



美瑞健康国际产业集团

Meilleure Health International Industry Group

# 2025

Interim Report

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)



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# 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

## COMPANY SECRETARY

Mr. Li Shu Pai

## 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*)  
 Professor Chau Chi Wai, Wilton  
 Mr. Wu Peng

## STRATEGIC COMMITTEE

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

## REGISTERED OFFICE

Clarendon House  
 2 Church Street  
 Hamilton HM 11  
 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

Nanyang Commercial Bank, Limited  
 Hang Seng Bank Limited

## PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Codan Services Limited  
 Clarendon House  
 2 Church Street  
 Hamilton HM 11  
 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](http://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 2025 together with the comparative figures for the corresponding period in 2024.

## FINANCIAL REVIEW

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

|                                              | <b>For the six months ended<br/>30 June</b> |             |
|----------------------------------------------|---------------------------------------------|-------------|
|                                              | <b>2025</b>                                 | 2024        |
|                                              | <b>HK\$'000</b>                             | HK\$'000    |
|                                              | <b>(Unaudited)</b>                          | (Unaudited) |
| Revenue                                      | <b>17,453</b>                               | 30,033      |
| Gross profit                                 | <b>14,161</b>                               | 15,393      |
| Gross profit margin (%)                      | <b>81.1</b>                                 | 51.3        |
| Other income and gains, net                  | <b>22,647</b>                               | 32,599      |
| Total operating expenses ( <i>Note</i> )     | <b>13,254</b>                               | 15,889      |
| Finance costs                                | <b>4,804</b>                                | 6,151       |
| Profit before tax                            | <b>15,907</b>                               | 8,025       |
| Profit after tax                             | <b>15,144</b>                               | 8,230       |
| Profit attributable to owners of the Company | <b>15,157</b>                               | 8,465       |

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

## Revenue

Revenue for the six months ended 30 June 2025 was approximately HK\$17.5 million (six months ended 30 June 2024: HK\$30.0 million), mainly generated by (i) healthcare-related business; (ii) trading business; and (iii) property-related business.

Revenue decreased by approximately 41.7% from approximately HK\$30.0 million for the six months ended 30 June 2024 to approximately HK\$17.5 million for the six months ended 30 June 2025. The decrease in revenue of approximately HK\$12.5 million was mainly due to (i) a decrease in sale of construction materials of approximately HK\$8.7 million and (ii) a decrease in sale of healthcare-related products of approximately HK\$3.5 million, as a result of adverse market condition.

# MANAGEMENT DISCUSSION AND ANALYSIS

## Gross Profit and Gross Profit Margin

The Group's gross profit for the six months ended 30 June 2025 was approximately HK\$14.2 million (six months ended 30 June 2024: HK\$15.4 million), representing a decrease of approximately 7.8% as compared to that for the six months ended 30 June 2024. The gross profit margin for the six months ended 30 June 2025 increased to approximately 81.1% from approximately 51.3% for the six months ended 30 June 2024.

The decrease in gross profit of approximately HK\$1.2 million was mainly due to (i) a decrease in gross profit of the healthcare-related business of HK\$3.2 million, mainly resulting from a decrease in the sale of healthcare-related products; and such decrease was partially offset by (ii) an increase in gross profit of the property-related business of HK\$1.8 million, mainly resulting from an increase in rental income.

On the other hand, the increase in gross profit margin was mainly due to a decrease in the proportion of the revenue derived from the trading business to the Group's total revenue for the six months ended 30 June 2025 as compared to that for the six months ended 30 June 2024, as the trading business has a lower 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 2025 was approximately HK\$22.6 million (six months ended 30 June 2024: HK\$32.6 million), representing a decrease of approximately HK\$10.0 million or approximately 30.7%, as compared to that for the six months ended 30 June 2024, such decrease mainly due to the (i) fair value gain on investments at FVTPL decreased from approximately HK\$17.8 million for the six months ended 30 June 2024 to approximately HK\$0.9 million for the six months ended 30 June 2025; such decrease was partially offset by (ii) a positive financial impact arising from foreign exchange gain, which increased from approximately HK\$4.4 million for the six months ended 30 June 2024 to approximately HK\$5.8 million for the six months ended 30 June 2025; and (iii) the interest income increased from approximately HK\$8.9 million for the six months ended 30 June 2024 to approximately HK\$14.8 million for the six months ended 30 June 2025.

