	**44,668**	41,217
Contract liabilities	**18,458**	33,362
Others	**12,860**	15,885
Total Liabilities	**483,040**	567,343
Net Assets	**1,303,021**	1,248,243

MANAGEMENT DISCUSSION AND ANALYSIS

Non-current assets of the Group as at 30 June 2026 were approximately HK$798.7 million (31 December 2025: HK$799.8 million), representing a decrease of approximately HK$1.1 million, which was mainly due to a decrease in investment in a joint venture of approximately HK$15.1 million. Such decrease was partially offset by an increase in investment properties of approximately HK$14.9 million. Current assets were approximately HK$987.4 million (31 December 2025: HK$1,015.8 million), representing a decrease of approximately HK$28.4 million, which was mainly due to a decrease in properties held for sale under development of approximately HK$62.5 million. Such decrease was partially offset by an increase in prepayments, deposits and other receivables of approximately HK$35.4 million.

As at 30 June 2026, the Group's total liabilities were approximately HK$483.0 million (31 December 2025: HK$567.3 million), representing a decrease of approximately HK$84.3 million, which was mainly due to (i) a decrease in bank borrowing of approximately HK$89.4 million; (ii) a decrease in contract liabilities of approximately HK$15.0 million; and (iii) a decrease in amounts due to related parties of approximately HK$2.7 million. Such decrease was partially offset by (i) an increase in dividend payable of approximately HK$16.2 million; (ii) an increase in deferred tax liabilities of approximately HK$3.5 million, and (iii) an increase in accruals and other payables of approximately HK$3.5 million.

NET ASSET VALUE

As at 30 June 2026, the Group's total net assets amounted to approximately HK$1,303.1 million (31 December 2025: HK$1,248.3 million), representing an increase of approximately HK$54.8 million, mainly due to (i) exchange gains arising from the translation of foreign operations of approximately HK$44.6 million; and (ii) profit for the six months ended 30 June 2026 of approximately HK$28.3 million. Such increase was partially offset by (i) the dividend recognised as a distribution of approximately HK$16.2 million; and (ii) repurchases of shares of approximately HK$2.0 million.

LIQUIDITY AND FINANCIAL RESOURCES

	For the six months ended 30 June	
	2026 ***HK$'000*** **(Unaudited)**	2025 *HK$'000* (Unaudited)
Net cash generated from/(used in) operating activities	**16,065**	(13,361)
Net cash generated from/(used in) investing activities	**87,034**	(22,067)
Net cash (used in)/generated from financing activities	**(108,672)**	15,092
Net decrease in cash and cash equivalents	**(5,573)**	(20,336)
Effect of foreign exchange rate changes	**257**	339
Cash and cash equivalents at beginning of period	**13,079**	29,944
Cash and cash equivalents at end of period	**7,763**	9,947

As at 30 June 2026, the total cash and cash equivalents of the Group were approximately HK$7.8 million (31 December 2025: HK$13.1 million), of which approximately 88.8% was denominated in AUD, 8.4% was in RMB, 1.1% was in HKD, 0.9% was in EUR, 0.6% was in CHF, and 0.2% was in USD (31 December 2025: 49.4% was denominated in HKD, 39.1% was in RMB, 10.3% was in AUD, 0.6% was in CHF, 0.4% was in EUR and 0.2% was in USD).

Net cash generated from operating activities for the six months ended 30 June 2026 was approximately HK$16.1 million, mainly contributed to the net cash generated from the Group's daily operation during the six months ended 30 June 2026.

Net cash generated from investing activities was approximately HK$87.0 million, which was mainly attributable to (i) the short-term interest bearing loans repayment to the Group from certain independent third parties of approximately HK$68.5 million; (ii) proceeds received from partial disposal of investment in a joint venture of HK$14.0 million; and (iii) a decrease in restricted bank deposits of HK$4.2 million.

Net cash used in financing activities was approximately HK$108.7 million, which mainly represented a net amount of (i) proceeds received from new bank borrowings of approximately HK$44.0 million; (ii) repayment of bank borrowings of approximately HK$146.1 million; (iii) payment of loan interest of approximately HK$4.4 million; and (iv) repurchase of shares of approximately HK$2.0 million.

As at 30 June 2026, the total bank borrowings of the Group were approximately HK$291.0 million (31 December 2025: HK$380.4 million), which were mainly used as the working capital of the Group. The Group has no unutilised banking facilities as at 30 June 2026 and 31 December 2025.

The following table illustrates the composition of the Group's bank borrowings:

	As at	
	30 June 2026	31 December 2025
	HK$'000	*HK$'000*
Floating rate RMB bank loan	**50,763**	57,663
Floating rate AUD bank loan	**103,786**	185,133
Fixed rate RMB bank loan	**136,419**	137,599
	290,968	380,395

The following table illustrates the maturity profile of the Group's bank borrowings:

	As at	
	30 June 2026	31 December 2025
	HK$'000	*HK$'000*
Within 1 year	**193,231**	271,317
Between 1 year and 2 years	**35,082**	33,429
Between 2 years and 5 years	**42,070**	51,281
Over 5 years	**20,585**	24,368
	290,968	380,395

MANAGEMENT DISCUSSION AND ANALYSIS

Based on the Group's steady cash flow, coupled with sufficient bank and cash balances, the Board is of the view that the Group has adequate liquidity and financial resources to meet its future capital expenditures, daily operations and working capital requirements in the next financial year.

CAPITAL STRUCTURE OF THE GROUP

The capital structure of the Group consists of equity attributable to owners of the Company (i.e. issued share capital and reserves).

TREASURY POLICIES

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the six months ended 30 June 2026. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risks of the Group, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

GEARING RATIO

The Group's gearing ratio, expressed as the percentage of net debt (includes bank borrowings, trade payables, contract liabilities, accruals and other payables, amounts due to related parties and dividend payable, less bank and cash balances and restricted bank deposit) over the sum of equity attributable to owners of the Company and net debt, was approximately 21.3% as at 30 June 2026 (31 December 2025: 26.4%).

As at 30 June 2026, the Group had net debt of approximately HK$352.4 million (31 December 2025: HK$447.1 million), while the equity attributable to owners of the Company amounted to approximately HK$1,303.3 million (31 December 2025: HK$1,248.5 million).

CAPITAL EXPENDITURE

During the six months ended 30 June 2026, the Group did not incur any capital expenditure on purchasing property, plant and equipment (six months ended 30 June 2025: HK$0.58 million).

CAPITAL COMMITMENTS

As at 30 June 2026, the Group had capital commitments of approximately HK$72.5 million (31 December 2025: HK$22.9 million) in respect of capital contribution payable to associates and construction costs commitments for properties held for sale under development, which are contracted but not provided for in the interim condensed consolidated financial statements.

CHARGES ON GROUP ASSETS

The following table sets forth the net book value of assets under pledges for certain banking facilities as at the dates indicated:

	As at	
	30 June 2026	31 December 2025
	HK$'000	*HK$'000*
Investment properties	**509,056**	500,743
Properties held for sale under development	**124,985**	197,266
Restricted bank deposit	**3,092**	7,105
	637,133	705,114

CONTINGENT LIABILITIES

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

GENERAL DESCRIPTION OF THE GROUP'S INVESTMENT STRATEGIES

The Group continues to believe in the substantial potential of the healthcare industry. The Group adheres to the corporate vision of "using technology and expertise to serve more people's health and beauty needs". Therefore, the Group manages its investment portfolio with a primary objective to capture market opportunities in the healthcare industry.

On the other hand, the Group allocates certain resources to various investments in order to maximise return.

MATERIAL ACQUISITIONS AND DISPOSALS

There was no material acquisition or disposal of subsidiaries, associates and joint ventures during the six months ended 30 June 2026.

MATERIAL LENDING TRANSACTIONS

Business model and credit risk assessment policy

In order to increase the rate of return of the Group's cash and cash equivalents which can improve the investment income and the profits of the Group, the Group provided short-term interest-bearing loans and a long-term interest-bearing revolving facility to its customers and a related party.

MANAGEMENT DISCUSSION AND ANALYSIS

Through the business and social networks of the management of the Company, the Group identifies potential customers, which are corporate customers and individual customers. The Group has established strict credit risk management and internal control procedures to regulate its lending transactions and only provides loans to customers with good credit standing and satisfactory results of operation as well as those in need of short-term financing. The credit risk management and internal control procedures mainly consist of the following stages, namely (i) due diligence and credit risk assessment of customers; (ii) assessment and approval processes; and (iii) post-loan monitoring and loan recovery:

(i) Due Diligence and Credit Risk Assessment of Customers

The Corporate Treasury Department assesses the background and reputation of any new customers by taking into account the new customer's financial condition, the purpose of borrowing, ultimate beneficial owners' and shareholders' background and business reputation, etc. The Corporate Treasury Department also conducts due diligence, credit verification and repayment ability assessment on new customers. The Corporate Treasury Department researches and analyses customers' background information, including but not limited to their operating history, shareholders, ultimate beneficial owners, financial information, income proofs, bank statements, tax returns, independent professional credit reports, operational risks, legal risks, online media investigation reports, industry reports, etc.

(ii) Assessment and Approval Processes

The Corporate Treasury Department performs credit assessment and reviews of the loan applications as well as determines the loan terms (having taken into consideration factors such as the credit risks of the customers, their recoverability, the financing cost of the Group and the prevailing market interest rates, etc). The financial controller of the Group would review the relevant assessment reports and loan terms, and then report to Ms. Zhou Wen Chuan, our Chief Executive Officer and Executive Director. Ms. Zhou Wen Chuan will be responsible for the approval of loans in relatively small amounts.

If the potential loans are of larger amounts (i.e. by assessment of size tests under Chapter 14 of the Listing Rules, may constitute a disclosable transaction or above), in which case, such potential loans will be reported by Ms. Zhou Wen Chuan and she will elaborate to the Board such potential loans in contemplation and her recommendations therewith for discussion and approval, the Directors (including the Independent Non-Executive Directors) will then consider whether such loans are on normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders as a whole. The requirements of reporting, announcement, circular and shareholders' approval under Chapter 14 of the Listing Rules will then be fulfilled (if applicable).

Moreover, for any potential loans which may involve connected person(s) as defined under Chapter 14A of the Listing Rules, such loans will be reported to the Board immediately for assessment with respect to size tests and assessments by the Board as elaborated above. The requirements of reporting, announcement, circular, independent financial advice and independent shareholders' approval under Chapter 14A of the Listing Rules will then be fulfilled (if applicable).

(iii) Post-loan Monitoring and Loan Recovery

The Corporate Treasury Department would conduct regular review and carry out follow-up actions (on a monthly and continuing basis) in respect of overdue amounts to minimise the Group's exposure to credit risk and follow up closely with its customers as to the deadlines for payment of interest on the loans. Ageing analysis of the debtors is prepared on a monthly basis and is closely monitored to minimise any credit risk associated with these debtors. The Corporate Treasury Department will report the status of the loan portfolio to Ms. Zhou Wen Chuan on a monthly basis, such that Ms. Zhou Wen Chuan may closely monitor the loan portfolio of the Group to oversee the credit risk. Ms. Zhou Wen Chuan would report to the Board and discuss actions to be taken in case of any abnormal situations.

The Corporate Treasury Department has standard procedures for dealing with default in payment. In case there are any minor defaults, the Corporate Treasury Department will send reminder and/or demand letters to its customers. In case the default on loans persists, the collection procedure will commence and the Corporate Treasury Department will engage lawyers in advising on the recovery of the loan, and take appropriate enforcement action for overdue loans.

Major terms of loan receivables

Details of outstanding loan receivables as at 30 June 2026 are as follows:

				As at 30 June 2026	
Customers	**Maturity date**	**Security pledged**	**Interest rate per annum**	**Carrying amount** *HK$'000*	**Percentage to total loan receivables**
U-light Energy	On or before 31 December 2026 *(Note 1)*	Nil	one-year LPR plus 3.05%	230,740	52.3%
Other Borrowers *(Note 2)*					
Borrower A	On or before 31 December 2026	Nil	3%	11,537	2.6%
Borrower B	On or before 31 December 2026	Nil	6%	41,533	9.4%
Borrower C	On or before 31 December 2026	Nil	4.5%	39,226	8.9%
Borrower D	On or before 31 December 2026	Nil	8%	11,537	2.6%
Borrower E	On or before 31 December 2026	Nil	8%	5,057	1.2%
Borrower F	On or before 31 December 2026	Nil	8%	11,537	2.6%
Borrower G	On or before 30 October 2026	Nil	5%	46,148	10.5%
Borrower H	On or before 3 November 2026	Nil	5.3%	43,841	9.9%
				210,416	47.7%
				441,156	100%

MANAGEMENT DISCUSSION AND ANALYSIS

Notes:

1. On 27 November 2023, the Company and U-light Energy entered into the Facility Agreement, pursuant to which the Company agreed, by itself or through its designated lending subsidiary(ies), to grant to U-light Energy a revolving loan facility up to a maximum of RMB200,000,000 at an interest rate of one-year LPR plus 3.05% per annum for the Drawdown Period. On the same date, Mr. Zhou Xuzhou (as guarantor) executed a deed of guarantee to provide the personal guarantee in favour of the Company to secure U-light Energy's repayment obligations under the Facility Agreement. The transaction has been approved by the shareholders of the Company at the SGM held on 31 January 2024. Further details are set out in the announcement of the Company dated 27 November 2023 and the circular of the Company dated 17 January 2024.

2. As at 30 June 2026, the total outstanding loan receivables was HK$210,416,000 from the other 8 borrowers. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of these borrowers was independent of and not connected with each other when entering into the above transactions.

Impairment and write-off of loan receivables

Based on the result of the credit assessment on loan receivables, the Group has recognised a loss allowance of approximately HK$1,196,000 for the six months ended 30 June 2026 (six months ended 30 June 2025: HK$1,104,000) and there was no write-off for loan receivables for the six months ended 30 June 2026 (six months ended 30 June 2025: Nil).

