CHINA BIOTECH SERVICES HOLDINGS LIMITED
中國生物科技服務控股有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock code: 8037)

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

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

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*This announcement, for which the directors (the "**Directors**") of China Biotech Services Holdings Limited collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM (the "**GEM Listing Rules**") for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

The board of directors (the "**Board**") of China Biotech Services Holdings Limited (the "**Company**") is pleased to announce the unaudited interim condensed consolidated results of the Company and its subsidiaries (together the "**Group**") for the six months ended 30 June 2026, together with the unaudited comparative figures for the corresponding period in 2025 and for the condensed consolidated statement of financial position only, the audited comparative figures as at 31 December 2025.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2026

		For the six months ended 30 June	
		2026	2025
	Notes	***HK$'000***	*HK$'000*
		(Unaudited)	(Unaudited)
			(Restated)
Continuing operations			
Revenue	*3*	**37,226**	24,865
Cost of sales		**(32,037)**	(21,099)
Gross profit		**5,189**	3,766
Other income and gains, net	*5*	**3,095**	21,727
Selling and distribution expenses		**(1,404)**	(307)
Research and development cost		**(5,051)**	(5,965)
Administrative expenses		**(32,992)**	(26,013)
Loss from operations		**(31,163)**	(6,792)
Finance costs	*6*	**(26,924)**	(12,460)
Fair value gain/(loss) on derivative financial liabilities	*16*	**84,233**	(5,315)
Profit/(loss) before tax from continuing operations	*7*	**26,146**	(24,567)
Income tax credit	*8*	**610**	406
Profit/(loss) from continuing operations		**26,756**	(24,161)
Discontinued operation			
Loss from discontinued operation	*20*	**(11,697)**	(12,592)
Profit/(loss) for the period		**15,059**	(36,753)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2026

		For the six months ended 30 June	
		2026	2025
	Notes	***HK$'000***	*HK$'000*
		(Unaudited)	(Unaudited) (Restated)
Profit/(loss) attributable to:			
Owners of the Company		**18,230**	(32,006)
Non-controlling interests		**(3,171)**	(4,747)
		15,059	(36,753)
Profit/(loss) attributable to owners of the Company:			
Continuing operations		**29,576**	(19,792)
Discontinued operation		**(11,346)**	(12,214)
		18,230	(32,006)
Profit/(loss) per share for profit/(loss) attributable to the owners of the Company:			
– Basic and diluted (HK$)	*10*	**0.019**	(0.033)
Profit/(loss) per share for profit/(loss) from continuing operations attributable to owners of the Company			
– Basic and diluted (HK$)	*10*	**0.030**	(0.020)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2026

	For the six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited) (Restated)
Profit/(loss) for the period	**15,059**	(36,753)
Other comprehensive income/(loss), net of tax		
Items that will not be reclassified to profit or loss:		
Fair value change of financial assets at fair value through other comprehensive income ("**FVOCI**")	**(1,584)**	474
Exchange differences on translating foreign operations	**5,013**	5,777
Other comprehensive income for the period, net of tax	**3,429**	6,251
Total comprehensive income/(loss) for the period	**18,488**	(30,502)
Total comprehensive income/(loss) for the period attributable to:		
– Owners of the Company	**21,796**	(26,011)
– Non-controlling interests	**(3,308)**	(4,491)
	18,488	(30,502)
Total comprehensive income/(loss) for the period attributable to the owners of the Company:		
– Continuing operations	**33,142**	(13,797)
– Discontinued operation	**(11,346)**	(12,214)
	21,796	(26,011)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026

	Notes	**30 June 2026** ***HK$'000*** **(Unaudited)**	31 December 2025 *HK$'000* (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	*11*	**420,081**	384,711
Right-of-use assets		**16,172**	17,233
Goodwill	*12*	**112,512**	108,837
Intangible assets	*13*	**31,702**	31,765
Financial assets at fair value through other comprehensive income		**29,075**	30,660
Deposits	*14*	**48,299**	49,680
Total non-current assets		**657,841**	622,886
Current assets			
Inventories		**56,349**	36,939
Trade and other receivables, deposits and prepayment	*14*	**37,600**	30,641
Tax recoverable		**–**	26
Pledged bank deposits		**6,693**	–
Bank and cash balances		**47,147**	12,083
		147,789	79,689
Assets classified as held for sale	*20*	**9,258**	–
Total current assets		**157,047**	79,689
TOTAL ASSETS		**814,888**	702,575

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026

	Notes	**30 June 2026** **HK$'000** **(Unaudited)**	31 December 2025 HK$'000 (Audited)
EQUITY			
Equity attributable to owners of the Company			
Share capital		**97,573**	97,573
Other reserves		**118,783**	93,837
		216,356	191,410
Non-controlling interests		**(28,059)**	(35,665)
Total equity		**188,297**	155,745
LIABILITIES			
Non-current liabilities			
Convertible bonds	*16*	**148,322**	–
Derivative financial liabilities	*16*	**54,761**	–
Lease liabilities		**985**	5,662
Written put option liability	*16*	**54,946**	49,275
Borrowings	*17*	**190,851**	142,081
Deferred tax liabilities		**3,555**	4,054
Total non-current liabilities		**453,420**	201,072
Current liabilities			
Trade payables and other payable and accruals	*15*	**36,546**	89,041
Convertible bonds	*16*	**45,699**	44,268
Derivative financial liabilities	*16*	**282**	9,165
Lease liabilities		**3,161**	6,958
Borrowings	*17*	**72,864**	195,931
Current tax liabilities		**400**	395
		158,952	345,758
Liabilities directly associated with assets classified as held for sale	*20*	**14,219**	–
Total current liabilities		**173,171**	345,758
Total liabilities		**626,591**	546,830
TOTAL EQUITY AND LIABILITIES		**814,888**	702,575

Notes:

1. GENERAL INFORMATION

China Biotech Services Holdings Limited and its subsidiaries are principally engaged in the provision of boron neutron capture therapy ("**BNCT**") services in the People's Republic of China (the "**PRC**"), provision of tumor immune cell therapy and health management services in the PRC, sales and distribution of health related and pharmaceutical products in the PRC and Hong Kong and provision of insurance brokerage services in Hong Kong.

The Company is a limited liability company incorporated in the Cayman Islands on 5 June 2003 and continued in Bermuda on 29 August 2013. The address of its registered office is Richmond House, 12 Par-la-Ville Road, Hamilton HM 08, Bermuda and the address of its principal place of business in Hong Kong is Suites 1904-05A, 19/F, Sino Plaza, 255-257 Gloucester Road, Causeway Bay, Hong Kong.

The Company is listed on GEM of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

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

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

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

This interim unaudited condensed consolidated financial information has been prepared under the historical cost convention, except for certain financial assets and liabilities, which are carried at fair value. The accounting policies adopted are consistent with those of the annual consolidated financial statements for the year ended 31 December 2025, as described in those annual consolidated financial statements, except for the accounting policy as described below.

Discontinued Operation

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operation are presented separately in the interim condensed consolidated financial information.

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

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for this reporting period and have not been early adopted by the Group. These standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

Going concern basis

The Group reported a profit of approximately HK$15,059,000 during the six months ended 30 June 2026 and, as of that date, the Group's current liabilities exceeded its current assets by approximately HK$16,124,000. As at 30 June 2026, the Group had total convertible bonds, borrowings and lease liabilities of approximately HK$194,021,000, HK$263,715,000 and HK$4,146,000 respectively, while bank and cash balances amounted to approximately HK$47,147,000 only.

In the opinion of the Directors of the Company after taking the following matters into consideration, the Group will have sufficient working capital to sustain its operations and to meet its financial obligations as and when they fall due in the foreseeable future, based on the cash flow projections of the Group covering a period of twelve months up to 30 June 2027 (the "**Forecast Period**"):

(i) As at 30 June 2026, the Group has unutilised loan facility of approximately HK$157,025,000 to meet its existing financial obligations and future operating and capital expenditures.

(ii) The Group will substantially improve its cash flow position by generating operating cash inflows in the BNCT segment from the provision of BNCT services in the Forecast Period.