## Total Operating Expenses

Total operating expenses for the six months ended 30 June 2025 were approximately HK\$13.3 million (six months ended 30 June 2024: HK\$15.9 million), representing a decrease of approximately HK\$2.6 million or approximately 16.4% as compared to that for the six months ended 30 June 2024. Such decrease was mainly due to (i) a decrease in commission expenses for the pre-sale of residential property development project in Australia and rental expenses of approximately HK\$0.8 million; and (ii) a decrease in marketing and promotion expenses of approximately HK\$0.9 million.

# MANAGEMENT DISCUSSION AND ANALYSIS

## Finance Costs

Finance costs for the six months ended 30 June 2025 were approximately HK\$4.8 million (six months ended 30 June 2024: HK\$6.2 million), representing a decrease of approximately HK\$1.4 million or approximately 22.6% as compared to that for the six months ended 30 June 2024. Such decrease was mainly due to a decrease in interest on bank loans of approximately HK\$1.4 million, primarily resulting from a decrease in the average interest rate in bank borrowings during the six months ended 30 June 2025 as compared to that for the six months ended 30 June 2024.

## Profit After Tax

Profit after tax for the six months ended 30 June 2025 was approximately HK\$15.1 million (six months ended 30 June 2024: HK\$8.2 million), representing an increase of approximately HK\$6.9 million or approximately 84.1% as compared to that for the six months ended 30 June 2024. Such increase was mainly due to:

- (i) an increase in the revenue from and profit of property-related business of the Group as a result of an increase in rental income from approximately HK\$8.2 million for the six months ended 30 June 2024 to approximately HK\$10.0 million for the six months ended 30 June 2025, and no material fair value change in the investment properties recorded for the six months ended 30 June 2025, as compared to a significant decrease in the fair value of the investment properties approximately HK\$20.4 million for the six months ended 30 June 2024;
- (ii) the interest income increased from approximately HK\$8.9 million for the six months ended 30 June 2024 to approximately HK\$14.8 million for the six months ended 30 June 2025; and
- (iii) a positive financial impact arising from foreign exchange gain, which increased from approximately HK\$4.4 million for the six months ended 30 June 2024 to approximately HK\$5.8 million for the six months ended 30 June 2025.

Such increase was partially offset by (i) fair value gain on investments at FVTPL from approximately HK\$17.8 million for the six months ended 30 June 2024 to approximately HK\$0.9 million for the six months ended 30 June 2025; and (ii) an unfavourable financial impact arising from the movements of loss allowance for trade and other receivables, which changed from a reversal of impairment loss of approximately HK\$4.2 million for the six months ended 30 June 2024 to an impairment loss of approximately HK\$1.3 million for the six months ended 30 June 2025.

## 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 2025 was approximately HK\$6.6 million, representing a decrease of approximately 42.6% as compared to approximately HK\$11.5 million for the six months ended 30 June 2024. The profit derived from this segment for the six months ended 30 June 2025 was approximately HK\$0.1 million, representing a decrease of approximately 90.9% as compared to approximately HK\$1.1 million for the six months ended 30 June 2024. Such decrease was mainly due to a decrease in gross profit of approximately HK\$3.2 million, primarily resulting from a decrease in the sales order of healthcare-related products, which was partially offset by a decrease in operating expenses of approximately HK\$1.8 million, resulting from effective expenses control in this segment during the six months ended 30 June 2025.

# 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 2025 was approximately HK\$0.8 million, representing a decrease of approximately 92.2% as compared to approximately HK\$10.3 million for the six months ended 30 June 2024. The loss derived from this segment for the six months ended 30 June 2025 was approximately HK\$1.0 million, representing a decrease of approximately 115.2% as compared to the profit of approximately HK\$6.6 million for the six months ended 30 June 2024, which was mainly due to a decrease in international trade sales. Such decrease mainly due to an unfavourable financial impact arising from the movements of loss allowance for trade and other receivables, which changed from a reversal of impairment loss of approximately HK\$4.5 million for the six months ended 30 June 2024 to an impairment loss of approximately HK\$1.3 million for the six months ended 30 June 2025.