SIGNIFICANT INVESTMENTS HELD

As at 30 June 2026, the investment portfolio of the Group amounted to approximately HK$80.4 million (31 December 2025: HK$95.2 million) as recorded in the interim condensed consolidated statement of financial position under various categories, including:

– investments in associates and a joint venture, which are accounted for by using the equity method;

– equity investments at FVTOCI;

– investments at FVTPL; and

– derivative financial assets.

There was no single investment in the Group's investment portfolio that was considered as a significant investment, given that none of the single investments alone had a carrying amount accounting for more than 5% of the Group's total assets as at 30 June 2026.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in the section headed "Capital Commitments" above, there were no other plans authorised by the Board for material investments or additions of capital assets as at 30 June 2026.

The Group will finance the future acquisitions through internally generated funds and other funding activities, including but not limited to bank borrowing.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGE

The revenue, expenses and monetary assets and liabilities of the Group are mainly denominated in RMB, HKD, EUR, CHF and AUD. Any significant exchange rate fluctuation of the aforesaid currencies may have financial impacts on the Group. While the Group would closely monitor the volatility of the foreign exchange rate, the Directors considered that the Group's risk exposure to foreign exchange rate fluctuation remained minimal currently.

The Group did not enter into any foreign currency forward contract and financial instruments during the six months ended 30 June 2026. As at 30 June 2026 and 31 December 2025, the Group did not have any unrealised gain or loss in respect of the foreign currency forward contracts.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2026, the Group had a total of 43 employees (31 December 2025: 42 employees).

The Group's remuneration policies are in line with prevailing market practices and formulated on the basis of the performance and experience of individual employees (including the Directors). Apart from base salaries, other staff benefits include pension and medical schemes. The remuneration policies and remuneration packages of the Directors and members of the senior management of the Group are reviewed by the Remuneration Committee.

The Company adopted the 2019 Share Option Scheme pursuant to which eligible participants may be granted options to subscribe for the shares of the Company.

The Company adopted 2026 Share Award Scheme pursuant to which eligible participants may be granted shares of the Company.

The Company believes that the ability to recruit and retain experienced and skilled labor is crucial to the Group's growth and development. The Group provides training to its new employees to familiarise them with the working environment and work culture. The Group also provides on-the-job training to the employees, which aims at developing their skills so as to meet the strategic goals and customer requirements. In addition to providing the Group's staff with the opportunities to receive on-the-job trainings, the Group strives to create a harmonious and collegiate working and living environment for the staff.

RECENT DEVELOPMENTS

As one of the country's emerging strategic industries, the concept of big health has long transcended the boundaries of traditional healthcare and has frequently appeared in various news media. Despite the absence of a standard definition, this inherent "open" nature has instead given it broader room for interpretation. Big health is not an exclusive label belonging to any single industry, but rather an industrial integration spanning multiple sectors, giving rise to diverse interpretations: traditional pharmaceutical companies have extended their focus from the sale of medicines alone to full-cycle health management services; internet platforms have leveraged their traffic advantages to build digital networks covering online consultations and medicine delivery; property operators have transformed community spaces into healthy living scenarios integrating elderly care, rehabilitation and fitness; while sectors such as food and skincare have incorporated health-related attributes into the core logic of product development. Against this backdrop, the connotation of big health continues to be enriched through practical application. It may represent the broad concept that all health-related businesses are interconnected; it may embody a shift in thinking towards combining prevention and treatment with a greater emphasis on

MANAGEMENT DISCUSSION AND ANALYSIS

prevention; it may reflect a lifestyle philosophy centred on physical and mental health throughout the entire life cycle; or it may refer to innovative models for customised and precision health management. Through continuous exploration, industry participants are jointly seeking sustainable commercialisation pathways, forming a diverse and interconnected industrial ecosystem.

In 2026, driven by policy support, technological breakthroughs and social demand, the growth model of the big health industry has shifted comprehensively from scale expansion towards value-driven development. Public data indicates that the market size of China's big health industry reached RMB10.03 trillion in 2025 and is expected to increase to RMB10.66 trillion in 2026, representing a year-on-year growth of 6.3%.

On the policy front, in July 2026, the State Council officially issued the National Health Plan for the 15th Five-Year period. The Plan deploys multiple priority tasks across five dimensions, namely optimising health services for the entire population, in all respects, across the whole life cycle; continuously fortifying high-standard healthcare security barriers; accelerating the improvement of a high-quality, efficient and integrated healthcare service system; cultivating new drivers for high-quality development of the healthcare sector; and deepening high-performance governance centred on health. It proposes the target of increasing average life expectancy to 80 years by 2030 and bringing major health indicators into the ranks of high-income countries. As a guiding policy document aligned with the overall goal of building a Healthy China by 2035, the Plan systematically outlines the development direction of the big health industry, accelerating industry-wide expansion and comprehensive upgrading. It also signals that the big health industry is moving away from extensive growth and entering a new era characterised by policy support, enhanced quality and improved efficiency.

On the technological front, emerging technologies represented by artificial intelligence, big data and interconnected digital systems are reshaping the big health industry from its underlying logic, bringing about comprehensive and disruptive transformation. Certain aspects of traditional models, including store-based expansion strategies driven by physical footprint growth, information-processing models reliant on labour-intensive operations and decision-making models dependent on experience-based judgement and intervention, have gradually revealed shortcomings such as relatively low-cost efficiency, limited coverage and difficulties in meeting the demand for precision in the era of big data. These limitations are encouraging industry participants to continuously reassess and explore new approaches, including how to break down health data silos, how to extend high-quality health services to broader populations, and how to provide customers with personalised and precise services while improving efficiency without losing the human touch. The big health industry as a whole now stands at the crossroads of traditional experience and cutting-edge technology, embracing the advancement of the era with greater openness and charting a new course of development through ceaseless exploration.

On the demand side, rising health awareness across the population, compounded by an aging demographic, sees the elderly group focusing their health demands on routine health monitoring, long-term chronic disease control and management, and in-home convalescent care, while the middle-aged and younger groups favor workplace sub-health improvement, emotional regulation, appearance management, and personalised health pathways. These divergent demand orientations between the two groups have become the core force driving the big health industry away from homogeneous scale expansion and toward segmented, precision value delivery.

MANAGEMENT DISCUSSION AND ANALYSIS

China's economy currently navigates a critical phase of deep transformation and structural optimisation. Despite sluggish global economic recovery, the continued rise of trade protectionism and accelerated restructuring of industrial and supply chains, the central government has implemented a moderately accommodative monetary policy as the core approach, strengthened counter-cyclical and cross-cycle adjustments, and focused on the coordinated advancement of medium- and long-term economic development and high-quality growth. While promoting the orderly expansion of competitive domestic industries into overseas markets, the government has also boosted domestic demand to consolidate the industrial foundation and introduced a series of industry support policies, enabling China's economy to demonstrate strong resilience and adaptability. Against this backdrop, leveraging this favourable environment, the Group will firmly seize the historic opportunity of industrial upgrading, hold fast to its strategic anchor in skin health management, persist in consolidating core R&D barriers and anchoring long-term brand value, explore the convergent innovation of frontier technologies with full-lifecycle health management services, and continuously optimise its product portfolio and business model combining efficacy-driven skincare with medical aesthetics for skin health management.

OVERVIEW OF OPERATIONS

Healthcare-related Business Segment – Cell Treatment and Health Management Business

The Group continues to expand its footprint in the cell therapy sector. In 2019, it strategically acquired a stake in Wingor Bio, a state-level high-tech enterprise, and in 2020, it established Mei Ai Kang to expand into the field of cellular immunotherapy.

As a leading enterprise in Shenzhen's local cell treatment industry, Wingor Bio leverages its powerful R&D innovation capabilities to deepen its presence. It has accumulated industry-leading expertise and established four major technology platforms, namely stem cells, immune cells, exosomes and "genetic engineering +". It holds honours such as "National High-Tech Enterprise", "Sci-Tech-based SME" in China and "Specialised and Sophisticated SME in Shenzhen". In terms of R&D, Wingor Bio's Investigational New Drug (IND) applications for new stem cell drugs have achieved significant progress, with the clinical trial applications for seven cell drugs accepted by the NMPA. In terms of technology, Wingor Bio holds patents authorised by the China National Intellectual Property Administration (CNIPA) for blood preservation solution and its preparation method and application, preparation method of human umbilical cord mesenchymal stem cells, preparation method and application of mesenchymal stem cells, a dental pulp mesenchymal stem cell culture method, and a monitoring method and system for AI-assisted automated equipment. In addition, Wingor Bio's "Drug Conjugate Delivery Platform Construction Project Based on Extracellular Vesicles" has received support from Shenzhen government as it falls within strategic emerging industries. Regarding participation in policy formulation, Wingor Bio, as a principal drafting unit, contributed to the drafting of the group standard for "Construction and Management Assessment of Human-derived Cell Banks", which was released in 2026. Furthermore, Wingor Bio has initiated clinical collaborations with multiple medical institutions, including the Affiliated Hospital of Guilin Medical University, the First People's Hospital of Changzhou, Zhongda Hospital Southeast University, and Shenzhen University General Hospital, to accelerate the translation of scientific and technological findings into clinical applications.

MANAGEMENT DISCUSSION AND ANALYSIS

Wingor Bio achieved several significant milestones in 2026. In January 2026, the "Human Umbilical Cord Mesenchymal Stem Cell Injection" (Class 1 therapeutic biological product) developed by Wingor Bio officially obtained approval for clinical trials, with the intended indication being premature ovarian insufficiency. This approved product represented the third cell-based drug developed by Wingor Bio to receive approval for entry into clinical trials. In the same month, the group standard "Construction and Management Assessment of Human-derived Cell Banks", for which Wingor Bio participated in drafting, was officially released. In April, Wingor Bio participated in the Zhuhai-Hong Kong-Macao Biomedical Industry Innovation and Development Conference and entered into a cooperation agreement with Zhuhai People's Hospital for the "CGT Clinical Research and Translation Project" on-site. In May, the "Soft Agar Colony Formation Assay" standard, for which Wingor Bio was the lead drafting entity, was officially released. In July, Wingor Bio's seventh stem cell drug IND application was accepted.

Mei Ai Kang has also had several achievements since its inception. In 2022, it cooperated with the Fifth Medical Centre of the General Hospital of the Chinese People's Liberation Army, the Fourth People's Hospital of Nanning, Shanghai Public Health Clinical Centre and Yunnan Provincial Infectious Disease Hospital to conduct clinical studies. Overcoming the adverse impacts of the COVID-19 pandemic, Mei Ai Kang completed enrollment of 17 cases and refined the clinical trial protocol by optimizing the clinical trial process. Mei Ai Kang is currently applying for a relevant patent cluster related to the project's core technology, and a patent for a self-transfusion injector has been approved. Meanwhile, its related patents for cell processing are currently in the process of application review. A total of 132 clinical experiments have been completed, with data indicating significant therapeutic efficacy.

In terms of downstream products and services as well as high-end health management, the Group's Shenzhen and Nanjing clinics offer international-standard, high-end health management services grounded in the principles of functional medicine. Backed by an experienced professional team, these clinics have cultivated a loyal client base. During the Reporting Period, the clinics operated steadily while continuously optimising management systems, improving service quality, and expanding new customer segments.

With the continuous introduction of relevant policies and regulations for the cell industry in China, and the gradual increase in cell and gene therapy clinical research conducted domestically over the years, the demand for the industrialisation and clinical application of related products is also getting higher and higher. Although the development model and regulatory policies of the industry are not entirely clear, the huge potential of the cell industry in the field of disease treatment is undeniable, and considerable market demand remains to be unlocked. The Group will continue to deepen its presence in the field of cell therapy R&D and its application, and explore the commercialisation pathways for cell therapy products, so as to achieve synergies between the health management business and other segments.

Healthcare-related Business Segment – Skin Health Management Business

In recent years, the growing pursuit of beauty has ushered in an appearance-focused era, giving rise to various related emerging consumption scenarios. Non-invasive aesthetic treatments, with their affordability, noticeable results, and short recovery periods, fully address contemporary beauty aspirations. While achieving rapid market penetration, they deliver premium services and experiences to users. With that in mind, leveraging on its advantages in product R&D, medical care team, operation management, brand and channel for skin health management, the Group launched "Jixiaojian"（肌小簡）, a curated brand combining medical aesthetics and skincare in the second half of 2021.

The Jixiaojian brand pioneers a cross-sector integration of aesthetic medicine and efficacy-focused skincare. Guided by the philosophy of "Extreme Professionalism, Maximum Efficacy, Zero Gimmicks", it champions innovation in skincare technology and introduces a new concept of intelligent skincare. By seamlessly combining the "treatment" aspect of aesthetic procedures with the "prevention" function of skincare products, Jixiaojian offers a curated "60% non-invasive aesthetic treatments + 40% simplified yet highly effective skincare" regimen, delivering an integrated, cost-effective holistic skincare solution for users. The Group has also established close partnerships with internationally renowned raw material suppliers DSM and Ashland, and successively launched multiple product lines under the brand of Jixiaojian, including comprehensive photoelectric repair series, medical-grade dressing series, and exosome-based premium antiaging series. On the offline front, Jixiaojian has partnered with the prominent medical aesthetics chain group BeauCare Clinics（聯合麗格）. Meanwhile, Jixiaojian has secured collaborations with some top-tier livestreamers on Taobao, Douyin, and Xiaohongshu online.

The Jixiaojian medical aesthetics clinic has been in operation for years. Its signature "Jixiaojian × Super Photon" exclusive treatment, built upon the Jixiaojian photoelectric repair series, offers an integrated skincare solution covering the entire pre-, intra-, and post-treatment process for super photon medical aesthetics procedures. This approach has garnered widespread recognition and recommendations from clients. In terms of aesthetic medical devices, the Group has established a strategic partnership with Lumenis, a globally renowned leader in laser aesthetics, becoming its clinical demonstration base. The Group has also collaborated with Peninsula Medical（半島）, a prominent brand in medical equipment, to create the Bandao Soothing Treatment Device Project（半島舒敏治療儀特色項目）, dubbed the "Golden Partner for Light Medical Aesthetics（輕醫美黃金搭檔）." On the R&D front, the Group has forged a close partnership with Shinehigh Innovation（深圳杉海創新）, which possesses a CNAS-accredited testing laboratory, to establish a supramolecular laboratory dedicated to developing skincare product lines centred on supramolecular technology. The Group has also successfully partnered with Jland Biotech, the world's largest producer of recombinant collagen, to establish a strategic partnership in the field of recombinant collagen.