The directors of the Company are of the opinion that, taking into account the above-mentioned plans and measures, the Group will have sufficient working capital to sustain its operations and meet its financial obligations as and when they fall due in the foreseeable future. Accordingly, the directors are of the opinion that it is appropriate to prepare this interim condensed consolidated financial information of the Group for the six months ended 30 June 2026 on a going concern basis.

3. REVENUE

Disaggregation of revenue from contracts with customers by major products or services line for the period is as follows:

	For the six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
		(Restated)
Continuing operations		
Revenue from contracts with customers:		
Recognised at a point in time		
Provision of boron neutron capture therapy services	**26,715**	–
Provision of medical laboratory testing services	**1,911**	2,157
Provision of insurance brokerage services	**8,524**	22,640
Provision of logistic services	**76**	68
	37,226	24,865

4. SEGMENT INFORMATION

The chief operating decision-maker ("**CODM**") has been identified as the Board of the Company. The CODM reviews the Group's internal reporting in order to assess performance and allocate resources and the segment information is reported below in accordance with this internal reporting.

The CODM considers the business from the product perspective and assesses the performance of the following segments:

BNCT	–	provision of boron neutron capture therapy services
Immunotherapy	–	provision of tumor immune cell therapy and health management services
Insurance brokerage	–	provision of insurance brokerage services
Pharmaceutical products	–	sale and distribution of health related and pharmaceutical products
Others	–	provision of logistic services and the remaining medical laboratory testing services relating to the discontinued medical and health related services business during the period

The Group's other operating segment comprises the provision of logistics services and the remaining medical laboratory testing services relating to the discontinued medical and health related services business during the period.

As disclosed in Note 20, the Target Companies to be disposed of were previously presented as a separate major line of business under the medical and health related services business, which has been classified as a discontinued operation during the period. The comparative figures of segment information for the six months ended 30 June 2025 have been restated to conform to the current period's presentation.

Segment profits or losses do not include other income and gain, net, unallocated administrative expenses, fair value gain/(loss) on derivative financial instruments, finance costs and income tax credit. Segment assets do not include the unallocated bank and cash balances, tax recoverable and financial assets at fair value through other comprehensive income. Segment liabilities do not include unallocated borrowings, current and deferred tax liabilities, convertible bonds and derivative financial liabilities.

For the six months ended 30 June 2026

	Unaudited					
	Continuing operations					
	Immunotherapy	**BNCT**	**Insurance brokerage**	**Pharmaceutical products**	**Others**	**Total**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Revenue from external customers	-	26,715	8,524	-	1,987	37,226
Segment loss	(11,508)	(8,421)	(191)	(803)	(531)	(21,454)
Other income and gains, net						3,095
Finance costs						(26,924)
Fair value gain on derivative financial instruments						84,233
Unallocated corporate expenses						(12,804)
Profit before tax						26,146
Income tax credit						610
Profit for the period from continuing operations						26,756

For the six months ended 30 June 2025 (Restated)

	Unaudited					
	Continuing operations					
	Immunotherapy *HK$'000*	BNCT *HK$'000*	Insurance brokerage *HK$'000*	Pharmaceutical products *HK$'000*	Others *HK$'000*	Total *HK$'000*
Revenue from external customers	–	–	22,640	–	2,225	24,865
Segment (loss)/profit	(13,118)	(4,920)	1,870	(720)	(2,610)	(19,498)
Other income and gains, net						21,727
Finance costs						(12,460)
Fair value loss on derivative financial instruments						(5,315)
Unallocated corporate expenses						(9,021)
Loss before tax						(24,567)
Income tax credit						406
Loss for the period from continuing operations						(24,161)

The segment assets and liabilities as at 30 June 2026 and 31 December 2025 are as follows:

As at 30 June 2026

	Unaudited							
	Continuing operations						**Discontinued operation**	
	Immunotherapy	**BNCT**	**Insurance brokerage**	**Pharmaceutical products**	**Others**	**Unallocated**	**Medical and health related service**	**Total**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***
Segment assets	**136,860**	**588,995**	**15,114**	**537**	**11,814**	**52,310**	**9,258**	**814,888**
Segment liabilities	**32,387**	**255,551**	**2,844**	**691**	**1,155**	**319,744**	**14,219**	**626,591**

As at 31 December 2025 (Restated)

	Audited							
	Continuing operations						Discontinued operation	
	Immunotherapy	BNCT	Insurance brokerage	Pharmaceutical products	Others	Unallocated	Medical and health related service	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Segment assets	137,087	486,119	9,252	628	12,116	48,278	9,095	702,575
Segment liabilities	33,407	227,889	1,597	440	15,478	254,074	13,945	546,830

Other segment information for the six months ended 30 June 2026 and 2025 is as follows:

For the six months ended 30 June 2026

	Unaudited					
	Continuing operations					
	Immunotherapy	**BNCT**	**Insurance brokerage**	**Pharmaceutical products**	**Others**	**Total**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***
Capital expenditures	**–**	**33,924**	**–**	**–**	**–**	**33,924**
Amortisation	**4,254**	**222**	**–**	**–**	**–**	**4,476**
Depreciation	**833**	**9,559**	**126**	**–**	**652**	**11,170**
Written-down of inventories	**–**	**–**	**–**	**79**	**–**	**79**

For the six months ended 30 June 2025 (Restated)

	Unaudited					
	Continuing operations					
	Immunotherapy	BNCT	Insurance brokerage	Pharmaceutical products	Others	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Capital expenditures	–	22,692	–	–	–	22,692
Amortisation	4,005	–	–	–	–	4,005
Depreciation	682	240	126	–	539	1,587
Written-down of inventories	–	–	–	194	–	194

5. OTHER INCOME AND GAINS, NET

	For the six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited) (Restated)
Continuing operations		
Interest income	**158**	11
Sundry income	**79**	1,407
Government grants	**181**	39
Compensation income *(Note)*	**–**	13,695
Exchange gain, net	**2,677**	6,575
	3,095	21,727

Note:

The amount of HK$13,695,000 for the period ended 30 June 2025 represented insurance claim in relation to the damages to construction site in Hainan by a rainstorm happened in 2024.

6. FINANCE COSTS

	For the six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited) (Restated)
Continuing operations		
Interest on bank borrowings	**4,276**	523
Interest on other borrowings	**3,136**	4,191
Interest on loans from a controlling shareholder	**1,063**	1,291
Interest on convertible bonds and put option liability	**20,745**	6,294
Interest on lease liabilities	**123**	161
	29,343	12,460
Less: interest capitalised on qualifying assets	**(2,419)**	–
	26,924	12,460

7. PROFIT/(LOSS) BEFORE TAX

Profit/(loss) before tax has been arrived at after charging the following:

	For the six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited) (Restated)
Continuing operations		
Amortisation of intangible assets	**4,476**	4,005
Cost of services sold	**16,279**	20,246
Depreciation of property, plant and equipment	**9,952**	589
Depreciation of right-of-use assets	**2,426**	2,022
Write-down of inventories (included in cost of sales)	**79**	194
Research and development cost	**5,051**	5,965
Operating lease charges		
– Office premises and warehouses	**267**	460
Staff costs (including Directors' remuneration)		
– Salaries, bonuses and allowances	**16,814**	12,721
– Equity-settled share-based payment	**4,234**	–
– Retirement benefits scheme contributions	**1,430**	520

8. INCOME TAX CREDIT

	For the six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Continuing operations		
Current income tax		
– Hong Kong Profits Tax	**(28)**	(195)
Deferred income tax	**638**	601
Income tax credit from continuing operations	**610**	406

9. DIVIDEND

The Board does not recommend the payment of any dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: same).

10. PROFIT/(LOSS) PER SHARE

Basic and diluted profit/(loss) per share are calculated by dividing the profit/(loss) for the period attributable to owners of the Company by the weighted average number of ordinary shares during the six months ended 30 June 2026 and 2025.