## Property-related Business

The revenue derived from the property-related business for the six months ended 30 June 2025 was approximately HK\$10.0 million, representing an increase of approximately 22.0% as compared to approximately HK\$8.2 million for the six months ended 30 June 2024. The result for this segment changed from a loss of approximately HK\$16.0 million for the six months ended 30 June 2024 to a profit of approximately HK\$6.1 million for the six months ended 30 June 2025. The change was mainly due to (i) no material fair value change in the investment properties recorded for the six months ended 30 June 2025, as compared to a significant decrease in the fair value of the investment properties approximately HK\$20.4 million for the six months ended 30 June 2024; and (ii) an increase in rental income of approximately HK\$1.8 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 2025, the project was still in the progress. 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 result for this segment changed from a profit of approximately HK\$16.6 million for the six months ended 30 June 2024 to a loss of approximately HK\$0.8 million for the six months ended 30 June 2025. Such change was mainly due to (i) a decrease in fair value gain on investments at FVTPL as a result of the decrease in revenue from and profit of equity-invested entities, which decreased from approximately HK\$17.8 million for the six months ended 30 June 2024 to approximately HK\$0.9 million for the six months ended 30 June 2025; and (ii) a loss on partial disposals of investment in a joint venture of approximately HK\$0.1 million.

# MANAGEMENT DISCUSSION AND ANALYSIS

## REVIEW OF FINANCIAL POSITION

|                                             | As at                                      |                                              |
|---------------------------------------------|--------------------------------------------|----------------------------------------------|
|                                             | 30 June<br>2025<br>HK\$'000<br>(Unaudited) | 31 December<br>2024<br>HK\$'000<br>(Audited) |
| <b>NON-CURRENT ASSETS</b>                   |                                            |                                              |
| Investment properties                       | 635,646                                    | 610,292                                      |
| Investment in a joint venture               | 46,333                                     | 49,889                                       |
| Investments at FVTPL                        | 49,294                                     | 47,023                                       |
| Equity investments at FVTOCI                | 5,699                                      | 6,122                                        |
| Investment in associates                    | 4,430                                      | 4,907                                        |
| Prepayments, deposits and other receivables | 225,580                                    | 226,571                                      |
| Others                                      | 32,063                                     | 35,552                                       |
| Total Non-current Assets                    | 999,045                                    | 980,356                                      |
| <b>CURRENT ASSETS</b>                       |                                            |                                              |
| Prepayments, deposits and other receivables | 402,980                                    | 367,612                                      |
| Properties held for sale under development  | 309,384                                    | 255,086                                      |
| Bank and cash balances                      | 9,947                                      | 29,944                                       |
| Trade receivables                           | 19,281                                     | 27,241                                       |
| Restricted bank deposit                     | 7,035                                      | 6,550                                        |
| Others                                      | 1,417                                      | 1,862                                        |
| Total Current Assets                        | 750,044                                    | 688,295                                      |
| Total Assets                                | 1,749,089                                  | 1,668,651                                    |
| <b>LIABILITIES</b>                          |                                            |                                              |
| Bank borrowings                             | 344,923                                    | 301,821                                      |
| Deferred tax liabilities                    | 94,839                                     | 89,494                                       |
| Dividend payable                            | 16,375                                     | –                                            |
| Accruals and other payables                 | 31,838                                     | 36,555                                       |
| Amounts due to related parties              | 3,636                                      | 7,353                                        |
| Contract liabilities                        | 27,999                                     | 21,838                                       |
| Current tax liabilities                     | 9,465                                      | 8,973                                        |
| Others                                      | 1,078                                      | 1,253                                        |
| Total Liabilities                           | 530,153                                    | 467,287                                      |
| Net Assets                                  | 1,218,936                                  | 1,201,364                                    |

## MANAGEMENT DISCUSSION AND ANALYSIS

Non-current assets of the Group as at 30 June 2025 were approximately HK\$999.0 million (31 December 2024: HK\$980.4 million), representing an increase of approximately HK\$18.6 million, which was mainly due to (i) an increase in investment properties of approximately HK\$25.3 million; and (ii) an increase in investments at FVTPL of approximately HK\$2.3 million. Such increase was partially offset by (i) a decrease in investment in a joint venture of approximately HK\$3.6 million; (ii) a decrease in deferred tax assets of approximately HK\$3.6 million; and (iii) other assets of approximately HK\$1.9 million. Current assets were approximately HK\$750.1 million (31 December 2024: HK\$688.3 million), representing an increase of approximately HK\$61.8 million, which was mainly due to (i) an increase in properties held for sale under development of approximately HK\$54.3 million; and (ii) an increase in prepayments, deposits and other receivables of approximately HK\$35.4 million. Such increase was partially offset by (i) a decrease in bank and cash balances of approximately HK\$20.0 million; and (ii) a decrease in trade receivable of approximately HK\$8.0 million.