The Group will continue to increase its investment in skin health management. Adhering to a professional and efficient business philosophy and maintaining a customer-centric focus, the Group will persistently drive the effective enhancement of product and service capabilities and strive to build a leading scientific skincare brand that integrates online and offline channels and combines medical aesthetics with effective skincare. The Group aims to leverage this skincare revolution, driven by generational shifts, evolving consumer awareness, and technological advancements, to transform the skincare habits of a generation and reshape the landscape of the skincare industry.

Overseas Business

The Group proactively implemented its international business strategies and established localised management teams to expand overseas business. In terms of its European business, as early as 2019, the Group established a subsidiary in Switzerland and organised a local professional team to tap into the European market. In 2021, AlpReleaf, a premium CBD health and wellness brand independently developed and produced in Switzerland, was officially launched across Europe. Centred on high-quality CBD as its scientific core and dedicated to enhancing users' quality of life, AlpReleaf has introduced multiple product lines targeting relaxation, sleep support, and muscle soreness relief. The brand has obtained official certification from the European Union and the United Kingdom, granting it market access across 22 European countries. Leveraging its European local team and established sales network, the Group believes that these strategic initiatives can maximise the advantages of the Swiss brand, facilitating its sustained success in an ever-changing market environment.

MANAGEMENT DISCUSSION AND ANALYSIS

For the business in Australia, a boutique townhouse project located in Yarrabend, Australia was developed and wholly-owned by the Group, in collaboration with Level 10 Pty Ltd., a leading construction company in Australia, and Rothelowman, a renowned design firm. Situated along the Yarra River in Melbourne, one of the world's most liveable cities, the project benefits from excellent surrounding amenities and convenient transportation links. Since its initial launch in 2022, sales work and subsequent construction have been progressing steadily. The Group began phased delivery of the first phase in the first half of 2026.

As at the end of the Reporting Period, the Group's overseas business had been growing steadily. The Group will further strengthen its international strategic presence, accelerate the expansion of its global business, deepen its brand building, and intensify channel development efforts. This will enable the Group to expand and enhance its overseas operations, thereby generating sustained internal momentum for the Group's development.

PROSPECTS

2026 marks the first year of the 15th Five-Year Plan period. Despite the significant increase in external uncertainties and instability, as well as the spillover effects of geopolitical conflicts, China's economy has remained stable, demonstrating strong resilience and vitality in development. For the Group, in terms of assets, as at 30 June 2026, it had net current assets of approximately HK$702.0 million. In terms of operations, the Group remained focused on the healthcare sector, continuously refining its skin health management products and business model while actively expanding sales channels and strengthening collaborations to solidify its business fundamentals. Furthermore, the Group will explore any promising business opportunities offering stable cash flows or high growth potential. Concurrently, the Group's overseas operations have steadily expanded in scale, with distribution channels broadening and brand development continuously refined. Looking ahead, the Group approaches the future with confidence and anticipation. The Group will adhere to a long-term development philosophy, leverage its accumulated strengths in customer resources, brand reputation and channel networks, strengthen internal governance, proactively embrace opportunities arising from transformation, explore new growth avenues with a prudent approach and drive sustainable business growth.

The Company continues to provide capital returns to shareholders through various means, including dividends and share repurchases. The Board has declared an interim dividend of HK0.15 cents per share for the six months ended 30 June 2026.

DIVIDENDS

The Board has declared an interim dividend (the "**Interim Dividend**") of HK0.15 cents per share of the Company for the six months ended 30 June 2026 (six months ended 30 June 2025: HK0.15 cents per share), totalling approximately HK$6,084,000 to be paid on Wednesday, 30 September 2026 to the shareholders of the Company whose names appear on the register of members of the Company on Wednesday, 16 September 2026. The Interim Dividend is not reflected as a dividend payable in the consolidated financial statements for the six months ended 30 June 2026, but will be reflected as an appropriation for the year ending 31 December 2026.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of ascertaining the Shareholders' entitlement to the Interim Dividend, the register of members of the Company will be closed from Friday, 11 September 2026 to Wednesday, 16 September 2026, both days inclusive, during which no transfer of the Shares shall be registered. In order to qualify for the entitlement of the Interim Dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, no later than 4:30 p.m. on Thursday, 10 September 2026 for registration. The Interim Dividend is expected to be paid on Wednesday, 30 September 2026 to Shareholders whose names appeared on the register of members of the Company as at the close of business on Wednesday, 16 September 2026.

SHARE OPTION SCHEME

In order to provide incentives and rewards to the eligible employees and participants, the Company approved and adopted a share option scheme at the 2020 SGM. The 2019 Share Option Scheme became effective on 28 June 2019, being the date on which the Stock Exchange approved the listing of, and permission to deal in, the shares falling to be issued pursuant to the exercise of options under the 2019 Share Option Scheme. The 2019 Share Option Scheme is subject to the requirements under Chapter 17 of the Listing Rules.

Summary of terms

The following is a summary of the principal terms of the 2019 Share Option Scheme. The Directors confirm that the terms of the Share Option Scheme comply with the requirements under Chapter 17 of the Listing Rules.

(a) Purpose

The purpose of the 2019 Share Option Scheme is to provide incentive or reward to Eligible Persons (as defined in paragraph (b) below) for their contributions or potential contributions to the Group.

(b) Who may join

The Board may, at its discretion, offer to grant share option (the "**Share Option(s)**") to the Eligible Participants to subscribe for such number of new Shares as the Board may determine in accordance with the terms of the 2019 Share Option Scheme. Eligible participants (the "**Eligible Participants**") include any full-time or part-time employees, executives, officers or directors (including independent non-executive directors) of the Company, any of the subsidiaries, invested entities and substantial shareholders and any advisors, consultants, agents, suppliers, customers, distributors, contractors, business partners and joint venture partners of the Company and any of the subsidiaries who, in the sole opinion of the Board, will contribute or have contributed to the Company and/or any of the subsidiaries.

OTHER INFORMATION

(c) Total number of Shares available for issue

The maximum number of Shares which may be issued upon exercise of all Share Options to be granted under the 2019 Share Option Scheme and under any other schemes of the Company must not in aggregate exceed 10% of the total number of Shares in issue as at the date of the passing of the resolution for the adoption of the 2019 Share Option Scheme (i.e. 427,175,263 Shares, representing approximately 10.4% of the total number of Shares in issue as at the date of this Interim Report (excluding Treasury Shares)). Subject to the issue of a circular by the Company and the approval of the Shareholders in general meeting and/or such other requirements prescribed under the Listing Rules from time to time, the Board may:

(i) renew this limit at any time to 10% of the Shares in issue as at the date of the approval by the Shareholders in general meeting; and/or

(ii) grant options beyond the 10% limit to Eligible Participants specifically identified by the Board.

The maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the 2019 Share Option Scheme and the other schemes of the Company at any time shall not exceed 30% of the Shares in issue (excluding Treasury Shares) from time to time. No options shall be granted under any schemes of the Company (including the 2019 Share Option Scheme) if this will result in the aforesaid 30% limit being exceeded.

(d) Maximum number of options to any one individual

The total number of Shares issued and may fall to be issued upon exercise of the Share Options granted under the 2019 Share Option Scheme and any other share option schemes of the Company (including both exercised and outstanding options) to each Eligible Participant in any 12-month period up to and including the date of grant shall not exceed 1% of the Shares in issue as at the date of grant. If the Board determines to offer Share Options to an Eligible Participant which would result in the Shares issued and to be issued upon exercise of all Share Options granted and to be granted to that Eligible Participant (including exercised, cancelled and outstanding Share Options) in the 12-month period up to and including the date of such grant exceeding this 1% limit, such grant shall be subject to (i) the issue of a circular by the Company to its Shareholders which shall comply with the relevant Listing Rules and/or such other requirements as prescribed under the Listing Rules from time to time; and (ii) the approval of the Shareholders in GM at which that Eligible Participant and his close associates (as defined in the Listing Rules) (or his associates if the Eligible Participant is a connected person (as defined in the Listing Rules)) shall abstain from voting.

(e) Exercise Price

The exercise price in relation to each Share Option offered to an Eligible Participant shall be such price as the Board in its absolute discretion shall determine, save that such price must be at least the higher of:

(i) the official closing price of the Shares as stated in the daily quotation sheets of the Stock Exchange on the date of the grant, which must be a day on which the Stock Exchange is open for the business of dealing in securities;

(ii) the average of the official closing price of the Shares as stated in the daily quotation sheets of the Stock Exchange for the 5 business days immediately preceding the date of grant; and

(iii) the nominal value of a Share.

(f) Time of exercise of share option

Subject to the provisions of the Listing Rules and other applicable laws and regulations, the Board may in its absolute discretion when offering the grant of a Share Option impose any conditions, restrictions or limitations in relation thereto in addition to those set forth in the 2019 Share Option Scheme as the Board may think fit (to be stated in the offer letter) including (without prejudice to the generality of the foregoing) qualifying and/or continuing eligibility criteria, conditions, restrictions or limitations relating to the achievement of performance, operating or financial targets by the Company and/or the grantee, the satisfactory performance or maintenance by the grantee of certain conditions or obligations or the time or period before the right to exercise the Share Option in respect of all or any of the Shares shall vest provided that such terms or conditions shall not be inconsistent with any other terms or conditions of the 2019 Share Option Scheme. For the avoidance of doubt, subject to such terms and conditions as the Board may determine as aforesaid (including such terms and conditions in relation to their vesting, exercise or otherwise) there is no minimum period for which a Share Option must be held before it can be exercised and no performance target which need to be achieved by the grantee before the option can be exercised.

The period during which a Share Option may be exercised will be determined by the Board in its absolute discretion, save that no Option may be exercised more than 10 years after it has been granted and accepted. No Share Option may be granted more than 10 years after the date of approval of the 2019 Share Option Scheme. Subject to earlier termination by the Company in GM or by the Board, the 2019 Share Option Scheme shall be valid and effective for a period of 10 years from the date of its adoption.

(g) Acceptance of Share Options

A Share Option shall be deemed to have been granted and accepted by the grantee and to have taken effect when the duplicate offer document constituting acceptance of the Share Option duly signed by the grantee, together with a remittance in favour of the Company of HK$1.00 (or such other sum in any currency as the Board may determine) by way of consideration for the grant thereof is received by the Company on or before the relevant acceptance date. Such remittance shall in no circumstances be refundable.

OTHER INFORMATION

The following table discloses movements in the Share Options held by each of the Directors, the employees of the Company, and other eligible participants in aggregate granted under the 2019 Share Option Scheme during the six months ended 30 June 2026:

Category of participants	Date of grant *(Note 1)*	Exercise period	Exercise price HK$	Number of Share Options: Outstanding as at 1.1.2026	Granted during the period	Exercised during the period	Lapsed during the period	Cancelled during the period	Outstanding as at 30.6.2026	Closing price per Share immediately before the date of grant HK$
(a) DIRECTORS										
Dr. Zeng Wentao	12.5.2020 *(Note 2)*	12.5.2021 – 11.5.2030 *(Note 4)*	0.33	2,500,500	–	–	–	–	2,500,500	0.32
Ms. Zhou Wen Chuan	24.6.2020 *(Note 3)*	24.6.2021 – 23.6.2030 *(Note 5)*	0.33	4,500,000	–	–	–	–	4,500,000	0.345
Total for Directors				7,000,500	–	–	–	–	7,000,500	
(b) EMPLOYEES										
In aggregate	12.5.2020 *(Note 2)*	12.5.2021 – 11.5.2030 *(Note 4)*	0.33	501,000	–	–	–	–	501,000	0.32
	12.5.2020 *(Note 2)*	12.5.2021 – 11.5.2030 *(Note 6)*	0.33	3,210,000	–	–	–	–	3,210,000	0.32
Total for Employees				3,711,000	–	–	–	–	3,711,000	
(c) OTHERS *(Note 10)*										
In aggregate	12.5.2020 *(Note 2)*	12.5.2021 – 11.5.2030 *(Note 4)*	0.33	750,000	–	–	–	–	750,000	0.32
	12.5.2020 *(Note 2)*	12.5.2022 – 11.5.2030 *(Note 7)*	0.33	504,000	–	–	–	–	504,000	0.32
	12.5.2020 *(Note 2)*	N/A *(Note 8)*	0.33	5,004,000	–	–	–	–	5,004,000	0.32
Total for Others				6,258,000	–	–	–	–	6,258,000	
Total for the 2019 Share Option Scheme				16,969,500	–	–	–	–	16,969,500	

Notes:

1. The vesting period of the Share Options is from the date of grant until the commencement of the exercise period.

2. On 12 May 2020, the Company granted 61,248,000 Share Options to certain eligible participants pursuant to the 2019 Share Option Scheme. Further details are set out in the announcement of the Company dated 12 May 2020 and the circular of the Company dated 3 June 2020.

3. On 12 May 2020, the Company proposed to grant 18,000,000 Share Options to Ms. Zhou Wen Chuan pursuant to the 2019 Share Option Scheme. At the 2020 SGM, the resolution in respect of approving the proposed grant of share options to Ms. Zhou Wen Chuan was duly passed by the independent shareholders of the Company by way of poll. Further details are set out in the announcements of the Company dated 12 May 2020 and 24 June 2020 and the circular of the Company dated 3 June 2020.

4. Subject to the fulfilment of certain annual performance targets as determined by the Board, the Share Options granted shall be vested during the relevant periods in 4 tranches: (i) 25% of which shall be vested after 12 months of the Date of Acceptance; (ii) another 25% of which shall be vested after 24 months of the Date of Acceptance; (iii) another 25% of which shall be vested after 36 months of the Date of Acceptance; and (iv) the remaining 25% of which shall be vested after 48 months of the Date of Acceptance.