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Number of ordinary shares		
Weighted average number of ordinary shares for the purpose of calculating basic and diluted profit/(loss) per share	**975,731,150**	975,731,150

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
		(Restated)
Profit/(loss) for the period attributable to owners of the Company (HK$'000)	**18,230**	(32,006)
Add: loss for the period from discontinued operation (HK$'000)	**11,346**	12,214
Profit/(loss) for the period from continuing operations attributable to owners of the Company (HK$'000)	**29,576**	(19,792)
Profit/(loss) per share attributable to owners of the Company		
Basic and diluted (HK$)	**0.019**	(0.033)
Profit/(loss) per share from continuing operations attributable to owners of the Company		
Basic and diluted (HK$)	**0.030**	(0.020)

The calculation of the diluted profit/(loss) per share did not assume the conversion of convertible bonds as the inclusion would be anti-dilutive for the six months ended 30 June 2026 and 2025.

11. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, major additions to property, plant and equipment were construction in progress amounted to approximately HK$24,351,000.

12. GOODWILL

	For the six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Cost		
At 1 January	**138,486**	133,543
Exchange differences	**3,675**	3,331
At 30 June	**142,161**	136,874
Accumulated impairment		
At 1 January and 30 June	**29,649**	29,649
Carrying amount		
At 30 June	**112,512**	107,225

13. INTANGIBLE ASSETS

	Unaudited					
	Customer relationship	**Brand name**	**Patents**	**Non-competition agreement**	**Software**	**Total**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Six months ended 30 June 2026						
Opening net book amount	**–**	**–**	**27,027**	**1,324**	**3,414**	**31,765**
Addition	**–**	**–**	**–**	**–**	**3,324**	**3,324**
Amortisation charge	**–**	**–**	**(4,254)**	**–**	**(222)**	**(4,476)**
Exchange differences	**–**	**–**	**925**	**–**	**164**	**1,089**
Closing net book amount	**–**	**–**	**23,698**	**1,324**	**6,680**	**31,702**
Six months ended 30 June 2025						
Opening net book amount	–	–	33,620	1,324	–	34,944
Amortisation charge	–	–	(4,005)	–	–	(4,005)
Exchange differences	–	–	1,074	–	–	1,074
Closing net book amount	–	–	30,689	1,324	–	32,013

14. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENT

	30 June 2026	31 December 2025
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Trade receivables	**5,438**	9,681
Less: loss allowance	**(3,576)**	(4,063)
Trade receivables, net	**1,862**	5,618
Rental and other deposits *(Note (i))*	**52,628**	56,801
Other receivables *(Note (ii))*	**25,643**	7,137
Prepayments	**5,756**	10,751
Cash held in securities trading accounts with stock brokers	**10**	14
	84,037	74,703
Total trade and other receivables, deposits and prepayment	**85,899**	80,321
Analysed as:		
Current assets	**37,600**	30,641
Non-current assets	**48,299**	49,680
	85,899	80,321

Notes:

(i) Included in rental and other deposits, amount of approximately HK$48,299,000 (31 December 2025: approximately HK$49,680,000), equivalent to Japanese Yen 1,000,000,000, represented deposit paid to a pharmaceutical company incorporated in Japan in relation to the purchase of BNCT drug for the use in BNCT cancer treatment centre in Hainan.

(ii) Other receivables included an amount of approximately HK$18,980,000 in respect of value-added tax recoverable, mainly arising from the construction of the BNCT Center.

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

	30 June 2026	31 December 2025
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
0 to 90 days	**1,762**	5,225
91 to 180 days	**38**	353
181 to 365 days	**62**	40
	1,862	5,618

15. TRADE PAYABLES AND OTHER PAYABLE AND ACCRUALS

	30 June 2026 HK$'000 (Unaudited)	31 December 2025 HK$'000 (Audited)
Trade payable	**9,900**	33,704
Accruals	**6,280**	27,388
Receipt in advance	**2,858**	2,983
Other payables	**17,508**	24,966
	36,546	89,041

The aging analysis of trade payables based on invoice date, is as follows:

	30 June 2026 HK$'000 (Unaudited)	31 December 2025 HK$'000 (Audited)
0 to 90 days	**5,883**	30,147
91 to 180 days	**3,201**	2,660
181 to 365 days	**–**	142
Over 365 days	**816**	755
	9,900	33,704

16. CONVERTIBLE BONDS AND WRITTEN PUT OPTION LIABILITY

a. Convertible bonds

On 27 December 2024, the Company issued convertible bonds ("**2024 Convertible Bonds**") in the aggregate principal of US$6,000,000 (equivalent to approximately HK$47,100,000), which shall be settled by the way of set-off on a dollar-to-dollar basis against the principal amount of US$6,000,000 of the convertible bonds issued by the Company on 20 December 2022. The 2024 Convertible Bonds are convertible at the option of the bondholders into ordinary shares at the initial conversion price of HK$1.20 per conversion share (subject to adjustments pursuant to the terms and conditions of the 2024 Convertible Bonds, if any) and at the exchange rate of HK$7.85 to US$1.00, and on this basis a maximum number of 39,250,000 conversion shares of the Company will be allotted and issued upon exercise of the conversion rights attached to the 2024 Convertible Bonds in full assuming there is no adjustment to the conversion price. The 2024 Convertible Bonds carry interest at a rate of 8.25% per annum, which is payable half-yearly in arrears on 20 June and 20 December. The maturity date is two years from issue date. The 2024 Convertible Bonds are guaranteed by a subsidiary of the Company, 鵬博(海南)硼中子醫療科技有限公司 (Pengbo (Hainan) Medical Technology Co., Ltd) ("**Pengbo (Hainan)**"), Genius Lead Limited ("**Genius Lead**"), a controlling shareholder of the Company and Mr. Liu Xiaolin ("**Mr. Liu**") (executive director and chairman of the Company).

On 20 February 2026, the Company issued convertible bonds in the aggregate principal amount of US$35 million (the "**2026 Convertible Bonds**") (equivalent to approximately HK$272,300,000). The 2026 Convertible Bonds are convertible at the option of the bondholders into ordinary shares at the initial conversion price of HK$0.66 per conversion share (subject to adjustment pursuant to the terms and conditions of the 2026 Convertible Bonds, if any) and at the exchange rate of HK$7.78 to US$1.00, and on this basis a maximum number of 412,575,757 conversion shares of the Company will be allotted and issued upon exercise of the conversion rights attached to the 2026 Convertible Bonds in full assuming there is no adjustment to the conversion price. The 2026 Convertible Bonds carry interest at a rate of 10% per annum in the first two years and 12% per annum in the remaining two years, which is payable upon maturity date, which is four years from issue date (i.e. 20 February 2030). The 2026 Convertible Bonds are secured by 410,000,000 ordinary shares of the Company held by Genius Lead and guaranteed by Mr. Liu.

As a result of the completion of the issue of the 2026 Convertible Bonds on 20 February 2026, the conversion price of the 2024 Convertible Bonds is adjusted from HK$1.20 per share to HK$1.11 per share and the maximum number of shares to be issued by the Company upon conversion of the 2024 Convertible Bonds in full is 42,432,432 shares, with effect from 20 February 2026. Save for such adjustment, all other terms of the 2024 Convertible Bonds remain unchanged. For details, please refer to the Company's announcement dated 20 February 2026.

The convertible bonds contain two components, debt component and derivative component. Since the redemption amount and the principal payable on the maturity date are denominated and settled in US$ which is not same as the Company's functional currency which is HK$, the conversion option will not result in an exchange of a fixed amount of cash, in the context of the functional currency of the Company, for a fixed number of shares and hence the conversion option does not meet the definition of an equity instrument in accordance with the applicable accounting standard.

The derivative component is measured at fair value with changes in fair value recognised in profit or loss. The derivative component was measured at fair value with reference to valuation carried out by a firm of independent professional valuers.