As at 30 June 2025, the Group's total liabilities were approximately HK\$530.1 million (31 December 2024: HK\$467.3 million), representing an increase of approximately HK\$62.8 million, which was mainly due to (i) an increase in bank borrowing of approximately HK\$43.1 million; (ii) an increase in dividend payable of approximately HK\$16.4 million; and (iii) an increase in contract liabilities of approximately HK\$6.1 million. Such increase was partially offset by (i) a decrease in amounts due to related parties of approximately HK\$3.7 million; and (ii) a decrease in accruals and other payables of approximately HK\$4.8 million.

### NET ASSET VALUE

As at 30 June 2025, the Group's total net assets amounted to approximately HK\$1,219.0 million (31 December 2024: HK\$1,201.4 million), representing an increase of approximately HK\$17.6 million, mainly due to (i) exchange gains arising from the translation of foreign operations of approximately HK\$35.2 million; and (ii) profit for the six months ended 30 June 2025 of approximately HK\$15.2 million. Such increase was partially offset by (i) the dividend recognised as a distribution of approximately HK\$16.4 million; (ii) fair value loss of equity investments at FVTOCI of approximately HK\$7.8 million; and (iii) repurchases of shares of approximately HK\$8.9 million.

### LIQUIDITY AND FINANCIAL RESOURCES

|                                                        | For the six months ended 30 June |                                 |
|--------------------------------------------------------|----------------------------------|---------------------------------|
|                                                        | 2025<br>HK\$'000<br>(Unaudited)  | 2024<br>HK\$'000<br>(Unaudited) |
| Net cash (used in)/generated from operating activities | (13,361)                         | 109,286                         |
| Net cash used in investing activities                  | (22,067)                         | (201,295)                       |
| Net cash generated from/(used in) financing activities | 15,092                           | (6,368)                         |
| Net decrease in cash and cash equivalents              | (20,336)                         | (98,377)                        |
| Effect of foreign exchange rate changes                | 339                              | (1,289)                         |
| Cash and cash equivalents at beginning of period       | 29,944                           | 106,309                         |
| Cash and cash equivalents at end of period             | 9,947                            | 6,643                           |

# MANAGEMENT DISCUSSION AND ANALYSIS

As at 30 June 2025, the total cash and cash equivalents of the Group were approximately HK\$9.9 million (31 December 2024: HK\$29.9 million), of which approximately 52.8% was denominated in HKD, 39.2% was in RMB, 4.0% was in AUD, 2.4% was in CHF, 1.1% was in EUR, and 0.5% was in USD (31 December 2024: 85.2% was denominated in AUD, 7.9% was in RMB, 4.8% was in HKD, 1.4% was in EUR, 0.6% was in CHF and 0.1% was in USD).

Net cash used in operating activities for the six months ended 30 June 2025 was approximately HK\$13.4 million, mainly contributed to the net cash used in the Group's daily operation during the six months ended 30 June 2025.

Net cash used in investing activities was approximately HK\$22.0 million, which was mainly attributable to (i) the short-term interest bearing loans advanced by the Group to certain independent third parties of approximately HK\$39.1 million, which were partially offset by the interest income from short-term interest bearing loans advance by the Group of approximately HK\$13.0 million; and (ii) proceeds received from partial disposal of investment in a joint venture of HK\$4.0 million.

Net cash generated from financing activities was approximately HK\$15.1 million, which mainly represented a net amount of (i) proceeds received from new bank borrowings of approximately HK\$48.3 million; (ii) repayment of bank borrowings of approximately HK\$19.3 million; (iii) payment of loan interest of approximately HK\$4.8 million; and (iv) repurchase of shares of approximately HK\$8.9 million.

As at 30 June 2025, the total bank borrowings of the Group were approximately HK\$344.9 million (31 December 2024: HK\$301.8 million), which were mainly used as the working capital of the Group. The Group has no unutilised banking facilities as at 30 June 2025 and 31 December 2024.

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

|                             | As at                       |                                 |
|-----------------------------|-----------------------------|---------------------------------|
|                             | 30 June<br>2025<br>HK\$'000 | 31 December<br>2024<br>HK\$'000 |
| Floating rate RMB bank loan | 68,444                      | 74,834                          |
| Floating rate AUD bank loan | 131,937                     | 90,123                          |
| Fixed rate RMB bank loan    | 144,542                     | 136,864                         |
|                             | <b>344,923</b>              | 301,821                         |

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

|                             | As at                       |                                 |
|-----------------------------|-----------------------------|---------------------------------|
|                             | 30 June<br>2025<br>HK\$'000 | 31 December<br>2024<br>HK\$'000 |
| Within 1 year               | 93,949                      | 83,176                          |
| Between 1 year and 2 years  | 164,095                     | 120,969                         |
| Between 2 years and 5 years | 59,537                      | 66,983                          |
| Over 5 years                | 27,342                      | 30,693                          |
|                             | <b>344,923</b>              | 301,821                         |

# 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 2025. 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 24.3% as at 30 June 2025 (31 December 2024: 21.6%).