5. Subject to the fulfilment of certain annual performance targets as determined by the Board, the Share Options granted shall be vested during the relevant periods in 4 tranches: (i) 25% of which shall be vested after 12 months of the date of the 2020 SGM; (ii) another 25% of which shall be vested after 24 months of the date of the 2020 SGM; (iii) another 25% of which shall be vested after 36 months of the date of the 2020 SGM; and (iv) the remaining 25% of which shall be vested after 48 months of the date of the 2020 SGM.

6. The Share Options granted shall be vested during the relevant periods in 4 tranches: (i) 25% of which shall be vested after 12 months of the Date of Acceptance; (ii) another 25% of which shall be vested after 24 months of the Date of Acceptance; (iii) another 25% of which shall be vested after 36 months of the Date of Acceptance; and (iv) the remaining 25% of which shall be vested after 48 months of the Date of Acceptance.

7. The Share Options granted shall be vested during the relevant periods in 4 tranches: (i) 25% of which shall be vested after 24 months of the Date of Acceptance; (ii) another 25% of which shall be vested after 36 months of the Date of Acceptance; (iii) another 25% of which shall be vested after 48 months of the Date of Acceptance; and (iv) the remaining 25% of which shall be vested after 60 months of the Date of Acceptance.

8. The Share Options granted shall be vested immediately upon the fulfilment of certain vesting conditions, including the achievement of certain R&D milestones for certain pharmaceutical products, completion of designated tasks and satisfactory business performance of the relevant entities (subject to the Board's opinion). The Share Options are exercisable the date on which such Share Options are vested, which is 11 May 2030.

9. As at 30 June 2026, there were a total of 6,258,000 Share Options granted to 2 grantees, who are non-employees of the Group, pursuant to the 2019 Share Option Scheme. The 2 grantees can be divided into two categories. Details of the number of the Share Options granted to each category of grantees and the Board's reasons for granting the Share Options to each category of grantees are as follows:

(i) **Director of invested entity**

As at 30 June 2026, there were a total of 5,754,000 outstanding Share Options held by Ms. Jiang Shu（姜舒）, a director of an invested entity of the Group, namely Wingor Bio. Ms. Jiang Shu（姜舒）is a PRC national overseeing the operations of Wingor Bio.

To the best of the knowledge, information and belief of the Directors, Ms. Jiang Shu（姜舒）is a third party independent of the Company and its connected persons.

The Group has invested in Wingor Bio since February 2019. The size of the investment in Wingor Bio as calculated by the carrying amount of investment in Wingor Bio as at 30 June 2026, which is HK$31,311,000, divided by the Group's total assets as at 30 June 2026, which is HK$1,786,061,000, is approximately 1.75%, which the Board considers to be significant. In addition, the Group has a 19.5% stake in Wingor Bio as at 30 June 2026, and hence, the business performance of Wingor Bio could have a significant impact on the business performance of the Group. Wingor Bio is engaged in the R&D of stem cell products and the provision of health management consulting and medical treatment services. The Group and Wingor Bio may explore cross-selling opportunities, which would generate synergy for both parties. As such, the Company considers Wingor Bio to be an important investment with significant strategic value.

Wingor Bio is accounted for in the Company's accounts using the equity method of accounting.

Given the importance of Wingor Bio to the Group and the key roles and responsibilities performed by the grantee in Wingor Bio, the Board considers that it is desirable to grant Share Options to incentivise her to improve her performance efficiency and align her interests with those of the Group.

All of the Share Options granted to Ms. Jiang Shu（姜舒）is subject to the satisfaction of certain performance targets of Wingor Bio, including annual performance targets for the years ended 31 December 2020, 2022 and 2023 of Wingor Bio and the achievement of certain R&D milestones for certain pharmaceutical products developed by Wingor Bio. Such pharmaceutical products are stem cell products, and the successful R&D and commercialisation of these products mark a significant breakthrough in the stem cell field. She could significantly improve the financial performance of Wingor Bio, thereby improving the financial performance of the Group. These performance targets tie the performance of the invested entity with the benefits to be received by Ms. Jiang Shu（姜舒）, thereby motivating her to improve the performance of the invested entity.

OTHER INFORMATION

(ii) **Management consultant**

As at 30 June 2026, there were a total of 504,000 outstanding Share Options held by a management consultant of the Group, namely Mr. Jin Lei（金磊）, who provides management consultancy services to the Group. Mr. Jin Lei（金磊）is a PRC national who lives in China.

Prior to his engagement as a management consultant of the Group, he worked as an employee of the invested entity. During such time, he was responsible for project procurement, business development, management of working teams and assisting the Chief Executive Officer in the accomplishment of strategic plans of the Company.

To the best of the knowledge, information and belief of the Directors, Mr. Jin Lei（金磊）is a third party independent of the Company and its connected persons.

Mr. Jin Lei（金磊）has expertise and skills in respect of the business operations of the Group, including strategic planning, financial management and control, financing, marketing, team management, internal coordination, and government relations. He has played an important role in enabling the Group to achieve smooth operations. The Board considers that it is desirable to grant Share Options to him as incentives to retain him and to motivate him to improve his performance for the benefit of the Group and to align his interest with that of the Group.

No performance target is set for Mr. Jin Lei（金磊）. As Mr. Jin Lei（金磊）is responsible for overseeing certain aspects of the business operations of the Group, the Board considers that setting a performance target for him is not as meaningful as for employees of the Group. Notwithstanding this the Board considers that the grant of Share Options to Mr. Jin Lei（金磊）is fair and reasonable to the Company and its shareholders as a whole, given that Mr. Jin Lei（金磊）contributions and potential contributions to the Group and considering the fact that the size of the granted is relatively insignificant given Mr. Jin Lei（金磊）roles and duties in the Group and the fact that the Share Options will be vested in four equal tranches in four years' time. Additionally, the Share Options will help align the interests of Mr. Jin Lei（金磊）with those of the Company and its shareholders.

The grant of Share Options to the management consultant can also meet the purpose of the 2019 Share Option Scheme, notwithstanding no performance target is set. The Share Options can serve as a reward for the management consultant's past contributions. As the Share Options granted to him will vest in him in four equal tranches in the next four years, the grant of Share Options will also help retain his services. It can align his interests with those of the Company and its shareholders; therefore, it can also serve as an incentive for the management consultant to improve his performance for the benefit of the Group.

The total number of shares of the Company that may be issued pursuant to the 2019 Share Option Scheme on the date of its adoption was 427,175,263 shares of the Company, representing approximately 10.4% of the issued share capital of the Company (excluding Treasury Shares) as at the date of this Interim Report. The number of Share Options available for grant under the 2019 Share Option Scheme mandate limit as at the beginning of the Reporting Period and the end of the Reporting Period were 11,965,500 and 11,965,500, respectively.

For the six months ended 30 June 2026, no Share Option was granted, exercised, vested, forfeited or cancelled under the 2019 Share Option Scheme. Accordingly, the number of Shares that may be issued in respect of Share Options granted under the 2019 Share Option Scheme for the six months ended 30 June 2026 divided by the weighted average number of Shares in issue (i.e. 4,055,792,282 Shares) (excluding Treasury Shares) is nil. The remaining life of the 2019 Share Option Scheme is approximately 3 years.

Further particulars of the 2019 Share Option Scheme of the Company are set out in note 21 to the interim condensed consolidated financial statements contained in this Interim Report.

2026 SHARE AWARD SCHEME

At the special general meeting of the Company held on 21 April 2026, an ordinary resolution was approved by the Shareholders for the adoption of the 2026 Share Award Scheme and is effective for a period of 10 years commencing on the adoption date. A summary of the principal terms of the 2026 Share Award Scheme was set out in a circular to Shareholders dated 27 March 2026. No share award was granted under the 2026 Share Award Scheme during the six months ended 30 June 2026.

The Board announces that on 03 July 2026, the Company granted an aggregate of 5,328,000 awarded Shares pursuant to 2026 Share Award Scheme. For details of the award Shares, please refer to the announcement of the Company dated 03 July 2026.

OTHER INFORMATION

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

The Directors and chief executive of the Company who held offices as at 30 June 2026 had the following interests and short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register maintained by the Company pursuant to Section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which were taken or deemed to have under such provisions of the SFO) or pursuant to the Model Code required to be disclosed in accordance with the Listing Rules:

(a) Interests in Issued Shares

	Capacity			
Name of Director	**Beneficial owner** *(Note 1)*	**Interest in controlled corporation** *(Note 1)*	**Total number of Shares held** *(Note 1)*	**% of total issued Shares**
Mr. Zhou Xuzhou *(Notes 2, 3)*	146,366,470 (L)	2,424,056,291 (L)	2,570,422,761 (L)	63.38%
Dr. Zeng Wentao *(Note 3)*	75,000,000 (L)	–	75,000,000 (L)	1.85%
Ms. Zhou Wen Chuan *(Note 3)*	40,851,000 (L)	–	40,851,000 (L)	1.01%
Dr. Mao Zhenhua *(Note 4)*	–	113,890,000 (L)	113,890,000 (L)	2.81%

Notes:

1. The letter "L" denotes the person's long position in the shares, whereas the letter "S" denotes the person's short position in the shares.

2. These shares are held by U-Home Group International Limited and Zhongjia U-Home Investment Limited.

3. Mr. Zhou Xuzhou, Dr. Zeng Wentao and Ms. Zhou Wen Chuan are Executive Directors.

4. 113,890,000 shares are beneficially owned by Honour Goal Investments Limited. Honour Goal Investments Limited is wholly owned by Zhongchengxin (HK) Investment Services Limited, a company incorporated in Hong Kong with limited liability. Zhongchengxin (HK) Investment Services Limited is wholly owned by Zhongchengxin Investment Group Company Limited*（中誠信投資集團有限公司）, a company established in the PRC with limited liability. Zhongchengxin Investment Group Company Limited is owned as to 80% by Hubei East Asia Enterprise Company Limited*（湖北東亞實業有限公司）, a company established in the PRC with limited liability. Hubei East Asia Enterprise Company Limited is owned as to 80% by Wuhan Huabing Real Estate Company Limited*（武漢華兵置業有限公司）, a company established in the PRC with limited liability. Wuhan Huabing Real Estate Company Limited is owned as to 99% by Dr. Mao Zhenhua, a Non-Executive Director. Under the SFO, Dr. Mao Zhenhua is deemed to be interested in the shares held by Honour Goal Investments Limited.

* *For identification purposes only*

(b) Interests in Share Options

Name of Director	Number of options directly beneficially owned *(Note 1)*
Dr. Zeng Wentao *(Note 2)*	2,500,500 (L)
Ms. Zhou Wen Chuan *(Note 2)*	4,500,000 (L)

Notes:

1. The letter "L" denotes the person's long position in the underlying shares.

2. Dr. Zeng Wentao and Ms. Zhou Wen Chuan, who are Executive Directors, have been granted Share Options under the 2019 Share Option Scheme, details of which are set out in the sub-section headed "Share Option Scheme" above.

Save as disclosed above, none of the Directors and chief executive of the Company or their respective associates had any interests and short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register maintained by the Company pursuant to Section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which were taken or deemed to have under such provisions of the SFO) or pursuant to the Model Code as at 30 June 2026.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2026, the Company had been notified by the following persons (other than the Directors or chief executive of the Company) who had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or be directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances of GMs or who were recorded in the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO or had otherwise notified the Company:

Interests in Issued Shares

Name of substantial shareholders	Capacity	Total interests *(Note 1)*	% of total issued shares
U-Home Group International Limited *(Note 2)*	Beneficial owner	964,172,530 (L)	23.78%
Zhongjia U-Home Investment Limited *(Note 3)*	Beneficial owner	1,459,883,761 (L)	36.00%
Shunda Investment Limited *(Notes 2, 3)*	Interest in controlled corporation	2,424,056,291 (L)	59.77%

OTHER INFORMATION

Name of substantial shareholders	Capacity	Total interests *(Note 1)*	% of total issued shares
Mr. Zhou Xuzhou *(Note)*	Interest in controlled corporation	2,424,056,291 (L)	59.77%
	Beneficial owner	146,366,470 (L)	3.61%

Notes:

1. The letter "L" denotes the person's long position in the shares, whereas the letter "S" denotes the person's short position in the shares.

2. U-Home Group International Limited is wholly and beneficially owned by Shunda Investment Limited, which in turn is wholly and beneficially owned by Mr. Zhou Xuzhou. Under the SFO, Shunda Investment Limited and Mr. Zhou Xuzhou are deemed to be interested in the shares held by U-Home Group International Limited.

3. Zhongjia U-Home Investment Limited is wholly and beneficially owned by Shunda Investment Limited, which in turn is wholly and beneficially owned by Mr. Zhou Xuzhou. Under the SFO, Shunda Investment Limited and Mr. Zhou Xuzhou is deemed to be interested in the shares held by Zhongjia U-Home Investment Limited.

Save as disclosed above, the Company has not been notified by any person (other than the Directors or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or be directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances of GMs or who were recorded in the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO or had otherwise notified the Company as at 30 June 2026.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Other than disclosed in the sub-sections headed "Share Option Scheme" and "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures" above, at no time during the six months ended 30 June 2026 or up to the date of this Interim Report were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any of the Directors or their respective spouses or minor children, or were any such rights exercised by them; or were the Company, its holding company, or any of its subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY OR SALE OF TREASURY SHARES

During the six months ended 30 June 2026, the Company repurchased (the "**Share Repurchases**") a total of 7,500,000 Shares on the Stock Exchange at an aggregate consideration (before expenses) of HK$2,037,600. As at 30 June 2026, 5,328,000 Shares repurchased are not cancelled and have been held by the Company as Treasury Shares. Subsequent to the Reporting Period and as at the date of this Interim Report, the Company has announced the grant of 5,328,000 awarded shares from its Treasury Shares on 3 July 2026. Further details are set out in the announcement of the Company dated 3 July 2026. The Directors believe that the Share Repurchases would lead to an enhancement of the net assets value per Share and/or earnings per Share.

Save as disclosed above, during the Reporting Period and up to the date of this Interim Report, neither the Company nor its subsidiaries had purchased, sold or redeemed any of the securities of the Company listed on the Stock Exchange, nor sold any Treasury Shares of the Company.