The convertible bonds have been split between the liability and derivative components and the movements for the six months ended 30 June 2026 and the year ended 31 December 2025 are as follows:

	HK$'000
Liability component at 1 January 2025	41,635
Interest expenses	6,486
Interest paid	(3,853)
Liability component at 31 December 2025 and 1 January 2026	**44,268**
Issuance of the 2026 Convertible Bonds	**361,994**
Deferred losses upon issuance	**(88,644)**
Derivative component	**(130,111)**
Transaction cost related to liability component	**(9,044)**
Interest expenses	**16,911**
Interest paid	**(1,962)**
Exchange difference	**609**
Liability component at 30 June 2026 (unaudited)	**194,021**

	Liabilities
	HK$'000
Derivative component at 1 January 2025	6,002
Fair value loss for the year	3,163
Derivative component at 31 December 2025 and 1 January 2026	**9,165**
Derivative component upon issuance of 2026 Convertible Bonds	**130,111**
Fair value gain of convertible bonds	**(84,233)**
Derivative component at 30 June 2026 (unaudited)	**55,043**

The interest charged for the six months ended 30 June 2026 was calculated by applying an effective interest rate in the range of 15.0% to 30.9% (six months ended 30 June 2025: 15%) to the liability component.

The derivative financial liabilities are embedded in the convertible bonds, which is the call option and the conversion option respectively. Each derivative component is measured at its fair value at the date of issuance and at the end of each reporting period. The fair values are estimated using Binomial Option Pricing Model (level 3 fair value measurements). The detailed key inputs the valuer used to calculate the fair value of the derivative component are as follows (including the date of issuance of 2026 Convertible Bonds on 20 February 2026):

	20 February 2026 (Unaudited)	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
Weighted average share price (HK$)	**0.740**	**0.435**	0.79
Weighted average exercise price (HK$)	**0.66**	**0.66 to 1.11**	1.20
Expected volatility	**98.41%**	**74.19% to 96.38%**	105.21%
Expected life (year(s))	**4**	**0.49 to 3.65**	0.99
Risk free rate	**3.32%**	**2.64% to 2.82%**	2.15%
Expected dividend yield	**Nil**	**Nil**	Nil

b. **Written put option liability**

On 8 December 2023, the Company, 上海隆耀生物科技有限公司 (Shanghai Longyao Biotech Company Limited) ("**Shanghai Longyao**") and 宜興環科園產發股權投資合夥企業(有限合夥) (in English, for identification purpose only, Yixing Huanke Product Development Equity Investment Enterprise (Limited Partnership) (the "**Yixing Huanke**") entered into a capital injection agreement (the "**Capital Injection Agreement**"), pursuant to which, the Yixing Huanke had agreed to acquire approximately 5.35% effective shareholding in Shanghai Longyao through capital injection to Shanghai Longyao in the amount of RMB48,000,000. Upon the completion of the capital injection, Shanghai Longyao remains as a subsidiary of the Group.

As part of the Capital Injection Agreement, Yixing Huanke was granted a put option ("**Put Option**"), whereby Yixing Huanke can request the Shanghai Longyao to repurchase all Yixing Huanke's equity interest in Shanghai Longyao at its discretion under certain conditions at an exercise price of RMB48,000,000 (equivalent to approximately HK$51,337,000) plus 6.0% interest per annum. The capital injection was completed on 24 January 2024. As a result of this transaction, a put option liability of approximately RMB33,383,000 (equivalent to approximately HK$36,247,000) is recognised based on the present value of the exercise price of RMB48,000,000 plus 6% interest rate per annum, and on the assumption that the Put Option will be redeemable at 31 December 2027. As at 30 June 2026, the amount of written put option liability of HK$54,946,000 (31 December 2025: HK$49,275,000) was denominated in Renminbi and classified under non-current liabilities.

17. BORROWINGS

	30 June 2026	31 December 2025
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Bank borrowings	**201,245**	156,132
Other borrowings	**11,563**	88,401
Loan from a financial institution	**–**	6,000
Convertible loans *(Note)*	**36,956**	43,960
Loans from a controlling shareholder	**13,951**	43,519
	263,715	338,012
Analysed as:		
Current portion	**72,864**	195,931
Non-current portion	**190,851**	142,081
	263,715	338,012

Note:

As of 30 June 2026, an amount included in the convertible loans of approximately HK$34,646,000 (31 December 2025: HK$33,434,000) (equivalent to RMB30,000,000) represented a convertible loan that will be converted into shares in Pengbo (Hainan) by Shenzhen BGI Songhe Biotechnology No. 1 Private Venture Capital Investment Fund Partnership (Limited Partnership) (深圳市華大松禾生科一號私募創業投資基金合夥企業(有限合夥)) ("**BGI Songhe**").

On 11 July 2025, the Company together with its subsidiaries, Dynamic Healthcare Holdings Limited ("**Dynamic Healthcare**") and Pengbo (Hainan) entered into convertible loan agreement, warrant agreement and investment agreement for investment by BGI Songhe. Under the investment, BGI Songhe shall advance a loan of RMB30,000,000 to Pengbo (Hainan) and Pengbo (Hainan) shall repay the loan of RMB30,000,000 to BGI Songhe upon completion of necessary filing with the relevant PRC government authorities in respect of overseas direct investment by PRC entities. BGI Songhe shall then subscribe for shares in Dynamic Healthcare. BGI Songhe will hold a maximum of 6.25% of the issued share capital of Dynamic Healthcare as enlarged by the issue of the warrant shares and the shares to be issued to Jiabao Zhongzhi (Hainan) Hospital Management Partnership (Limited Partnership) (the platform of the share award scheme of Pengbo (Hainan)). For details, please refer to the announcements of the Company dated 11 July 2025 and 8 September 2025.

On 26 June 2026, the Company, Dynamic Healthcare, Mr. Liu, Pengbo (Hainan) and BGI Songhe entered into a supplemental agreement pursuant to which subject to the satisfaction of certain conditions precedent, the loan advanced by BGI Songhe shall be converted into equity interest in Pengbo (Hainan) instead of shares in Dynamic Healthcare. For details, please refer to the announcement of the Company dated 26 June 2026.

(a) The range of interest rates of the Group's borrowings at the end of the reporting period were as follows:

	30 June 2026	31 December 2025
	(Unaudited)	(Audited)
Bank borrowings	**LPR plus 0.11% or 3.60% – 4.60%**	LPR less 0.11% or 3.45% – 4.60%
Other borrowings	**0% – 10%**	0% – 12%
Loans from a financial institution	**N/A**	18%
Convertible loans	**0%**	0%
Loans from a controlling shareholder	**10% – 12%**	10% – 12%

Bank borrowing, other borrowings and loans from a controlling shareholder of approximately HK$219,253,000 (for the year ended 31 December 2025: bank borrowing, other borrowings, loan from a financial institution and loans from a controlling shareholder of approximately HK$280,445,000) are arranged at fixed interest rates for the six months ended 30 June 2026, thus exposing the Group to fair value interest rate risk.

Bank borrowings of HK$5,774,000 (for the year ended 31 December 2025: HK$5,572,000) are arranged at floating interest rates, thus exposing the Group to cash flow interest rate risk for the six months ended 30 June 2026.

For the six months ended 30 June 2026, convertible loans of HK$36,956,000 (for the year ended 31 December 2025: HK$43,960,000) and other borrowings of HK$1,732,000 (for the year ended 31 December 2025: HK$8,035,000) are with zero interest rates, thus no exposure to fair value interest rate risk nor cash flow interest rate risk of the Group.

(b) The details of pledged assets and collaterals to the Group's borrowings are as follows:

As at 30 June 2026, bank borrowing of HK$190,851,000 (31 December 2025: bank borrowing and loan from a financial institution of HK$147,087,000) are secured by a charge over the Group's construction in progress, land use rights and property, plant and equipment.

As at 30 June 2026, other borrowings of HK$3,031,000 (31 December 2025: HK$4,876,000) are secured by a charge over the Group's property, plant and equipment, other receivables and intangible assets.

(c) The details of loan covenants of the Group's borrowing are as follows:

Certain banking facilities of the Group are subject to the fulfillment of covenants. Some of those relate to the Group's financial metrics which are tested periodically, as are commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants the related borrowings would become payable on demand. The Group has complied with the financial covenants of its borrowing facilities during the period ended 30 June 2026 (2025: same).

18. CONTINGENT LIABILITIES

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

19. 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 transaction with its related party during the period:

	For the six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Interest expenses to a controlling shareholder	**1,063**	1,291

(b) Remuneration of key management personnel

	For the six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Salaries, bonus and benefits	**3,764**	2,580
Equity-settled share-based payments	**3,387**	–
Retirement benefits scheme contributions	**9**	9
	7,160	2,589

The remuneration of key management personnel is determined by the remuneration committee of the Board with regard to the individual performance and market trends.