As at 30 June 2025, the Group had net debt of approximately HK\$391.4 million (31 December 2024: HK\$331.1 million), while the equity attributable to owners of the Company amounted to approximately HK\$1,219.2 million (31 December 2024: HK\$1,201.6 million).

## CAPITAL EXPENDITURE

During the six months ended 30 June 2025, the capital expenditure on purchasing property, plant and equipment amounted to approximately HK\$0.58 million (six months ended 30 June 2024: HK\$0.04 million).

## CAPITAL COMMITMENTS

As at 30 June 2025, the Group had capital commitments of approximately HK\$73.7 million (31 December 2024: HK\$96.2 million) in respect of capital contribution payable to associates and construction costs commitments for properties held for sale under development (31 December 2024: capital contribution payables 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.

# MANAGEMENT DISCUSSION AND ANALYSIS

## 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:

|                                            | <b>As at</b>                         |                                 |
|--------------------------------------------|--------------------------------------|---------------------------------|
|                                            | <b>30 June<br/>2025<br/>HK\$'000</b> | 31 December<br>2024<br>HK\$'000 |
| Investment properties                      | <b>474,654</b>                       | 452,969                         |
| Properties held for sale under development | <b>195,324</b>                       | 181,850                         |
| Restricted bank deposit                    | <b>7,035</b>                         | 6,550                           |
|                                            | <b>677,013</b>                       | 641,369                         |

## CONTINGENT LIABILITIES

As at 30 June 2025, 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 2025.

## 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).

# MANAGEMENT DISCUSSION AND ANALYSIS

## (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 2025 are as follows:

| Customers                | Maturity date                             | Security pledged | Interest rate per annum | As at 30 June 2025                 |                                      |
|--------------------------|-------------------------------------------|------------------|-------------------------|------------------------------------|--------------------------------------|
|                          |                                           |                  |                         | Carrying amount<br><i>HK\$'000</i> | Percentage to total loan receivables |
| U-light Energy           | On or before 31 December 2026<br>(Note 1) | Nil              | one-year LPR plus 3.05% | 219,160                            | 43.3%                                |
| Other Borrowers (Note 2) |                                           |                  |                         |                                    |                                      |
| Borrower A               | On or before 15 July 2025                 | Nil              | 8%                      | 32,874                             | 6.5%                                 |
| Borrower B               | On or before 31 December 2025             | Nil              | 3.0%                    | 10,958                             | 2.1%                                 |
| Borrower C               | On or before 31 December 2025             | Nil              | 4.0%                    | 32,874                             | 6.5%                                 |
| Borrower D               | On or before 31 July 2025                 | Nil              | 6%                      | 39,449                             | 7.8%                                 |
| Borrower E               | On or before 31 December 2025             | Nil              | 4.5%                    | 37,257                             | 7.4%                                 |
| Borrower F               | On or before 31 October 2025              | Nil              | 8%                      | 10,958                             | 2.2%                                 |
| Borrower G               | On or before 31 October 2025              | Nil              | 8%                      | 10,958                             | 2.2%                                 |
| Borrower H               | On or before 23 September 2025            | Nil              | 8%                      | 16,437                             | 3.3%                                 |
| Borrower I               | On or before 21 November 2025             | Nil              | 6%                      | 43,832                             | 8.7%                                 |
| Borrower J               | On or before 15 October 2025              | Nil              | 4.5%                    | 10,958                             | 2.2%                                 |
| Borrower K               | On or before 31 March 2026                | Nil              | 6%                      | 39,668                             | 7.8%                                 |
|                          |                                           |                  |                         | 286,223                            | 56.7%                                |
|                          |                                           |                  |                         | 505,383                            | 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 2025, the total outstanding loan receivables was HK\$286,223,000 from the other 11 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\$1,104,000 for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil) and there was no write-off for loan receivables for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

## SIGNIFICANT INVESTMENTS HELD

As at 30 June 2025, the investment portfolio of the Group amounted to approximately HK\$105.9 million (31 December 2024: HK\$108.1 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 2025.