Particulars of the Share Repurchases are as follows:

Month of repurchase	Total number of Shares repurchased	Repurchases price per Share Highest	Repurchases price per Share Lowest	Aggregate consideration (before expenses)
		HK$	*HK$*	*HK$*
Jan 2026	7,500,000	0.285	0.265	2,037,600

CORPORATE GOVERNANCE

The Company has adopted the principles and complied with all the applicable code provisions of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules during the six months ended 30 June 2026.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding directors' securities transactions. After specific enquiries made by the Company, all the Directors have confirmed that, during the six months ended 30 June 2026, they have complied with the required standard set out in the Model Code.

AUDIT COMMITTEE

The Audit Committee comprises two Independent Non-Executive Directors and one Non-Executive Director, namely Professor Chau Chi Wai, Wilton (Chairman), Mr. Chen Shi and Dr. Mao Zhenhua.

The Audit Committee has reviewed with the management of the Group the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters, including the review of the unaudited interim financial information for the six months ended 30 June 2026 and this Interim Report.

IMPORTANT EVENTS AFTER THE REPORTING PERIOD

Save as elsewhere disclosed in this Interim Report, there were no important events affecting the Group after 30 June 2026, being the end of the Reporting Period, and up to the date of this Interim Report.

OTHER INFORMATION

CHANGES IN DIRECTORS' AND CHIEF EXECUTIVE'S INFORMATION

There had been no changes in the information of any Directors during the six months ended 30 June 2026 that are required to be disclosed pursuant to paragraphs (a) to (e) and paragraph (g) of Rule 13.51(2) of the Listing Rules have to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

APPRECIATION

On behalf of the Board, I would like to express my deepest appreciation to all staff of the Group for their excellent contribution, thank our shareholders for their trust and acknowledge our business partners for their support.

By Order of the Board
Zhou Wen Chuan
Executive Director and Chief Executive Officer

Hong Kong, 27 August 2026

BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

EXECUTIVE DIRECTORS

Mr. Zhou Xuzhou, aged 70, was appointed as an Executive Director on 30 August 2013, was appointed as the chairman of the Board on 23 September 2013 and was re-designated as a Co-Chairman on 20 June 2019. He is the chairman of the Nomination Committee and a member of the Strategic Committee.

Mr. Zhou obtained a master's degree from Wuhan University in 1985. Mr. Zhou was appointed as a lifetime director of Wuhan University with effect from November 2025. Mr. Zhou is primarily responsible for leading the strategic planning and financial planning of the Group. Mr. Zhou is the father of Ms. Zhou Wen Chuan.

Dr. Zeng Wentao, aged 63, was appointed as an Independent Non-Executive Director on 18 October 2017, was re-designated as an Executive Director on 27 May 2019 and was appointed as a Co-Chairman on 20 June 2019. He is a member of the Remuneration Committee and the Strategic Committee.

Dr. Zeng graduated from Wuhan University with a doctoral degree in Economics. Dr. Zeng founded Hainan Sanyou Real Estate Company Limited (海南三友房地產有限公司) in Hainan in 1990 and acted as its general manager. In 1995, he founded Wuhan Yinhai Property Company Limited (武漢銀海置業有限公司), which was principally engaged in real estate development and technology investment, and acted as its chief executive officer. He has been the chief executive officer of Zhongjia Capital (Wuhan) Investment Management Company Limited (中珈資本(武漢)投資管理有限公司) since March 2017. He is a part-time professor of Zhongnan University of Economics and Law, a member of Zhongnan University of Economics and Law Educational Development Fund and a standing council member of Dong Fureng Foundation (董輔礽基金會). He was the vice-chairman of the 12th and 13th Federation of Industry and Commerce of Wuhan City (武漢市工商聯) and a member of the 11th and 12th People's Consultative Conference of Wuhan City. Dr. Zeng has been a Counselor of the Healthcare Industry Union of Wuhan University Alumni Entrepreneur Association (武漢大學校友企業家聯誼會健康產業聯盟), an organisation dedicated to the promotion of co-operations in the healthcare industry among entrepreneurs who are alumni of Wuhan University, since July 2017. By taking this position, Dr. Zeng has gained an understanding of the healthcare business and has built good relationships with certain entrepreneurs and market players in the healthcare industry. In 2018, Dr. Zeng was appointed as a researcher in health economics of Dong Fureng Economic & Social Development School of Wuhan University, which demonstrated the recognition of Dr. Zeng's knowledge in health economics by the said organisation and has enabled Dr. Zeng to use his managerial experience to contribute to the research work in the health economics area.

Ms. Zhou Wen Chuan, aged 43, was appointed as an Executive Director on 30 August 2013 and the Chief Executive Officer on 23 September 2013. She is a member of the Nomination Committee.

Ms. Zhou obtained a master's degree in Business Administration from the Chinese University of Hong Kong in 2011. Also, she obtained a master's degree in Science and a dual bachelor's degree in Food Nutrition and Health from the University of British Columbia in 2008 and 2007, respectively. Ms. Zhou is currently a PhD student. Ms. Zhou is the daughter of Mr. Zhou Xuzhou.

BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

NON-EXECUTIVE DIRECTOR

Dr. Mao Zhenhua, aged 62, was appointed as a Non-Executive Director on 5 October 2015. He is the chairman of the Strategic Committee and a member of the Audit Committee.

Dr. Mao is currently the chairman of China Chengxin Credit Management Co., Ltd. ("**China Chengxin**"), professor of the Renmin University of China, chairman of the Institute of Economic Research of the Renmin University of China, professor of Wuhan University, Dean of Dong Fureng Economic & Social Development School of Wuhan University and professor of Business School at the University of Hong Kong. Dr. Mao graduated from Wuhan University with a doctoral degree in Economics. Dr. Mao had carried out economic analysis and policies research for the Hubei Provincial Government, Hainan Provincial Government and Research Office of the State Council.

Dr. Mao founded China Chengxin in 1992. Since then, he acted as its general manager, chairman as well as general manager, chief executive officer, and chairman. He was the major shareholder and controller of China Cheng Xin International Credit Rating Co., Ltd. Under the leadership of Dr. Mao, China Chengxin has become a company specialising in credit services and a comprehensive enterprise group principally engaging in the business of investing in finance, real estate and industries.

Dr. Mao is currently an independent non-executive director of China Infrastructure & Logistics Group Ltd (a company listed on the Stock Exchange, stock code: 1719), China SCE Group Holdings Ltd (a company listed on the Stock Exchange, stock code: 1966), Ele Bank Limited (formerly known as Airstar Bank Limited) and Gravitation Fintech HK Limited. Dr. Mao was appointed as a member of the Research Strategy Expert Group of the Policy Unit of the Chief Executive of the Hong Kong Special Administrative Region on May 30, 2023.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Professor Chau Chi Wai, Wilton, aged 64, was appointed as an Independent Non-Executive Director on 30 August 2013. He is the chairman of the Audit Committee, a member of the Remuneration Committee and a member of the Nomination Committee.

Professor Chau obtained a doctoral degree in business administration, a master's degree in business administration, a bachelor's degree in laws and a bachelor's degree in science. He is a fellow member of the Chartered Association of Certified Accountants (UK). Professor Chau is currently the chairman of Pan Asia Venture Development Platform and a vice-chairman of Hong Kong Biotechnology Organisation. He is also an adjunct professor of the Chinese University of Hong Kong, City University of Hong Kong and National University of Singapore. Professor Chau is currently an independent non-executive director of China Three Gorges International Limited and Digital Hollywood Interactive Limited (a company listed on the Stock Exchange, stock code: 2022). Professor Chau has over 30 years of experience in direct investment and venture capital.

Mr. Chen Shi, aged 65, was appointed as an Independent Non-Executive Director on 10 April 2024. He is the chairman of the Remuneration Committee, a member of the Audit Committee and a member of the Nomination Committee.

Mr. Chen obtained a bachelor's degree and a master's degree in Economics from Wuhan University in August 1982 and July 1985, respectively. He later obtained a doctorate in Economics from the Graduate School of Chinese Academy of Social Sciences in July 1989. Mr. Chen has over 30 years of working experience. Mr. Chen served as deputy head and then the head of the Policy Division of Social and Economic Development Research Center of the People's Government of Hainan Province from July 1989 to November 1994. He served as a deputy general manager of Yat Chau Holdings Limited from December 1994 to February 1998. He then severed as a deputy general manager of Cityford Dyeing & Printing Industrial Limited from March 1998 to December 2001. From January 2002 to February 2013, Mr. Chen served as the president of Caricom Limited. He was previously a director of Partners Financial Holdings Limited from November 2012 to July 2013 and a non-executive director of LDK Solar Co., Ltd. (a company listed on the New York Stock Exchange Inc.) from March 2014 to May 2016. He has been a director of Mountain China Resorts (Holdings) Limited (a former company listed on the TSX Venture Exchange in Canada and delisted on 19 January 2023) since February 2012 and an executive director and chief executive officer of Good Resources Holdings Limited (a former company listed on the Main Board of the Stock Exchange, stock code: 109 and delisted on 4 May 2022) since July 2019. Mr. Chen was first appointed as a non-executive director of Shunfeng International Clean Energy Limited (stock code: 1165), a company listed on the Stock Exchange, from March 2013 to September 2013 and has later been appointed as an executive director from 1 August 2017 to 31 December 2024.

Mr. Wu Peng, aged 44, was appointed as an Independent Non-Executive Director on 27 May 2019. He is a member of the Nomination Committee.

Mr. Wu graduated from Tsinghua University with a bachelor's degree in information systems in July 2004 and a doctoral degree (with supply chain management as a key research area) in January 2010. From September 2005 to January 2010, Mr. Wu worked as a research assistant in the Humanities Key Research Base of the Ministry of Education（教育部人文社科重點研究基地）of the PRC and the Research Centre for Contemporary Management Tsinghua University（清華大學現代管理研究中心）, where he participated in the study of pharmaceutical products supply chain management strategies. In this position, Mr. Wu conducted investigations and research on the production and operation processes of a number of large-sized pharmaceutical companies in the PRC and gained a good understanding of their supply chain management. From March 2010 to November 2012, Mr. Wu was a lecturer at the school of Business Administration of South China University of Technology and was mainly involved in teaching and researching green supply chain management. During this period, from November 2010 to April 2012, Mr. Wu was also a postdoctoral researcher at The Martin Centre for Architectural and Urban Studies of the University of Cambridge, where he was engaged in low-carbon supply chain and low-carbon urban planning and design research work. Since December 2012, Mr. Wu has been teaching green supply chain management and engaging in the research work in this area in the Business School of Sichuan University, first as an associate professor from December 2012 to September 2017 and subsequently as a professor since September 2017. During a five-year period from 2012 to 2017, Mr. Wu was involved in an industrial chain optimisation consulting project, through which he further gained experience in the supply chain management research area. Mr. Wu has been a Counselor of the Society of Management Science and Engineering of China（中國管理科學與工程學會理事）since October 2018. Mr. Wu is currently an independent director of LightInTheBox Holding Co., Ltd. (a company listed on the New York Stock Exchange, stock code: LITB).

BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

JOINT COMPANY SECRETARIES

Ms. Chu Mei Yi, aged 33, was appointed as a Joint Company Secretary on 31 December 2025. Ms. Chu is the Company Secretarial Manager of Bird & Bird. She has extensive experience in delivering comprehensive company secretarial services to listed companies across a diverse range of industries, including property development, property management, financial services, and e-commerce. Ms. Chu has held positions at international law firms and prominent corporate service providers.

Ms. Chu obtained a Bachelor of Laws from University of London and a Bachelor of Business Administration in Accounting from Hong Kong Metropolitan University. She is an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom. Ms. Zhou Wen Chuan, an Executive Director, is the principal contact person of Ms. Chu in the Company.

Mr. Tsoi Kwai Kwan, aged 34, was appointed as a Joint Company Secretary on 31 December 2025. Mr. Tsoi has over 10 years of experience in auditing, accounting and company secretary experience and currently serves as senior finance manager in Meilleure Enterprise Development Company Limited, a wholly-owned subsidiary of the Company, and is mainly responsible for the group finance and other company secretarial related works. Mr. Tsoi had worked for an audit firm.