(c) As at 30 June 2026, the ultimate holding company provided guarantee to the subscriber of the Group's 2024 Convertible Bonds of approximately HK$45,699,000 (31 December 2025: HK$44,268,000).

(d) As at 30 June 2026, Mr. Liu has provided personal guarantee to convertible bonds and borrowings of the Group amounting to approximately HK$194,021,000 and HK$196,625,000 respectively. (31 December 2025: borrowings of approximately HK$173,406,000).

(e) As at 30 June 2026, Genius Lead provided a share charge in respect of 410,000,000 ordinary shares of the Company held by it in favour of the subscriber of the Group's 2026 Convertible Bonds (31 December 2025: Nil).

20. DISCONTINUED OPERATION

On 18 May 2026, Central Laboratory (Group) Limited, a non-wholly owned subsidiary of the Company (the "**Seller**"), the Company and Mr. Chan Kam Fuk (the "**Purchaser**"), entered into a sale and purchase agreement (the "**Sale and Purchase Agreement**"), pursuant to which the Seller conditionally agreed to sell, and the Purchaser conditionally agreed to purchase, the entire issued shares of PHC Medical Diagnostic Centre Limited and Premier MediCare Services Limited (the "**Target Companies**"), for a consideration of HK$3,500,000 (the "**Disposal**"). Completion of the Disposal shall take place within 20 business days after the date on which the conditions precedent under the Agreement had been completely fulfilled or waived. The conditions precedent shall be fulfilled or waived no later than 17 July 2026. As at 30 June 2026, the Disposal had not been completed.

Pursuant to the Sale and Purchase Agreement, the Disposal is expected to be completed no later than 14 August 2026, which constitutes a discontinued operation under HKFRS 5 "Non-current Assets Held for Sale and Discontinued Operations". Upon completion of the Disposal, the Group will cease to have beneficial interest in the Target Companies, and the Target Companies will cease to be subsidiaries of the Company. The financial results of the Target Companies will no longer be consolidated into the financial statements of the Company.

The Target Companies were reported as a discontinued operation in the interim condensed consolidated financial information for the six months ended 30 June 2026. The comparative figures for the six months ended 30 June 2025 in the Group's condensed consolidated statement of profit or loss and other comprehensive income were restated to reflect the reclassification between continuing operations and discontinued operation of the Group accordingly. The assets and liabilities of the Target Companies have been presented separately as assets classified as held for sale and liabilities directly associated with assets classified as held for sale respectively in the condensed consolidated statement of financial position as at 30 June 2026.

(i) Financial performance of Target Companies

The financial performance presented are for the six months ended 30 June 2026 and 30 June 2025.

	For the six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Revenue	**13,354**	14,007
Cost of sales	**(15,468)**	(15,231)
Gross profit	**(2,114)**	(1,224)
Other income and gains, net	**3**	1
Selling and distribution expenses	**(4,544)**	(3,323)
Administrative expenses	**(4,871)**	(7,970)
Loss from operations	**(11,526)**	(12,516)
Finance costs	**(171)**	(76)
Loss before tax	**(11,697)**	(12,592)
Income tax credit	**–**	–
Loss from discontinued operation	**(11,697)**	(12,592)
Loss attributable to:		
Owners of the Company	**(11,346)**	(12,214)
Non-controlling interests	**(351)**	(378)
	(11,697)	(12,592)
Total comprehensive loss for the period attributable to:		
– Owners of the Company	**(11,346)**	(12,214)
– Non-controlling interests	**(351)**	(378)
	(11,697)	(12,592)

(ii) Assets and liabilities of the Target Companies classified as held for sale

The following assets and liabilities in relation to the Target Companies were reclassified as held for sale as at 30 June 2026:

	30 June 2026
	HK$'000
	(Unaudited)
Assets classified as held for sale	
Property, plant and equipment	**1,062**
Right-of-use of assets *(Note)*	**–**
Trade and other receivables, deposits and prepayment	**4,969**
Inventories	**1,864**
Bank and cash balances	**1,363**
Total assets classified as held for sale	**9,258**
Liabilities directly associated with assets classified as held for sale	
Trade payables and other payable and accruals	**8,586**
Lease liabilities	**5,633**
Total liabilities directly associated with assets classified as held for sale	**14,219**

Note:

The corresponding right-of-use assets relating to the lease liabilities have been fully impaired during the year ended 31 December 2025.

21. EVENT AFTER BALANCE SHEET DATE

On 29 July 2026, Pengbo (Hainan) and BGI Songhe entered into a convertible loan agreement to convert the convertible loan of RMB30,000,000 advanced by BGI Songhe into equity interests in Pengbo (Hainan). The amount of the BGI Songhe investment in the sum of RMB30 million has been allocated as to RMB10,630,000 for subscription of the registered capital of Pengbo (Hainan) and as to the remaining balance for credit to the capital reserves of Pengbo (Hainan). Pengbo (Hainan) is held as to 6.25% by BGI Songhe as of the date of this announcement and remains a non-wholly owned subsidiary of the Company and the financial statements of Pengbo (Hainan) will continue to be consolidated into the financial statements of the Group.

On 16 July 2026, all the conditions precedent set out in the Sale and Purchase Agreement in relation to the disposal of the entire issued capital in the Target Companies have been fulfilled and the completion took place on 13 August 2026 in accordance with the terms and conditions of the Sale and Purchase Agreement. As of the date of this announcement, each of the Target Companies has ceased to be a subsidiary of the Company and the financial results of each of the Target Companies will no longer be consolidated into those of the Group.

FINANCIAL REVIEW

During the six months ended 30 June 2026 (the "**2026 Interim Period**"), the Group is principally engaged in the provision of medical laboratory testing services in Hong Kong, provision of tumor immune cell therapy and health management services in the PRC, provision of BNCT services in the PRC, sales and distribution of health related and pharmaceutical products in the PRC and Hong Kong and provision of insurance brokerage services in Hong Kong.

Revenue

The Group's revenue from the continuing operations for the 2026 Interim Period increased by 49.7% to approximately HK$37.2 million, compared to approximately HK$24.9 million for the six months ended 30 June 2025 (the "**2025 Interim Period**"). The increase was driven primarily by the commencement of trial operation of Pengbo (Hainan) Boron Neutron Hospital (the "**BNCT Center**") since February 2026, and the revenue from the provision of boron neutron capture therapy services is approximately HK$26.7 million. Revenue from the provision of insurance brokerage services decreased from approximately HK$22.6 million to approximately HK$8.5 million, primarily due to the regulatory reform introduced by the Insurance Authority of Hong Kong effective from 1 October 2025, regarding referral fees payable to channels and introducers to be no more than 50% of the total commission receivable by licensed insurance broker company from authorised insurance insurer. The regulatory reforms on referral fees constrained the previous high-payout model and contributed to a material short-term decline in revenue. However, the lower referral fee payout ratio is expected to improve retained commission and overall profitability from the insurance brokerage segment of the Company.

Gross profit/(loss) and gross profit/(loss) margin

The Group achieved a gross profit from continuing operations of approximately HK$5.2 million for the 2026 Interim Period, representing an increase from the gross profit of approximately HK$3.8 million recorded for the 2025 Interim Period. Gross profit margin narrowed from approximately 15.1% for the 2025 Interim Period to approximately 13.9% for the 2026 Interim Period, mainly attributable to the BNCT Center still being in the trial operation stage and the current patient volume was not yet sufficient to fully cover the related depreciation of the main BNCT equipment included in cost of sales.

Selling and distribution expenses

Selling and distribution expenses from continuing operations increased from approximately HK$0.3 million for the 2025 Interim Period to approximately HK$1.4 million for the 2026 Interim Period. The increase was primarily attributable to the commencement of trial operation of the BNCT Center during the 2026 Interim Period, including the addition of marketing staff to support related promotional activities.