## 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 2025.

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

# MANAGEMENT DISCUSSION AND ANALYSIS

## 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 2025. As at 30 June 2025 and 31 December 2024, 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 2025, the Group had a total of 49 employees (31 December 2024: 46 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 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 DEVELOPMENT

The health industry is one of the most dynamic and promising industries, and it is also a hotspot for global industrial competition in the future. It is not only related to the physical and mental health of people, the happiness of millions of families, but also an important part of the national strategic emerging industries, which is related to the future of the nation. The PRC government has always placed great importance on the development of the healthcare industry. Since the 18th National Congress of the Communist Party of China, a unique health policy system with Chinese characteristics has gradually been established. In 2015, 'Healthy China' was included in the government work report for the first time. In October 2016, the release of Healthy China 2030 provided direction for the development of the health industry, with the goal of significantly improving the overall health level of the population by 2030, substantially enhancing medical service capabilities and establishing the health industry as an important component of the national economy. The Opinions on Implementing the Healthy China Action and the Healthy China Action (2019-2030) were successively issued in 2019, making the path and tasks for building a healthy China clearer. In 2022, the report of the 20th National Congress of the Communist Party of China emphasised advancing the construction of healthy China and put forward specific requirements for several key areas. At the

## MANAGEMENT DISCUSSION AND ANALYSIS

National People's Congress and the National Committee of the Chinese People's Political Consultative Conference in March 2024, the Government Work Report outlined the top-level planning for the tasks in the big health sector for the new year. The year 2025 marks the concluding year of the 14th Five-Year Plan and a critical phase for the in-depth implementation of the Healthy China 2030 strategy, with policy priorities centred on universal health coverage, disease prevention and control, and health promotion. With the continuous launch of new policies, China's healthcare industry is exhibiting a thriving development trend. First, the market scale continues to expand. Data shows that by 2030, the scale of China's health industry is expected to exceed RMB16 trillion, presenting vast growth opportunities for the industry where we operate. Propelled by ongoing policy initiatives and driven by both policy dividends and market demand, China's healthcare industry is embracing unprecedented historical development opportunities.

In recent years, changes in the economic situation and demographic structure have posed new demands on the health industry, while also bringing more opportunities. China's ageing population represents a substantial demographic. According to the latest data released by the National Bureau of Statistics, by the end of 2024, the population aged 60 and above had reached 310 million, accounting for 22% of the total national population. China has entered a moderately ageing society, and the increasing number of aged population has driven huge downstream demand for the healthcare industry. The market size of "silver economy" has exceeded RMB9 trillion. At the same time, the demand for preventive medicine and personalised health management among the young people has surged, with segments such as nutritional health and genetic testing also experiencing sustained rapid growth. On the other hand, with the improvement in quality of life and changes in health awareness of residents, consumers' demands for a high-quality healthy lifestyle have become more prominent. Health, nutrition, and convenience have become hot topics of the public. Driven by multiple favourable factors, the healthcare industry is making great strides towards high-quality development.

Since the beginning of this year, global economic growth has been sluggish and trade protectionism has been on the rise. In 2025, the United States has initiated a tariff trade war again, putting pressure on our country's economy to forge ahead. In the face of a complex and severe external environment, the downward pressure on China's economy has increased. However, with continuously strengthened government policy support, our country's economy has maintained stability while pursuing progress, and its fundamental long-term growth trajectory remains unchanged. The central government has proposed to strengthen extraordinary counter-cyclical adjustments, prioritising "vigorously boosting consumption, improving investment efficiency and comprehensively expanding domestic demand" as the primary focus, which injects vitality into economic development. On the other hand, a series of policy measures including interest rate cuts, new policies on the management of local government special bonds, promoting the entry of medium and long-term funds into the Chinese stock market as well as innovations like DeepSeek, are all facilitating the recovery of investment, capital markets and consumer spending. With the improvement in expected household income and consumer confidence, consumption momentum is continuously released and the healthcare industry will also be benefited therefrom. The Group will still actively seek for new opportunities and breakthroughs, firmly believing in the long-term potential of the health sector and maintaining our commitment to long-termism. During the Reporting Period, the Group had continuously consolidated and enhanced its foundation to promote the development of cell therapy and health management businesses through a combination of production and investment. Meanwhile, leveraging its extensive experience accumulated over years in the field of skin health management, the Group continued to optimise its products and business model of integrating skincare products with efficacy and cosmetic medicine for skin health management.