Mr. Tsoi obtained a Bachelor of Professional Accounting from Hong Kong Metropolitan University. Mr. Tsoi is a member of the Hong Kong Institute of Certified Public Accountants.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026

		Six months ended 30 June	
		2026	2025
	Notes	***HK$'000***	*HK$'000*
		(Unaudited)	(Unaudited)
Revenue	*5*	**164,570**	17,453
Cost of goods sold and service rendered		**(136,113)**	(3,292)
Gross profit		**28,457**	14,161
Gain/(loss) on partial disposals of investments in a joint venture		**3,097**	(127)
Loss on disposals of investment properties		**(1,724)**	–
Other income and gains, net		**25,070**	22,647
Selling and distribution expenses		**(5,303)**	(1,978)
Administrative expenses		**(11,618)**	(11,276)
Impairment losses of assets		**(386)**	(461)
Reversal of impairment losses/(impairment losses) of receivables, net		**84**	(1,166)
Finance costs	*6*	**(4,387)**	(4,804)
Share of losses of associates		**(83)**	(152)
Share of losses of joint ventures		**(3,018)**	(937)
Profit before tax		**30,189**	15,907
Income tax expense	*7*	**(1,855)**	(763)
Profit for the period	*8*	**28,334**	15,144
Attributable to:			
Owners of the Company		**28,344**	15,157
Non-controlling interests		**(10)**	(13)
		28,334	15,144
Earnings per share			
Basic and diluted	*10*	**HK0.70 cents**	HK0.37 cents

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2026

		Six months ended 30 June	
	Notes	**2026** ***HK$'000*** **(Unaudited)**	2025 *HK$'000* (Unaudited)
Profit for the period	*8*	**28,334**	15,144
Other comprehensive income/(loss):			
Item that will not be reclassified to profit or loss:			
Fair value changes of equity investments at FVTOCI, net of tax		**–**	(7,789)
Items that may be reclassified to profit or loss:			
Exchange differences on translating foreign operations:			
– Subsidiaries		**43,444**	33,965
– Associates and joint ventures		**1,205**	1,175
		44,649	35,140
Other comprehensive income for the period, net of tax		**44,649**	27,351
Total comprehensive income for the period		**72,983**	42,495
Attributable to:			
Owners of the Company		**73,028**	42,534
Non-controlling interests		**(45)**	(39)
		72,983	42,495

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	30 June 2026 HK$'000 (Unaudited)	31 December 2025 HK$'000 (Audited)
Non-current assets			
Property, plant and equipment	11	**2,180**	2,635
Right-of-use assets		**478**	643
Investment properties	12	**678,272**	663,388
Investment in associates		**3,694**	4,011
Investment in a joint venture		**31,311**	46,407
Investments at FVTPL		**36,241**	35,970
Equity investments at FVTOCI		**8,842**	8,499
Derivative financial assets		**277**	266
Prepayments, deposits and other receivables	14	**7,078**	6,785
Deferred tax assets		**30,320**	31,215
		798,693	799,819
Current assets			
Inventories		**2,657**	1,214
Properties held for sale under development		**310,558**	373,072
Trade receivables	13	**22,747**	16,099
Prepayments, deposits and other receivables	14	**640,551**	605,198
Restricted bank deposit	15	**3,092**	7,105
Bank and cash balances		**7,763**	13,079
		987,368	1,015,767

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	30 June 2026 HK$'000 (Unaudited)	31 December 2025 HK$'000 (Audited)
Current liabilities			
Trade payables	16	**9**	251
Contract liabilities		**18,458**	33,362
Accruals and other payables		**44,668**	41,217
Dividend payable	9	**16,221**	–
Amounts due to related parties	17	**9,211**	11,953
Bank borrowings	18	**193,231**	271,317
Lease liabilities		**315**	302
Current tax liabilities		**3,215**	3,118
		285,328	361,520
Net current assets		**702,040**	654,247
Total assets less current liabilities		**1,500,733**	1,454,066
Non-current liabilities			
Bank borrowings	18	**97,737**	109,078
Lease liabilities		**110**	261
Deferred tax liabilities		**99,865**	96,484
		197,712	205,823
NET ASSETS		**1,303,021**	1,248,243
Capital and reserves			
Share capital	19	**40,607**	40,938
Treasury shares	20	**(1,446)**	(9,199)
Reserves		**1,264,165**	1,216,764
Equity attributable to owners of the Company		**1,303,326**	1,248,503
Non-controlling interests		**(305)**	(260)
TOTAL EQUITY		**1,303,021**	1,248,243

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

	(Unaudited)												
	Attributable to owners of the Company												
	Share capital	Treasury shares	Share premium account	Contributed surplus account	Share-based payment reserve	Statutory surplus reserve	Equity investment revaluation reserve	Other reserve	Foreign currency translation reserve	Retained profits	Total	Non-controlling interests	Total equity
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
As at 1 January 2025	40,938	(335)	572,574	409,712	4,109	25,016	(25,319)	5,280	(131,467)	301,096	1,201,604	(240)	1,201,364
Total comprehensive income for the period	–	–	–	–	–	–	(7,789)	–	35,166	15,157	42,534	(39)	42,495
Equity-settled share option arrangements	–	–	–	–	62	–	–	–	–	–	62	–	62
Share of reserve of a joint venture	–	–	–	–	–	–	–	254	–	–	254	–	254
Release of share-based payment reserve	–	–	–	–	(35)	–	–	–	–	35	–	–	–
Repurchases of share	–	(8,864)	–	–	–	–	–	–	–	–	(8,864)	–	(8,864)
Release of equity investment revaluation reserve	–	–	–	–	–	–	31,155	–	–	(31,155)	–	–	–
Dividend recognised as a distribution *(Note 9)*	–	–	–	–	–	–	–	–	–	(16,375)	(16,375)	–	(16,375)
Changes in equity for the period	–	(8,864)	–	–	27	–	23,366	254	35,166	(32,338)	17,611	(39)	17,572
As at 30 June 2025	40,938	(9,199)	572,574	409,712	4,136	25,016	(1,953)	5,534	(96,301)	268,758	1,219,215	(279)	1,218,936
As at 1 January 2026	**40,938**	**(9,199)**	**572,574**	**409,712**	**2,911**	**25,016**	**55**	**5,737**	**(85,900)**	**286,659**	**1,248,503**	**(260)**	**1,248,243**
Total comprehensive income for the period	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**44,684**	**28,344**	**73,028**	**(45)**	**72,983**
Share of reserve of a joint venture	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**57**	**–**	**–**	**57**	**–**	**57**
Repurchases of share	**–**	**(2,041)**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(2,041)**	**–**	**(2,041)**
Cancellation of shares *(Notes 19 and 20(a))*	**(331)**	**9,794**	**(9,463)**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Dividend recognised as a distribution *(Note 9)*	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(16,221)**	**(16,221)**	**–**	**(16,221)**
Changes in equity for the period	**(331)**	**7,753**	**(9,463)**	**–**	**–**	**–**	**–**	**57**	**44,684**	**12,123**	**54,823**	**(45)**	**54,778**
As at 30 June 2026	**40,607**	**(1,446)**	**563,111**	**409,712**	**2,911**	**25,016**	**55**	**5,794**	**(41,216)**	**298,782**	**1,303,326**	**(305)**	**1,303,021**

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES	**16,065**	(13,361)
Capital injected to investments at FVTPL	**(104)**	–
Decrease in restricted deposit	**4,193**	–
Advances of loans to third parties	**–**	(39,087)
Repayment of loans from third parties	**68,549**	–
Interest received	**273**	12,966
Proceeds from disposal of property, plant and equipment	**100**	–
Purchases of property, plant and equipment	**–**	(580)
Proceeds from partial disposals of investment in a joint venture	**14,023**	4,038
Proceeds from disposal of equity investments at FVTOCI	**–**	596
NET CASH GENERATED FROM/(USED IN) INVESTING ACTIVITIES	**87,034**	(22,067)
Proceeds from bank borrowings	**43,986**	48,336
Repayment of bank borrowings	**(146,072)**	(19,338)
Interest paid	**(4,372)**	(4,769)
Repayment of lease liabilities	**(173)**	(274)
Payments of share repurchase	**(2,041)**	(8,863)
NET CASH (USED IN)/GENERATED FROM FINANCING ACTIVITIES	**(108,672)**	15,092
NET DECREASE IN CASH AND CASH EQUIVALENTS	**(5,573)**	(20,336)
Effect of foreign exchange rate changes	**257**	339
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**13,079**	29,944
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**7,763**	9,947
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Bank and cash balances	**7,763**	9,947

1. GENERAL INFORMATION

The Company was incorporated in Bermuda with limited liability. The address of its registered office is Richmond House, 12 Par-la-Ville Road, Hamilton HM 08, Bermuda. The address of its principal place of business is Unit 2906, Tower 1, Lippo Centre, 89 Queensway, Admiralty, Hong Kong. The Company's shares are listed on the Main Board of the Stock Exchange.

The principal activities of the Group are operations of healthcare-related business, trading of construction materials and renewable energy products, provision of real estate agency services, property investment and leasing, development of residential properties and provision of procurement services of renewable energy products.

2. BASIS OF PREPARATION

These interim condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 Interim Financial Reporting issued by the HKICPA and the applicable disclosures required by the Listing Rules.

These interim condensed consolidated financial statements should be read in conjunction with the 2025 annual consolidated financial statements. The accounting policies and methods of computation used in the preparation of these interim condensed consolidated financial statements are consistent with those used in the annual consolidated financial statements for the year ended 31 December 2025.

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

In the current period, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards ("**HKFRSs**") issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 January 2026. HKFRSs comprise Hong Kong Financial Reporting Standards; HKASs; and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group's accounting policies, presentation of the Group's interim condensed consolidated financial statements and amounts reported for the current period and prior years.

4. FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following disclosures of fair value measurements use a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2 inputs: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

4. FAIR VALUE MEASUREMENTS *(Continued)*

The Group's policy is to recognise transfers into and transfers out of any of the three levels as of the date of the event or change in circumstances that caused the transfer.

(a) Disclosures of level in fair value hierarchy as at 30 June 2026 (Unaudited):

Description	Fair value measurements using: Level 1 *HK$'000*	Level 2 *HK$'000*	Level 3 *HK$'000*	Total 2025 *HK$'000*
Recurring fair value measurements:				
Financial assets at FVTOCI				
– Unlisted equity investments	**–**	**–**	**8,842**	**8,842**
Financial assets at FVTPL				
– Unlisted equity investments	**–**	**23,134**	**13,107**	**36,241**
– Derivative financial assets				
– Call options	**–**	**–**	**111**	**111**
– Put options	**–**	**–**	**166**	**166**
Total recurring fair value measurements	**–**	**23,134**	**22,226**	**45,360**

Disclosures of level in fair value hierarchy as at 31 December 2025 (Audited):

Description	Fair value measurements using: Level 1 *HK$'000*	Level 2 *HK$'000*	Level 3 *HK$'000*	Total 2024 *HK$'000*
Recurring fair value measurements:				
Financial assets at FVTOCI				
– Unlisted equity investments	–	–	8,499	8,499
Financial assets at FVTPL				
– Unlisted equity investments	–	23,372	12,598	35,970
– Derivative financial assets				
– Call options	–	–	107	107
– Put options	–	–	159	159
Total recurring fair value measurements	–	23,372	21,363	44,735

4. FAIR VALUE MEASUREMENTS *(Continued)*

(b) Reconciliation of assets measured at fair value based on Level 3 (Unaudited):

Description	Unlisted equity investments (classified as financial assets at FVTOCI) *HK$'000*	Unlisted equity investments (classified as financial assets at FVTPL) *HK$'000*	Derivative financial assets – Call options (classified as financial assets at FVTPL) *HK$'000*	Derivative financial assets – Put options (classified as financial assets at FVTPL) *HK$'000*	2026 Total *HK$'000*
As at 1 January	8,499	12,598	107	159	21,363
Total gains or losses recognised					
in profit or loss (#)	–	–	–	–	–
in other comprehensive loss	–	–	–	–	–
Addition	–	–	–	–	–
Transfer out of level 3	–	–	–	–	–
Exchange differences	343	509	4	7	863
As at 30 June	8,842	13,107	111	166	22,226
(#) Include gains or losses for assets held at end of Reporting Period	–	–	–	–	–

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

4. FAIR VALUE MEASUREMENTS *(Continued)*

(b) Reconciliation of assets measured at fair value based on Level 3 (Unaudited): *(Continued)*

Description	Unlisted equity investments (classified as financial assets at FVTOCI) *HK$'000*	Unlisted equity investments (classified as financial assets at FVTPL) *HK$'000*	Derivative financial assets – Call options (classified as financial assets at FVTPL) *HK$'000*	Derivative financial assets – Put options (classified as financial assets at FVTPL) *HK$'000*	2025 Total *HK$'000*
As at 1 January	6,122	25,441	150	15	31,728
Total gains or losses recognised					
in profit or loss (#)	–	–	–	–	–
in other comprehensive loss	(596)	–	–	–	(596)
Transfer out of level 3	–	–	–	–	–
Exchange differences	173	755	4	1	933
As at 30 June	5,699	26,196	154	16	32,065
(#) Include gains or losses for assets held at end of Reporting Period	–	–	–	–	–

The total gains or losses recognised in other comprehensive loss are presented in "Fair value changes of equity investments at FVTOCI, net of tax" in the interim condensed consolidated statement of comprehensive income.

During the six months ended 30 June 2026 and 30 June 2025, there were no transfers of fair value measurements between Level 1 and Level 2, and no other transfers into or out of Level 3 for financial assets during the both periods.

(c) Disclosure of valuation processes used by the Group and valuation techniques and inputs used in fair value measurements:

The management of the Group is responsible for the fair value measurements of assets and liabilities required for financial reporting purposes, including Level 3 fair value measurements. The management of the Group reports directly to the Board for these fair value measurements. Discussions of valuation processes and results are held between the management of the Group and the Board at least twice a year for interim and annual financial reporting.

4. FAIR VALUE MEASUREMENTS *(Continued)*

(c) Disclosure of valuation processes used by the Group and valuation techniques and inputs used in fair value measurements: *(Continued)*

Management has assessed that the fair values of bank and cash balances, Restricted bank deposits, trade receivables, trade payables, financial assets included in prepayments, deposits and other receivables, financial liabilities included in accruals and other payables, amounts due to related parties, and bank borrowings classified as current liabilities approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of the financial assets are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair values of unlisted equity investments have been estimated using market-based valuation techniques based on assumptions that are supported by observable market prices or rates. The valuation requires the directors to determine comparable public companies (peers) based on industry, size, leverage and strategy, and to calculate an appropriate price multiple for each comparable company identified. The multiple is calculated by dividing the enterprise value of the comparable company by an earnings measure. The trading multiple is then adjusted for considerations such as illiquidity and size differences between the comparable companies based on company-specific facts and circumstances. A discount for lack of marketability ("**DLOM**") is applied in the fair value assessment, representing the amounts of premium and discounts determined by the Group that market participants would take into account when pricing the investments. The adjusted multiple is applied to the corresponding equity and earnings measure of the unlisted equity investments to measure the fair value. The directors believe that the estimated fair values resulting from the valuation techniques, which are recorded in the consolidated statement of financial position, and the related changes in fair values, which are recorded in profit or loss and other comprehensive income, are reasonable, and that they were the most appropriate values at the end of the reporting period.