Administrative expenses

Administrative expenses from continuing operations mainly consisted of staff costs, legal and professional fees, depreciation and amortisation of intangible assets. For the 2026 Interim Period, administrative expenses were approximately HK$33.0 million, representing approximately 26.8% increase as compared to approximately HK$26.0 million for the 2025 Interim Period, which was mainly attributable to share award expense of approximately HK$4.2 million in the 2026 Interim Period in order to provide further incentive and rewards to eligible participants who contribute to the success of the Group.

Research and development cost

Research and development costs for the 2026 Interim Period were approximately HK$5.1 million, representing approximately 15.3% decrease from approximately HK$6.0 million for the 2025 Interim Period. The slight decrease was primarily due to the reduced intensity of clinical trial activities following the completion of dosing and primary clinical observation in the Phase I trial for LY007 Cellular Injection.

Shanghai Longyao Biotech Company Limited ("**Shanghai Longyao**"), an indirect non-wholly-owned subsidiary of the Company focused on tumor immune cell therapy in the PRC, received approval in January 2021 from China's National Medical Products Administration ("**NMPA**") to commence a Phase I clinical trial for LY007 Cellular Injection. This therapy is the PRC's first CD20-targeted autologous chimeric antigen receptor T-cell ("**CAR-T**") treatment approved for clinical trials. LY007 Cellular Injection, a Class 1 investigational new drug, incorporates Shanghai Longyao's patented OX40 costimulatory molecule to enhance T-cell activation for treating relapsed or refractory CD20-positive B-cell non-Hodgkin lymphoma ("**B-NHL**").

The Phase I clinical trial for LY007 Cellular Injection, launched in early 2022, enrolled 13 patients with B-NHL who successfully received the treatment and completed dose-limiting toxicity observation. The Phase I clinical trial was completed in 2025. During the 2026 Interim Period, the project entered the critical stage of Phase I clinical data summary and preparation for the Phase II clinical trial application. The Group targets to complete the submission of the Phase II clinical trial communication and interaction application materials by December 2026, and to simultaneously finalise and submit the supplementary application for the change of LY007 pharmaceutical manufacturing site. It is expected that feedback on the Phase II clinical trial communication and interaction will be received by early April 2027, following which the Group will proceed with the formal preparation for the commencement of the Phase II clinical trial. The supplementary application for the change of manufacturing site is expected to obtain approval results in the first quarter of 2027.

Finance costs

For the 2026 Interim Period, the Group's interest expenses increased to approximately HK$26.9 million from approximately HK$12.5 million for 2025 Interim Period. The increase was mainly attributable to the finance costs arising from the convertible bonds in the principal amount of US$35 million issued on 20 February 2026 (the "**2026 Convertible Bonds**").

Profit for the period

The Group recorded a net profit of approximately HK$15.1 million for the 2026 Interim Period, as compared to a net loss of approximately HK$36.8 million for the six months ended 30 June 2025. The change from net loss to net profit is mainly attributable to a non-cash and unrealised fair value gain on convertible bonds of approximately HK$84.2 million, offset by increased finance costs of approximately HK$14.4 million and the absence of a non-recurring compensation income of approximately HK$14.0 million arising from an insurance claim which was recognised as other income in the corresponding period in 2025.

BUSINESS REVIEW

Issue of convertible bonds under specific mandate

On 29 December 2025, the Company entered into a subscription agreement with Wealth Strategy Holding Limited (the "**Subscriber**"), pursuant to which the Company conditionally agreed to issue, and the Subscriber conditionally agreed to subscribe for, convertible bonds in an aggregate principal amount of US$35,000,000 (equivalent to approximately HK$272,300,000). The issuance of the convertible bonds was completed on 20 February 2026.

The Board has considered it beneficial to strengthen the capital base of the Group through the subscription of the 2026 Convertible Bonds in preparation for the Group's long-term development and further strengthening of financial position of the Group. The issue of the 2026 Convertible Bonds will provide an opportunity for the Company, if the conversion rights attached to the 2026 Convertible Bonds are exercised, to enlarge and strengthen its capital base and also broaden its Shareholders base by the introduction of new investor.

Commencement of trial operation of BNCT Center in Hainan, the PRC

The BNCT Center, the Group's flagship project located in the Boao Lecheng International Medical Tourism Pilot Zone in Hainan, the PRC, commenced trial operations in February 2026, and began patient treatment for the first time in March 2026 with dozens of treatments completed during the 2026 Interim Period. Leveraging the policy advantages of the Boao Lecheng International Medical Tourism Pilot Zone in Hainan and the Group's role as the exclusive agent in the Greater China region for NeuCure® (the world's first approved boron neutron capture therapy equipment) and its consumables, the Group has introduced NeuCure® and Steboronine®, the world's first approved BNCT drug, to provide safe and precise BNCT services to cancer patients.

Recognition at the 6th China International Consumer Products Expo

In April 2026, the BNCT Center was invited to attend the opening ceremony of the International Health Consumption Sub-exhibition Area of the 6th China International Consumer Products Expo (CICPE) held in the Boao Lecheng International Medical Tourism Pilot Zone. The NeuCure® neutron irradiation system introduced by the BNCT Center stood out among more than a thousand global health products by virtue of its leading technological strength and innovative application value and was selected as one of the "CICPE Babies" (消博寶寶) of the Expo. The CICPE Baby represented selected innovative products that completed their China debut and first showcase through global debut and first use in China, enabling domestic patients and consumers to gain early access to world-leading medical technologies across fields including tumor treatment, precise diagnosis, and management of sub-health status. NeuCure® became one of the most notable highlights in the health consumption area of the Expo.

Share award scheme

During the 2026 Interim Period, the trustee of the Company purchased an aggregate of 1,930,000 ordinary shares of nominal value of HK$0.10 each in the share capital of the Company ("**Shares**") with consideration of approximately HK$1,084,000 on the Stock Exchange for the purpose of the Share Award Scheme (the "**Share Award Scheme**") adopted by the Company in accordance with the scheme rules on 18 August 2021. The Company granted 4,500,000 shares to selected participants pursuant to the Share Award Scheme during the 2026 Interim Period. Details were disclosed in the announcement of the Company dated 30 March 2026.

Disposal of laboratory testing and healthcare business

On 18 May 2026, Central Laboratory (Group) Limited, a non-wholly owned subsidiary of the Company (the "**Seller**"), the Company and Mr. Chan Kam Fuk (the "**Purchaser**"), entered into a sale and purchase agreement (the "**Sale and Purchase Agreement**"), pursuant to which the Seller conditionally agreed to sell, and the Purchaser conditionally agreed to purchase, the entire issued shares of PHC Medical Diagnostic Centre Limited and Premier MediCare Services Limited (the "**Target Companies**"), for a consideration of HK$3,500,000 (the "**Disposal**"). As at 30 June 2026, the Disposal had not been completed.

The Disposal represents a key milestone in the Group's implementation of its business strategic transformation. By disposing of the continuously loss-making Hong Kong laboratory testing and healthcare business, the Group is able to reallocate its human, financial and operational resources to focus on the development of the full industry chain of BNCT medical services, drugs and equipment, with a view to building a BNCT technology industrial platform of international standards and leading domestically.

Strategic Investment by BGI Songhe

On 11 July 2025, the Company together with, among others, Dynamic Healthcare Holdings Limited ("**Dynamic Healthcare**") and Pengbo (Hainan) Medical Technology Co., Ltd ("**Pengbo (Hainan)**") entered into convertible loan agreement, warrant agreement and investment agreement for investment by Shenzhen BGI Songhe Biotechnology No. 1 Private Venture Capital Investment Fund Partnership (Limited Partnership) (深圳市華大松禾生科一號私募創業投資基金合夥企業(有限合夥)) ("**BGI Songhe**"). Under the investment, BGI Songhe shall advance a loan of RMB30,000,000 to Pengbo (Hainan) and Pengbo (Hainan) shall repay the loan of RMB30,000,000 to BGI Songhe upon completion of necessary filing with the relevant PRC government authorities in respect of overseas direct investment by PRC entities. BGI Songhe shall then subscribe for shares in Dynamic Healthcare. BGI Songhe will hold a maximum of 6.25% of the issued share capital of Dynamic Healthcare as enlarged by the issue of the warrant shares and the shares to be issued to Jiabao Zhongzhi (Hainan) Hospital Management Partnership (Limited Partnership).