# MANAGEMENT DISCUSSION AND ANALYSIS

## OVERVIEW OF OPERATIONS

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

Cell therapy is one of the most promising fields in the health industry. "Cell therapy and clinical translation" is a major topic in the development of health security under China's "14th Five-Year Plan". In recent years, Chinese authorities at all levels have continuously introduced new policies to support the cell industry and promote the development of cell therapy, creating a favourable policy environment. On 18 January 2024, seven government departments including the Ministry of Industry and Information Technology, Ministry of Education and Ministry of Science and Technology jointly issued the Implementation Opinions on Promoting the Innovative Development of Future Industries, mentioning the acceleration of the industrialisation of frontier technologies such as cell and gene technology. The National Development and Reform Commission, together with relevant departments, jointly revised and implemented the Industrial Structure Adjustment Guidance Catalogue (2024 Edition) with effect from 1 February 2024, in which cell culture and cell therapy drugs are listed in the encouraged industry catalogue. On 28 February 2024, the Guangdong Provincial Department of Science and Technology, the Guangdong Provincial Development and Reform Commission, and the Guangdong Provincial Department of Industry and Information Technology issued the Action Plan for Guangdong Province to Cultivate Future Life and Health Industry Clusters, proposing to focus on key projects in 5 major areas, including gene technology and cell therapy. At the National People's Congress and the Chinese People's Political Consultative Conference held in March 2024, stem cells became an important topic, with several members putting forward various recommendations for the development of the stem cell industry, including strengthening policy support, promoting international cooperation, and nurturing professional talent. In July 2024, the website of the General Office of the Shenzhen Municipal People's Government released the Notice of Shenzhen Municipal People's Government on Issuing the Implementation Measures for Further Increasing Attraction and Utilisation of Foreign Investment, encouraging foreign-invested enterprises to lawfully conduct clinical trials in Shenzhen for cell and gene therapy drugs already marketed overseas. In September 2024, the "Notice on Carrying Out Pilot Work for Expansion of the Medical Field" was jointly issued by the Ministry of Commerce, the National Health Commission and the National Medical Products Administration, marking a further acceleration of opening in the fields of stem cell and gene therapy in the PRC. The notice permits foreign-invested enterprises to engage in the development and application of human stem cell, gene diagnosis and treatment technologies in the four major free trade zones in China (Beijing, Shanghai, Guangdong and Hainan) for product registration, market launch and production. In January 2025, the General Office of the State Council issued the "Opinions on Comprehensively Deepening the Reform of Drug and Medical Device Regulation to Promote High-Quality Development of the Pharmaceutical Industry," which sets out specific requirements for deepening pharmaceutical regulatory reform and accelerating the approval and market launch of urgently needed cell and gene therapy drugs. The Chinese government has increased support for the R&D and innovation of pharmaceuticals and medical devices, enhanced the quality and efficiency of the review and approval of pharmaceuticals and medical devices and accelerated the approval and market launch of urgently needed pharmaceuticals and medical devices. Priority review and approval will be given to cell and gene therapy drugs in high demand in clinical settings, overseas marketed drugs, combined vaccines, radiopharmaceuticals, substitute products for rare and endangered medicinal materials, as well as high-end medical equipment and high-end implantable and interventional medical devices such as medical robots, brain-machine peripheral equipment, radiotherapy equipment, medical imaging equipment and innovative traditional Chinese medicine diagnostic and treatment equipment. In April 2025, the National Health Commission issued the 2025 Annual Project Application Guidelines for the National Key R&D Programs, designating "Stem Cell Research and Organ Repair" as one of the five key special projects. This provides clear direction for stem cell therapy, accelerating the translation of laboratory technologies to clinical applications through financial support and regulatory optimisation. The initiative particularly promotes advancements in stem cell technology for preventing and treating chronic refractory diseases such as diabetes, chronic kidney disease, and osteoarthritis. With its policy innovations, technological breakthroughs and substantial patient population, China is positioned to become a global hub for stem cell drug development and application by 2030.

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According to the Competitive Landscape Analysis and Future Development Outlook Forecast Report for China's Stem Cell Medical Industry (2025-2030) released by the China Research and Development Institute of Industry Research (中研普華產業研究院), the global stem cell market is projected to expand from US\$15 billion in 2023 to US\$48.83 billion by 2034, achieving a compound annual growth rate of 11.3%. China's stem cell medical market has also demonstrated consistent year-on-year growth. According to the Qianzhan Institute of Economy (前瞻經濟研究院), China's stem cell market is projected to expand from RMB141.8 billion in 2024 to RMB203.5 billion by 2028, achieving a compound annual growth rate of 9.45%. To facilitate standardised development of the cell therapy industry, China has progressively implemented multiple regulatory and industrial support policies in recent years, fostering continuous improvement in the sector's operational environment.