5. REVENUE AND SEGMENT INFORMATION

The Group has four (six months ended 30 June 2025: four) reportable segments as follows:

(a) healthcare-related business – health management services, aesthetic medical services and sale of healthcare-related and CBD downstream products;

(b) trading business – trading of construction materials and renewable energy products, provision of procurement services of renewable energy products and healthcare-related products sale agency services;

(c) property-related business – real estate agency services, leasing of investment properties and development and selling of residential properties; and

(d) equity investment business – management of investment portfolio.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

5. REVENUE AND SEGMENT INFORMATION *(Continued)*

Segment revenues and results

The following is an analysis of the Group's revenues and results from reportable and operating segments:

For the six months ended 30 June 2026 (Unaudited)

	Healthcare-related business *HK$'000*	**Trading business** *HK$'000*	**Property-related business** *HK$'000*	**Equity investment business** *HK$'000*	**Total** *HK$'000*
Revenue from external customers	**4,350**	**95**	**160,125**	**–**	**164,570**
Segment profit/(loss)	**(139)**	**793**	**20,759**	**(2,621)**	**18,792**
Interest income					**14,261**
Finance costs					**(4,387)**
Unallocated income					**5,856**
Unallocated expenses					**(4,333)**
Profit before tax					**30,189**

For the six months ended 30 June 2025 (Unaudited)

	Healthcare-related business *HK$'000*	Trading business *HK$'000*	Property-related business *HK$'000*	Equity investment business *HK$'000*	Total *HK$'000*
Revenue from external customers	6,601	810	10,042	–	17,453
Segment profit/(loss)	65	(1,016)	6,056	(841)	4,264
Interest income					14,829
Provision for equity-settled share options expenses					(62)
Finance costs					(4,804)
Unallocated income					5,759
Unallocated expenses					(4,079)
Profit before tax					15,907

5. REVENUE AND SEGMENT INFORMATION *(Continued)*

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

Segment assets

	30 June 2026 *HK$'000* (Unaudited)	31 December 2025 *HK$'000* (Audited)
Healthcare-related business	**19,518**	23,591
Trading business	**49,067**	48,349
Property-related business	**1,041,016**	1,085,910
Equity investment business	**170,167**	106,942
Total assets of reportable segments	**1,279,768**	1,264,792
Deferred tax assets	**30,320**	31,215
Unallocated corporate assets	**475,973**	519,579
Consolidated total assets	**1,786,061**	1,815,586

Segment liabilities

	30 June 2026 *HK$'000* (Unaudited)	31 December 2025 *HK$'000* (Audited)
Healthcare-related business	**33,995**	39,204
Trading business	**113,450**	111,354
Property-related business	**210,420**	308,003
Equity investment business	**2,164**	942
Total liabilities of reportable segments	**360,029**	459,503
Deferred tax liabilities	**99,865**	96,484
Current tax liabilities	**3,215**	3,118
Unallocated corporate liabilities	**19,931**	8,238
Consolidated total liabilities	**483,040**	567,343

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

5. REVENUE AND SEGMENT INFORMATION *(Continued)*

Revenue

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Sale of healthcare-related products	**1,408**	2,121
Healthcare management service income	**1,158**	1,985
Aesthetic medical service income	**1,524**	2,317
Sale of completed properties	**151,943**	–
Sale of renewable energy products	**95**	589
Healthcare-related products sale agency service income	**–**	221
Sale of CBD downstream products	**260**	178
Revenue from contracts with customers	**156,388**	7,411
Rental income	**8,182**	10,042
Total revenue	**164,570**	17,453

5. REVENUE AND SEGMENT INFORMATION *(Continued)*

Disaggregation of revenue from contracts with customers

For the six months ended 30 June 2026 (Unaudited)

Segments	Healthcare-related business *HK$'000*	Property-related business *HK$'000*	Trading business *HK$'000*	Total *HK$'000*
Major products/services				
Sale of healthcare-related products	1,408	–	–	1,408
Aesthetic medical services	1,524	–	–	1,524
Healthcare management services	1,158	–	–	1,158
Sale of CBD downstream products	260	–	–	260
Sale of renewable energy products	–	–	95	95
Sale of completed properties	–	151,943	–	151,943
Total	4,350	151,943	95	156,388
Geographical markets				
PRC	4,090	–	–	4,090
Australia	–	151,943	–	151,943
Others	260	–	95	355
Total	4,350	151,943	95	156,388
Timing of revenue recognition				
At a point in time	3,192	151,943	95	155,230
Over time	1,158	–	–	1,158
Total	4,350	151,943	95	156,388

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

5. REVENUE AND SEGMENT INFORMATION *(Continued)*

For the six months ended 30 June 2025 (Unaudited)

Segments	Healthcare-related business *HK$'000*	Trading business *HK$'000*	Total *HK$'000*
Major products/services			
Sale of healthcare-related products	2,121	–	2,121
Aesthetic medical services	2,317	–	2,317
Healthcare management services	1,985	–	1,985
Sale of CBD downstream products	178	–	178
Healthcare-related products sale agency services	–	221	221
Sale of renewable energy products	–	589	589
Total	6,601	810	7,411
Geographical markets			
PRC	6,423	–	6,423
Others	178	810	988
Total	6,601	810	7,411
Timing of revenue recognition			
At a point in time	4,616	810	5,426
Over time	1,985	–	1,985
Total	6,601	810	7,411

6. FINANCE COSTS

	Six months ended 30 June	
	2026 ***HK$'000*** **(Unaudited)**	2025 *HK$'000* (Unaudited)
Interest on bank loans	**4,256**	4,769
Interest on amount due to related parties	**116**	–
Interest on lease liabilities	**15**	35
	4,387	4,804

7. INCOME TAX EXPENSE

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Current income tax expense		
– Hong Kong Profits Tax overprovision in prior years	**(10)**	–
– PRC Enterprise Income Tax	**8**	268
– Australia withholding tax on interest income	**382**	286
Deferred income tax expense	**1,475**	209
	1,855	763

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the period.

Corporate income tax in other jurisdictions has been provided at the rates of taxation prevailing in the jurisdictions in which the Group entities operate on the estimated assessable profits arising from those jurisdictions for the both periods.

8. PROFIT FOR THE PERIOD

The Group's profit for the period is stated after charging/(crediting) the following items that are unusual because of their nature, size or incidence:

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
(Reversal of impairment losses)/impairment losses of receivables, net	**(84)**	1,166
Impairment losses of investment in an associate	**386**	461
(Gain)/loss on partial disposals of investment in a joint venture	**(3,097)**	127
Fair value loss/(gain) on investments at FVTPL	**1,253**	(868)
Net foreign exchange (gains)	**(5,527)**	(5,794)
Provision for equity-settled share options expenses	**–**	62

9. DIVIDENDS

The Board has declared an interim dividend of HK0.15 cents per share for the six months ended 30 June 2026 (six months ended 30 June 2025: HK0.15 cents per share).

During the six months ended 30 June 2026, the shareholders of the Company had approved the final dividend for the financial year ended 31 December 2025 of HK0.4 cents per share. Such final dividend was recognised as a distribution of approximately HK$16,221,000 which was paid on 28 August 2026.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

10. EARNINGS PER SHARE

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

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Earnings		
Profit attributable to owners of the Company used in the basic and diluted earnings per share calculation	**28,344**	15,157

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Number of shares		
Weighted average number of ordinary shares used in basic and diluted earnings per share calculation *(Note a)*	**4,055,792,282**	4,064,710,835

Note:

(a) For the six months ended 30 June 2026 and 2025, as the average market share price of the Company's share was lower than the assumed exercise price including the fair value of any services to be supplied to the Group in the future under the 2019 Share Option Scheme, accordingly, there would be no dilutive impact.

11. PROPERTY, PLANT AND EQUIPMENT

The movements of property, plant and equipment of the Group were as follows:

	30 June 2026	31 December 2025
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Net carrying amount		
As at 1 January 2026/1 January 2025	**2,635**	2,678
Additions	**–**	583
Disposal	**(98)**	–
Depreciation provided for the period/year	**(451)**	(737)
Exchange differences	**94**	111
Net carrying amount		
As at 30 June 2026/31 December 2025	**2,180**	2,635

12. INVESTMENT PROPERTIES

	30 June 2026 ***HK$'000*** **(Unaudited)**	31 December 2025 *HK$'000* (Audited)
Carrying amount		
As at 1 January 2026/1 January 2025	**663,388**	610,292
Additions	**–**	8,037
Disposal	**(11,682)**	(2,867)
Fair value gains	**–**	21,727
Exchange differences	**26,566**	26,199
Carrying amount		
As at 30 June 2026/31 December 2025	**678,272**	663,388

13. TRADE RECEIVABLES

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

	30 June 2026 ***HK$'000*** **(Unaudited)**	31 December 2025 *HK$'000* (Audited)
0 to 30 days	**1,680**	4,331
31 to 90 days	**11,935**	10,407
Over 90 days	**9,132**	1,361
	22,747	16,099

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

14. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	30 June 2026 **HK$'000** **(Unaudited)**	31 December 2025 *HK$'000* (Audited)
Loan receivables *(Note)*	**441,156**	491,243
Loan interest receivables	**48,507**	33,178
	489,663	524,421
Provision for loss allowance	**(1,389)**	(2,410)
Loan and interest receivable, net	**488,274**	522,011
Prepayments to suppliers	**45,308**	44,277
Deposits in escrow account	**19,544**	29,849
Consideration receivables in relation to:		
– Partial disposal of investment in a joint venture	**6,782**	6,501
Performance bond receivable	**5,768**	5,544
Other receivables	**5,543**	2,443
Other tax receivables	**1,196**	1,434
Deposits paid	**75,214**	185
	647,629	612,244
Provision for loss allowance	**–**	(261)
	647,629	611,983
Analysed as:		
Current assets	**640,551**	605,198
Non-current assets	**7,078**	6,785
	647,629	611,983

Note:

As at 30 June 2026, loan receivable with the carrying amount of approximately HK$230,740,000 (31 December 2025: HK$221,780,000) was made to U-light Energy, which is denominated in RMB, bears interest rate based on the one-year LPR plus 3.05% per annum and repayable in full in or before 2026. The loan receivable is secured by a personal guarantee provided by Mr. Zhou Xuzhou.

The remaining loan receivables with a total carrying amount of approximately HK$210,416,000 (31 December 2025: HK$269,463,000) were made to third parties, which are denominated in RMB, bear fixed interest rates ranging from 3% to 8% per annum (31 December 2025: 3% to 8% per annum) and repayable in full within one year from the date of the respective loan agreements.

15. RESTRICTED BANK DEPOSIT

The Group's restricted bank deposit amounted to HK$3,092,000 as at 30 June 2026 (31 December 2025: HK$7,105,000) represented a deposit placed with a bank to secure the bank borrowing of the Group in the relevant financial institution. The deposit was denominated in AUD and therefore was subject to foreign currency risk.

16. TRADE PAYABLES

The ageing analysis of trade payables, based on the invoice dates, is as follows:

	30 June 2026 *HK$'000* (Unaudited)	31 December 2025 *HK$'000* (Audited)
0 to 90 days	**–**	241
Over 90 days	**9**	10
	9	251

17. AMOUNTS DUE TO RELATED PARTIES

The balances of AUD550,000 (equivalent to HK$3,152,000) are unsecured, 8% interest-bearing and fully repayable on 19 September 2026. Others are unsecured, interest-free and have no fixed term of repayable.

18. BANK BORROWINGS

During the six months ended 30 June 2026, the Group obtained two bank loan amounting to HK$43,986,000 as additional working capital and made repayment of bank borrowings of HK$146,072,000. The new loans were denominated in RMB, bearing fixed interest rates of 2.95% per annum and repayable in full within one year.

During the six months ended 30 June 2025, the Group obtained six bank loans amounting to HK$48,336,000 as additional working capital and made repayment of bank borrowings of HK$19,338,000. The new loans were denominated in RMB, bearing fixed interest rates ranging from 2.9% to 5.62% per annum and repayable by instalments commencing from 2025 to 2030.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

19. SHARE CAPITAL

	Number of shares	Amount
		HK$'000
Authorised:		
Ordinary shares of HK$0.01 each		
As at 1 January 2025, 31 December 2025, 1 January 2026 and 30 June 2026	10,000,000,000	100,000
Issued and fully paid:		
Ordinary shares of HK$0.01 each		
As at 1 January 2025, 31 December 2025 and 1 January 2026	4,093,756,636	40,938
Cancellation of shares	(33,072,000)	(331)
As at 30 June 2026	4,060,684,636	40,607

20. TREASURY SHARES

	Number of shares	Amount
		HK$'000
As at 1 January 2025, 31 December 2025, 1 January 2026	30,900,000	9,199
Repurchase of shares	7,500,000	2,041
Cancellation of shares *(note a)*	(33,072,000)	(9,794)
As at 30 June 2026	5,328,000	1,446

Note:

(a) As of 30 June 2026, 33,072,000 shares repurchased during the current and prior reporting periods had been cancelled. Upon the cancellation of the 33,072,000 ordinary shares repurchased, the issued share capital of the Company was reduced by the par value of approximately HK$331,000, and the premium paid on the repurchase of these cancelled shares of HK$9,794,000, including transaction costs, was deducted from the share premium of the Company.

21. SHARE-BASED PAYMENTS

Equity-settled share option scheme

The 2019 Share Option Scheme was adopted pursuant to a resolution passed on 20 June 2019, which will expire on 19 June 2029, for the primary purpose of providing incentives to employees, executives, officers or directors of the Group, its invested entities and substantial shareholders; and advisors, consultants, agents, suppliers, customers, distributors, contractors, business partners and joint venture partners of the Group (collectively the "**Eligible Participants**"). Accordingly, the remaining life of the 2019 Share option Scheme is approximately 3 years.

The maximum number of shares which may be issued upon exercise of all outstanding share options to be granted and yet to be exercised under the 2019 Share Option Scheme and other schemes of the Company at any time shall not exceed 30% of the total number of the shares of the Company in issue from time to time. The total number of shares issued and may fall to be issued upon exercise of the share options granted under the 2019 Share Option Scheme and any other share option schemes of the Company (including both exercised and outstanding options) to each Eligible Participant in any 12-month period up to and including the date of grant shall not exceed 1% of the shares of the Company in issue as at the date of grant. Any further grant of share options in excess of this limit is subject to shareholders' approval in a GM.

Any grant of share options to a director, chief executive or substantial shareholder of the Company or any of their respective associates is required to be approved by the Independent Non-Executive Directors (excluding any Independent Non-Executive Director who is the grantee of the share options). In addition, any share options granted to a substantial shareholder of the Company or any Independent Non-Executive Directors, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the price of the Company's shares at the date of the grant) in excess of HK$5 million, within any 12-month period, are subject to shareholders' approval in advance in a GM.