On 26 June 2026, the Company, Dynamic Healthcare, Mr. Liu, Pengbo (Hainan) and BGI Songhe entered into a supplemental agreement pursuant to which subject to the satisfaction of certain conditions precedent, the loan advanced by BGI Songhe shall be converted into equity interests in Pengbo (Hainan) instead of shares in Dynamic Healthcare. The subscription has been completed on 29 July 2026 and Pengbo (Hainan) is held as to 6.25% by BGI Songhe as of the date of this announcement. For details, please refer to note 21 "Event after Balance Sheet Date" to the unaudited condensed consolidated financial statements.

OUTLOOK

Following the completion of the disposal of the continuously loss-making laboratory testing and healthcare business in August 2026, the Group has further streamlined its operations and reallocated resources to focus on its two core business segments – BNCT and CAR-T. This is a significant year of transition and acceleration for the Group as these two core segments continue to move from milestone achievements into the commercialisation and scale-up phase.

In the BNCT segment, the Group's flagship BNCT Center in the Boao Lecheng International Medical Tourism Pilot Zone, Hainan, the PRC, commenced trial operations in February 2026 and began patient treatment in March 2026. During the first half of 2026, the Center successfully completed dozens of treatments and gained further recognition when its NeuCure® neutron irradiation system was selected as one of the eight CICPE Babies at the 6th China International Consumer Products Expo. Building on this solid operational foundation, the Group will continue to position the BNCT Center in Hainan as a demonstration and training base while actively advancing the establishment of a nationwide network of BNCT treatment centres. The Group intends to combine the operation of its directly-owned facilities with a franchise model, and, leveraging its exclusive agency rights for BNCT equipment and consumables in the Greater China region, offer comprehensive one-stop solutions covering equipment sales, maintenance, centre design, installation and commissioning. In parallel, the Group will deepen its collaboration with Stella Pharma Corporation, utilising real-world data generated from the BNCT Center to support the application for NMPA approval and subsequent commercialisation of Steboronine® in the PRC.

In the CAR-T segment, following the successful completion of the Phase I clinical trial of LY007 Cellular Injection (China's first clinically approved CD20-targeted CAR-T therapy), the Group is progressing Phase II trial preparations. Positive clinical data previously presented at international oncology and haematology conferences continue to support the therapy's promising efficacy and favourable safety profile, providing a strong foundation for the next stage of development and eventual commercialisation.

Looking ahead, the Group remains focused on strengthening its dual-engine strategy in advanced cancer therapies. By advancing the BNCT full industry chain and accelerating the clinical and commercial progress of LY007, the Group aims to further consolidate its position as a leading innovator in China's Big Health industry, while contributing to the national goals of promoting innovative oncology solutions and improving access to high-quality medical care.

EVENT AFTER THE REPORTING PERIOD

Details of the Group's events after the reporting period are set out in note 21 "Event after Balance Sheet Date" to the unaudited condensed consolidated financial statements.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group has financed its operations and capital expenditures requirements through internally generated resources, and banks and other borrowings.

Liquidity and Financial Resources

As at 30 June 2026, the Group held cash and bank balances of approximately HK$47,147,000 (31 December 2025: HK$12,083,000), all of which were principally denominated in Renminbi and Hong Kong dollars. The increase in cash and bank balances was mainly attributable to the issuance of the 2026 Convertible Bonds in early 2026, partially offset by cash used in the Group's operations and in the construction of the BNCT Center in Hainan, the PRC.

As at 30 June 2026, the Group had total outstanding convertible bonds in carrying amount of approximately HK$194,021,000. Convertible bonds in principal amount of US$6,000,000 with carrying amount of approximately HK$45,699,000 (31 December 2025: US$6,000,000 with carrying amount of approximately HK$44,268,000) which carried a fixed interest rate of 8.25% (31 December 2025: same) per annum and are repayable on 27 December 2026 and guaranteed by a subsidiary of the Company, a controlling shareholder of the Company and Mr. Liu Xiaolin ("**Mr. Liu**") (31 December 2025: same). Convertible bonds in principal amount of US$35,000,000 with carrying amount of approximately HK$148,322,000 were issued on 20 February 2026 which carried a fixed interest rate of 10% per annum in the first two years and 12% in the last two years and are repayable on 20 February 2030 and are guaranteed by Mr. Liu and secured by a share charge provided by a controlling shareholder of the Company in respect of 410,000,000 shares of the Company.

As at 30 June 2026, the Group had (i) secured bank borrowings of approximately HK$190,851,000 (31 December 2025: HK$141,087,000), which carried a fixed interest rate of 4.6% (31 December 2025: same) and are repayable in 2035 (31 December 2025: same); and (ii) unsecured bank borrowings of approximately HK$10,394,000 (31 December 2025: HK$15,045,000), which are guaranteed by the Company and are repayable within one year.

As at 30 June 2026, the Group had loans from a controlling shareholder of approximately HK$13,951,000 (31 December 2025: HK$43,519,000) which carried fixed interest ranging from 10% to 12% per annum and are repayable within one year (31 December 2025: same).

As at 30 June 2026, the Group had secured other borrowings of approximately HK$3,031,000 (31 December 2025: HK$4,876,000), which carried a fixed interest rate at 6.7% per annum (31 December 2025: same) and are repayable within one year (31 December 2025: same). As at 30 June 2026, the Group had unsecured other borrowings of approximately HK$8,532,000 (31 December 2025: HK$83,525,000), which carried interest ranging from 0% to 10% per annum and are repayable within one year (31 December 2025: interest ranging from 0% to 12% per annum and are repayable within one year).

As at 31 December 2025, the Group had secured loan from a financial institution of approximately HK$6,000,000, which carried a fixed interest rate at 18% per annum and is repayable within one year. The secured loan from a financial institution has been repaid during the 2026 Interim Period.

As at 30 June 2026, the Group had unsecured and interest-free convertible loans of approximately HK$36,956,000 (31 December 2025: HK$43,960,000) and are repayable within one year (31 December 2025: one year). Convertible loan of approximately HK$8,598,000 (equivalent to RMB7,445,000) has been converted into equity interests in Pengbo (Hainan) during the 2026 Interim Period.

The increase in the convertible bonds, bank and other borrowings was mainly for the Group's general working capital and the development of the BNCT Center.

Gearing ratio

As at 30 June 2026, total assets of the Group were approximately HK$814,888,000 (31 December 2025: HK$702,575,000), whereas total liabilities were approximately HK$626,591,000 (31 December 2025: HK$546,830,000). The gearing ratio of the Group, calculated as total liabilities over total assets, was approximately 76.89% (31 December 2025: 77.83%). Current ratio (defined as total current assets divided by total current liabilities) was 0.91 times (31 December 2025: 0.23 times).

Fortstone International (Hong Kong) Limited ("**Fortstone**"), an indirect non-wholly owned subsidiary of the Company, is a holder of insurance broker company licence under the Insurance Ordinance. As an insurance brokerage company, Fortstone is subject to capital and net assets requirements under the Insurance Ordinance. Fortstone shall maintain a minimum net assets value and a minimum paid up share capital of HK$500,000 at all times. Fortstone oversees its compliance with the capital and net assets requirement by monitoring Fortstone's liquid asset and ranking liabilities at all times to ensure they are well above the minimum required level (i.e. HK$500,000). Fortstone had been in full compliance with capital and net assets requirement during the 2026 Interim Period.

Capital Structure

As at 30 June 2026, the total issued share capital of the Company was HK$97,573,115 (31 December 2025: HK$97,573,115) divided into 975,731,150 (31 December 2025: 975,731,150) ordinary shares of HK$0.10 each.

On 20 February 2026, convertible bonds in the total principal amount of US$35,000,000 were issued by the Company to the subscriber at the issue price of US$35,000,000 (equivalent to approximately HK$272,300,000). Based on the initial conversion price of HK$0.66 per conversion share at the exchange rate of HK$7.78 to US$1.00, a maximum number of 412,575,757 conversion shares will be allotted and issued upon exercise of the conversion rights attached to the convertible bonds in full.