The offer of a grant of share options may be accepted within 30 days from the date of the offer, upon payment of a nominal consideration of HK$1 in total by the grantee. A share option may be exercised in accordance with the terms of the 2019 Share Option Scheme at any time after the date upon which the share option is deemed to be granted and accepted and prior to the expiry of 10 years from that date. The period during which a share option may be exercised will be determined by the Board at its absolute discretion, save that no share option may be exercised more than 10 years after it has been granted and accepted.

The exercise price in relation to each share option offered to an Eligible Participant shall be such price as the Board at its absolute discretion shall determine, save that such price must be at least the higher of:

(i) the official closing price of the Company's shares as stated in the daily quotation sheets of the Stock Exchange on the date of the grant, which must be a day on which the Stock Exchange is open for the business of dealing in securities;

(ii) the average of the official closing price of the Company's shares as stated in the daily quotation sheets of the Stock Exchange for the 5 business days immediately preceding the date of grant; and

(iii) the nominal value of the Company's share.

Share options do not confer rights on the holder to dividends or to vote at shareholders' meetings.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

21. SHARE-BASED PAYMENTS *(Continued)*

Equity-settled share option scheme *(Continued)*

Details of the movements of share options are as follows:

				(Unaudited) Number of share options		
Category of participants	**Date of grant** *(Note a)*	**Exercise period**	**Exercise price** *HK$*	**Outstanding as at 1/1/2026**	**Lapsed during the period**	**Outstanding as at 30/6/2026**
Directors	12.5.2020 *(Note b)*	12.5.2021 – 11.5.2030 *(Note d)*	0.33	2,500,500	–	2,500,500
	24.6.2020 *(Note c)*	24.6.2021 – 23.6.2030 *(Note e)*	0.33	4,500,000	–	4,500,000
Employees	12.5.2020 *(Note b)*	12.5.2021 – 11.5.2030 *(Note d)*	0.33	501,000	–	501,000
	12.5.2020 *(Note b)*	12.5.2021 – 11.5.2030 *(Note f)*	0.33	3,210,000	–	3,210,000
Others	12.5.2020 *(Note b)*	12.5.2021 – 11.5.2030 *(Note d)*	0.33	750,000	–	750,000
	12.5.2020 *(Note b)*	12.5.2022 – 11.5.2030 *(Note g)*	0.33	504,000	–	504,000
	12.5.2020 *(Note b)*	N/A *(Note h)*	0.33	5,004,000	–	5,004,000
Total for Scheme				16,969,500	–	16,969,500
Exercisable at the end of the period				11,965,500		11,965,500
Weighted average exercise price *(HK$)*				0.33	0.33	0.33

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

21. SHARE-BASED PAYMENTS *(Continued)*

Equity-settled share option scheme *(Continued)*

Notes:

(a) The vesting period of the share options is from the date of grant until the commencement of the exercise period.

(b) On 12 May 2020, the Company granted 61,248,000 share options to certain Eligible Participants pursuant to the 2019 Share Option Scheme. Further details are set out in the announcement of the Company dated 12 May 2020 and the circular of the Company dated 3 June 2020.

(c) On 12 May 2020, the Company proposed to grant 18,000,000 share options to Ms. Zhou Wen Chuan pursuant to the 2019 Share Option Scheme. At the 2020 SGM, the resolution in respect of approving the proposed grant of share options to Ms. Zhou Wen Chuan was duly passed by the independent shareholders of the Company by way of poll. Further details are set out in the announcements of the Company dated 12 May 2020 and 24 June 2020 and the circular of the Company dated 3 June 2020.

(d) Subject to the fulfilment of certain annual performance targets as determined by the Board, the share option granted shall be vested during the relevant periods in 4 tranches: (i) 25% of which shall be vested after 12 months of the Date of Acceptance; (ii) another 25% of which shall be vested after 24 months of the Date of Acceptance; (iii) another 25% of which shall be vested after 36 months of the Date of Acceptance; and (iv) the remaining 25% of which shall be vested after 48 months of the Date of Acceptance.

(e) Subject to the fulfilment of certain annual performance targets as determined by the Board, the share option granted shall be vested during the relevant periods in 4 tranches: (i) 25% of which shall be vested after 12 months of the date of the 2020 SGM; (ii) another 25% of which shall be vested after 24 months of the date of the 2020 SGM; (iii) another 25% of which shall be vested after 36 months of the date of the 2020 SGM; and (iv) the remaining 25% of which shall be vested after 48 months of the date of the 2020 SGM.

(f) The share option granted shall be vested during the relevant periods in 4 tranches: (i) 25% of which shall be vested after 12 months of the Date of Acceptance; (ii) another 25% of which shall be vested after 24 months of the Date of Acceptance; (iii) another 25% of which shall be vested after 36 months of the Date of Acceptance; and (iv) the remaining 25% of which shall be vested after 48 months of the Date of Acceptance.

(g) The share option granted shall be vested during the relevant periods in 4 tranches: (i) 25% of which shall be vested after 24 months of the Date of Acceptance; (ii) another 25% of which shall be vested after 36 months of the Date of Acceptance; (iii) another 25% of which shall be vested after 48 months of the Date of Acceptance; and (iv) the remaining 25% of which shall be vested after 60 months of the Date of Acceptance.

(h) The share option granted shall be vested immediately upon the fulfilment of certain vesting conditions, including the achievement of certain R&D milestones for certain pharmaceutical products, completion of designated tasks and satisfactory business performance of the relevant entities (subject to the Board's opinion). The share options are exercisable the date on which such Share Options are vested, which is 11 May 2030.

No options were exercised or expired during for the six months ended 30 June 2025 and 2026.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

21. SHARE-BASED PAYMENTS *(Continued)*

Equity-settled share option scheme *(Continued)*

These fair values were calculated using the Binomial model. The inputs into the model are as follows:

Grant date	12 May 2020	24 June 2020
Share price on grant date	HK$0.33	HK$0.33
Exercise price	HK$0.33	HK$0.33
Expected life	10 years	10 years
Expected volatility	58.66%	58.74%
Expected dividend yield	Nil	Nil
Annual risk-free interest rate	0.66%	0.70%
Suboptimal factor	2.2 to 2.8	2.8
Expected post-vesting forfeiture rate	0% to 8.57%	0%

Expected volatility was determined by calculating the historical volatility of the Company's share price over the previous 10 years. The expected life used in the model has been adjusted, based on the Group's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The Binomial model has been used to estimate the fair value of the share options. The variables and assumptions used in computing the fair value of the share options are based on the Directors' best estimate. The value of an option varies with different variables of certain subjective assumptions.

Share options granted to consultants were incentives for their contributions or potential contributions to the Group so as to motivate them to optimise their performance efficiency for the benefit of the Group. The fair value of such benefit could not be estimated reliably, and as a result, the fair value is measured by reference to the fair value of share options granted.

22. RELATED PARTY TRANSACTIONS

(a) In addition to those related party transactions and balances disclosed elsewhere in the interim condensed consolidated financial statements, the Group had the following transactions with its related parties during the period:

		Six months ended 30 June	
	Notes	**2026** ***HK$'000*** **(Unaudited)**	2025 *HK$'000* (Unaudited)
Fellow subsidiaries of the Group:	*(i)*		
Loan interest income paid to the Group	*(ii)*	**6,840**	6,531
Purchases from the Group	*(ii)*	**48**	378
Healthcare management service income paid to the Group	*(ii)*	**56**	471
Rental expenses paid from the Group	*(ii)*	**900**	619
Loan interest expense paid by the Group	*(ii)*	**116**	–
Members of key management personnel of the Group (excluding the Directors):			
Aesthetic medical service income paid to the Group		**–**	16
Other related parties:	*(i)*		
Aesthetic medical service income paid to the Group	*(ii)*	**–**	2

Notes:

(i) The related parties are (i) companies owned and controlled by one of the Directors; (ii) an entity of which one of the Directors is a member of key management personnel; or (iii) a close member of the family of one of the Directors.

(ii) The related party transactions constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

(b) Other transactions with related parties:

As at 30 June 2026 and 31 December 2025, certain of the Group's bank loans were secured by certain buildings owned by a related company controlled by one of the Directors, personal guarantee provided by Mr. Zhou Xuzhou, Ms. Zhou Wen Chuan and a close family member of one of the Directors.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2026

22. RELATED PARTY TRANSACTIONS *(Continued)*

(c) Compensation of key management personnel of the Group:

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Short-term employee benefits	**2,309**	2,839
Post-employment benefits	**71**	67
Provision for equity-settled share options expenses	**–**	7
Total compensation paid to key management personnel	**2,380**	2,913

23. CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities as at 30 June 2026 (31 December 2025: Nil).

24. CAPITAL COMMITMENTS

The Group's capital commitments at the end of the Reporting Period are as follows:

	30 June 2026	31 December 2025
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Contracted, but not provided for:		
Capital contribution to associates	**11,018**	10,465
Construction cost commitments to properties held for sale under development	**61,479**	12,439
	72,497	22,904

25. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The interim condensed consolidated financial statements were approved and authorised for issue by the Board on 27 August 2026.

GLOSSARY

In this Interim Report, unless the context otherwise requires, the following expressions shall have the following meanings:

Term(s)	Definition
"15th Five-Year Plan"	the Outline of the 15th Five-Year Plan for the National Economic and Society Development of the PRC
"2019 Share Option Scheme"	the share option scheme adopted by the Company on 20 June 2019 and became effective on 28 June 2019
"2026 Share Award Scheme"	the share award scheme adopted by the Company on 21 April 2026
"2020 SGM"	the SGM held on Wednesday, 24 June 2020
"AlpReleaf "	the Group's brand "AlpReleaf ", which launches a variety of high-end CBD health consumption goods in 22 European countries
"AUD"	Australian dollars, the lawful currency of Australia
"Audit Committee"	the audit committee of the Board
"Board"	the board of Directors
"CBD"	Cannabidiol
"CHF"	Swiss Franc, the lawful currency of Switzerland
"Chief Executive Officer"	the chief executive officer of the Company
"China" or "PRC"	the People's Republic of China and for the purposes of this Interim Report, excluding Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan
"Co-Chairman" or "Co-Chairmen"	the co-chairman/co-chairmen of the Board
"Company"	Meilleure Health International Industry Group Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange
"Corporate Treasury Department"	the corporate treasury department of the Group
"COVID-19"	2019 novel coronavirus (COVID-19) disease

GLOSSARY

Term(s)	Definition
"Date of Acceptance"	the date of acceptance of the offer of the share options granted under the 2019 Share Option Scheme
"Director(s)"	the director(s) of the Company
"Drawdown Period"	the period commencing on 1 January 2024 (or a later date subject to the fulfilment of the conditions precedent as stipulated in the Facility Agreement) and ending on but excluding the earlier of (i) 31 December 2026; and (ii) the date on which the Revolving Facility is terminated upon the occurrence of an Event of Default under the provisions of the Facility Agreement
"EUR"	Euro, the lawful currency of the member states of the European Union
"Event(s) of Default"	event(s) of default as set out in the Facility Agreement
"Executive Director(s)"	the executive director(s) of the Company
"Facility Agreement"	the facility agreement dated 27 November 2023 and entered into between the Company and U-light Energy in relation to the provision of the Revolving Loan Facility
"FVTOCI"	fair value through other comprehensive income
"FVTPL"	fair value through profit or loss
"GM(s)"	the general meeting(s) of the Company
"Group" or "our"	the Company and its subsidiaries
"Healthy China 2030"	the outline of Healthy China 2030 Plan
"HKD" or "HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"HKICPA"	Hong Kong Institute of Certified Public Accountants
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Non-Executive Director(s)"	the independent non-executive director(s) of the Company
"Interim Report"	the interim report of the Company

GLOSSARY

Term(s)	Definition
"Jixiaojian"	the Group's brand "Jixiaojian*（肌小簡）", which launches a variety of light medical aesthetic services targeting the young consumer market with a range of skincare products complementing the treatments to achieve optimum results in the PRC
"Joint Company Secretary(ies)"	the joint company secretary(ies) of the Company
"Listing Rules"	The Rules Governing the Listing of Securities on the Stock Exchange
"LPR"	the loan prime rate（貸款市場報價利率）announced by the National Interbank Funding Center in the PRC（全國銀行間同業拆借中心）from time to time
"Mei Ai Kang"	Beijing Mei Ai Kang Technology Co., Ltd.*（北京美艾康科技有限公司）, a company established in the PRC with limited liability
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules
"Nomination Committee"	the nomination committee of the Board
"Non-Executive Director(s)"	the non-executive director(s) of the Company
"R&D"	research and development
"Remuneration Committee"	the remuneration committee of the Board
"Reporting Period"	the six months ended 30 June 2026
"Revolving Facility"	the unsecured revolving loan facility up to a maximum of RMB200,000,000 to be granted by the Company to U-light Energy pursuant to the Facility Agreement
"RMB"	Chinese Yuan Renminbi, the lawful currency of the PRC
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
"SGM(s)"	the special general meeting(s) of the Company
"Share(s)"	the ordinary share(s) of HK$0.01 each in the share capital of the Company
"Shareholder(s)"	the holder(s) of the Share(s)

* *For identification purposes only*

GLOSSARY

Term(s)	Definition
"sq.m."	square meter(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Strategic Committee"	the strategic committee of the Board
"Treasury Shares"	has the meaning ascribed to it under the Listing Rules
"U-light Energy"	Guangyu Zhaoneng New Energy Group Co., Ltd.* (光宇兆能新能源集團有限公司), a company established in the PRC with limited liability which is owned as to 3.168% by Wuhu Ruima, an indirect wholly owned subsidiary of the Company
"USD"	United States dollars, the lawful currency of the United States of America
"Vice-Chairman"	the vice-chairman of the Board
"Wingor Bio"	Shenzhen Wingor Biotechnology Co., Ltd.*（深圳市茵冠生物科技有限公司）, a company established in the PRC with limited liability
"Wuhu Ruima"	Wuhu Ruima Tianyu Investment Co., Ltd.*（蕪湖瑞麻天宇投資有限公司）, a company established in the PRC with limited liability which is an indirect wholly-owned subsidiary of the Company
"%"	per cent

* *For identification purposes only*