CAPITAL COMMITMENTS

The Group had capital commitments as follows:

	30 June 2026	31 December 2025
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Property, plant and equipment	**34,373**	90,866

PLEDGED ASSETS

As at 30 June 2026, the Group had restricted bank deposits of approximately HK$6,693,000 (31 December 2025: Nil), representing deposits pledged to a bank as security for an irrevocable letter of credit issued to the Customs. The letter of credit provided tax guarantee in respect of the tax-exempt BNCT equipment which remained under Customs supervision, so as to enable the mortgage of such equipment and to satisfy the conditions precedent to drawdown of the bank loan.

As at 30 June 2026, the Group had secured bank borrowings of approximately HK$190,851,000 (31 December 2025: HK$141,087,000), which were secured by the Group's land use rights amounting to approximately HK$12,161,000 and property, plant and equipment of approximately HK$368,870,000, and guaranteed by the Company and Mr. Liu, the chairman and an executive director of the Company in favour of banking facilities of RMB180,000,000 (31 December 2025: same).

As at 30 June 2026, the Group had bank borrowings of approximately HK$5,774,000 (31 December 2025: HK$10,030,000), which were guaranteed by the Company and Mr. Liu.

As at 30 June 2026, the Group had other borrowings of HK$3,031,000 (31 December 2025: HK$4,876,000) which were secured by a charge over other receivables of HK$808,000 and intangible assets of HK$23,698,000 (31 December 2025: the Group's property, plant and equipment of HK$10,496,000, other receivables of HK$780,000 and intangible assets of HK$27,027,000).

As at 31 December 2025, the Group had an other borrowing of approximately HK$22,289,000, which was secured by 47% shareholding of a subsidiary of the Company and guaranteed by the Company and Mr. Liu, the chairman and executive director of the Company. The aforesaid other borrowings had been repaid during the 2026 Interim Period.

CONTINGENT LIABILITIES

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

FOREIGN EXCHANGE AND INTEREST RATE EXPOSURE

During the 2026 Interim Period, the business activities of the Group were mainly denominated in Hong Kong dollars, Renminbi and Japanese Yen. When appropriate and at times of interest rate or exchange rate uncertainties or volatility, hedging instruments including interest rate swaps and foreign currency forwards contract will be used by the Group in the management of exposure affecting interest rates and foreign exchange rate fluctuations as appropriate.

SIGNIFICANT INVESTMENT HELD AND PERFORMANCE

The Group did not hold any significant investment with a market value that account for more than 5% of the Group's unaudited total assets as at 30 June 2026.

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES AND ASSOCIATES

As mentioned in the section headed "Business Review" in this announcement, on 18 May 2026, the Group entered into the Sale and Purchase Agreement for the disposal of the entire issued shares of PHC Medical Diagnostic Centre Limited and Premier MediCare Services Limited, for a consideration of HK$3,500,000. As at 30 June 2026, the Disposal had not been completed.

Subsequent to period ended 30 June 2026, the conditions precedent under the Sale and Purchase Agreement were completely fulfilled on 16 July 2026 and the Disposal was completed on 13 August 2026. After the completion, the Seller no longer holds any equity interest in the Target Companies and the Target Companies have ceased to be subsidiaries of the Group. The financial results of the Target Companies will therefore no longer be consolidated into the Group's financial statements. Details of the Disposal are set out in the announcements and circular of the Company dated 18 May 2026, 30 June 2026 and 13 August 2026 respectively.

Save as disclosed in this announcement, the Group did not have other material acquisitions or disposals during the 2026 Interim Period.

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2026, the Group had a total of 166 (30 June 2025: 133) full time employees which were located in the PRC and Hong Kong. Total staff costs for the 2026 Interim Period were approximately HK$22,478,000 (six months ended 30 June 2025: HK$13,241,000).

The Group remunerates its employees based on their performance, experience and the prevailing market condition. Performance bonuses are also granted on a discretionary basis. Other employee benefits include mandatory provident fund scheme, local municipal government retirement scheme, insurance and medical coverage, training (including internal training on the Group's policies and procedures, and paid external training organised by third parties), participation in the Share Option Scheme and Share Award Scheme to provide further incentive and rewards to eligible participants who contribute to the success of the Group.

SHARE OPTION SCHEME

The Company adopted a share option scheme (the "**Share Option Scheme**") on 6 June 2024 for the purpose of enabling the Group to grant share options to selected participants as incentives or rewards for their contribution to promote the development and success of the business of the Group. Details of the Share Option Scheme have been set out in the Company's circular dated 14 May 2024. For the six months ended 30 June 2026 and up to the date of this announcement, no share options were granted under the Share Option Scheme.

SHARE AWARD SCHEME

The Company adopted a share award scheme (the "**Share Award Scheme**") on 18 August 2021 for the purpose of enabling the Group to award shares to selected participants as incentives or rewards for their contribution to the Group. Details of the Share Award Scheme have been set out in the Company's announcement dated 18 August 2021. For the 2026 Interim Period and up to the date of this announcement, the trustee of the Share Award Scheme did not subscribe for any new shares of the Company, or receive any existing shares of the Company from any shareholder of the Company, and the trustee of the Company purchased an aggregate of 1,930,000 ordinary shares of nominal value of HK$0.10 each in the share capital of the Company at a consideration of approximately HK$1,084,000 from the open market on the Stock Exchange for the purpose of the Share Award Scheme. 4,500,000 shares were awarded by the Company to selected participants under the Share Award Scheme during the 2026 Interim Period.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the 2026 Interim Period.

COMPLIANCE WITH CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms not less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry with all Directors, the Company confirmed that all Directors have complied with the required standard of dealings and its code of conduct regarding securities transactions by the Directors during the 2026 Interim Period and there is no incident of non-compliance.

CORPORATE GOVERNANCE PRACTICES

The Board believes that corporate governance is essential to the success of the Company. The Board is committed to maintaining corporate governance with high standard and ensuring compliance of the legal and regulatory requirements. The Company has put in place governance practices with emphasis on the integrity, quality of disclosures, transparency and accountability for the shareholders of the Company.

Throughout the 2026 Interim Period, the Company has complied with the code provisions in the Corporate Governance Code as set out in Part 2 of Appendix C1 to the GEM Listing Rules.

COMPETING INTEREST

None of the Directors, the controlling shareholders of the Company nor their respective associates had any interest in a business, apart from the business of the Group, which competes or may compete, either directly or indirectly, with the business of the Group during the 2026 Interim Period.

CHANGES OF DIRECTORS' INFORMATION

Mr. He Xun resigned as an executive director with effect from 1 May 2026.

For details of the aforesaid changes, please refer to the announcement of the Company dated 30 April 2026.

Save as disclosed above, there is no other change in the Directors' information required to be disclosed since the date of the 2025 annual report of the Company.

AUDIT COMMITTEE

The Board established an audit committee (the "**Audit Committee**") with the written terms of reference in compliance with the GEM Listing Rules. The Audit Committee currently comprises of three independent non-executive Directors, namely, Mr. Yan Guoxiang, Dr. Guo Yuantao and Dr. Zhang Xiao as at the date of this announcement.

The unaudited condensed consolidated interim results of the Group for the 2026 Interim Period have been reviewed by the Audit Committee together with the management of the Company. The Audit Committee is of the opinion that the results comply with the applicable accounting standards, the requirements under GEM Listing Rules and other applicable legal requirements, and that adequate disclosures have been made.

INTERIM DIVIDEND

The Board has resolved not to declare any dividend for period ended 30 June 2026 (2025: Nil).

PUBLICATION OF RESULTS ANNOUNCEMENT AND INTERIM REPORT

This announcement is published on the website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.cbshhk.com. The Company's interim report will be available on the aforesaid websites and dispatched to the shareholders of the Company in due course.

By order of the Board
China Biotech Services Holdings Limited
Liu Xiaolin
Chairman and Executive Director

Hong Kong, 28 August 2026

As at the date of this announcement, the board of Directors comprises three executive Directors, namely, Mr. Liu Xiaolin (Chairman), Dr. Huang Song and Dr. Yin Ye; and three independent non-executive Directors, namely, Mr. Yan Guoxiang, Dr. Guo Yuantao and Dr. Zhang Xiao.