The Group made its deployment in the field of cell therapy through the strategic acquisition of equity interest in Wingor Bio in 2019, a state-level high-tech enterprise, and the establishment of Mei Ai Kang in 2020.

As a leading enterprise in Shenzhen's local cell treatment industry, Wingor Bio has powerful R&D innovation strength and leading professional technology in the industry after engagement in the cell therapy industry. It was accredited with the honour of "National High-Tech Enterprise", "Science and Technology based Small and Medium-Sized Enterprise" in China and "Professional, Specialised and New Small and Medium-sized Enterprise 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 four cell drugs accepted by the National Medical Products Administration. Among these, two cell therapy drugs have obtained implied permission for clinical trials and have been designated as key products by Guangdong-Hong Kong-Macao Greater Bay Area Center for Drug Evaluation and Inspection of NMPA, which will significantly accelerate regulatory approval and market entry process. In terms of technology, Wingor Bio's patents 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 have been authorised by the National Intellectual Property Administration. 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. In terms of the formulation of enterprise-related policies, Wingor Bio, as a participating unit, made a positive contribution to the formulation of the "Regulations for the Preparation and Inspection of Human Mesenchymal Stem Cell Exosomes", which was approved for publication in February 2024 and came into effect on 6 March 2024. Further, Wingor Bio has also carried out clinical collaborations with several medical institutions, including the Affiliated Hospital of Guilin Medical University, Zhongda Hospital Southeast University and Shenzhen University General Hospital, to accelerate the translation of scientific and technological findings into clinical applications.

In February 2025, the launch meeting for the clinical research project on W-iNKT cell-assisted therapy for gastrointestinal tumors was successfully held at Changzhou First People's Hospital (hereinafter referred to as "Changzhou First Hospital"). Wingor Bio, in collaboration with Changzhou First Hospital, officially applied W-iNKT cell therapy to clinical research. This initiative aims to scientifically evaluate the efficacy of this therapy, whether combined with chemotherapy or not, in the adjuvant treatment of gastrointestinal tumors (esophageal cancer, gastric cancer and colorectal cancer) and to accumulate clinical data, thereby advancing the progress of clinical research in cell therapy of the field of tumors.

## MANAGEMENT DISCUSSION AND ANALYSIS

In March 2025, Wingor Bio was granted an invention patent by the National Intellectual Property Administration for "an electrotransfection buffer and its application in peptide loading into exosomes". This invention discloses an electrotransfection buffer and provides a method for drug loading into exosomes using this buffer, achieving more efficient loading of peptide molecules into exosomes. Such method not only increases molecular loading capacity without compromising exosome integrity but also elevates collagen expression levels. The scalable nature of this method will satisfy future production demands, substantially broadening the clinical applicability of exosomes and addressing current therapeutic implementation challenges. Currently, Wingor Bio is advancing the development of the world's first innovative exosome-conjugated nucleic acid drug. Its exosome platform has achieved international breakthroughs and received support from Shenzhen government as a strategic emerging industry program. Multiple core technologies have been patented, yielding several research products including "293 Exosome Reference Standard", "MSC Exosome Reference Standard", "Exosome Purification Kit", and a Class II medical device product "Real-EVs® Medical Dressing" inspired by exosome technology. Additionally, Wingor Bio was granted a national invention patent for "a method for culturing human decidual mesenchymal stem cells and its applications". This patented method employs specific enzyme concentrations and a secondary digestion process for human decidual tissue, combined with specialised culture media, to shorten cycles, reduce damage, improve cell viability and activity, while eliminating pathogen risks and enhancing cultivation safety. To date, Wingor Bio holds nearly 40 authorised patents. In stem cell cultivation and preparation, the company has established a comprehensive technological matrix covering stem cell types from multiple tissue sources including umbilical cord, amniotic membrane, decidua, dental pulp, and skin, creating robust technological barriers.

In July 2025, Wingor Bio released the special report titled "Registered Clinical Trial on the Treatment of Ischemic Stroke with WG103: Periodic Achievements and Prospects" for the first time at the "11th Annual Scientific Session of Chinese Stroke Association & TISC 2025 (CSA&TISC 2025)" organized by the Chinese Stroke Association. Breakthroughs have been achieved in the field of stem cell therapy for stroke in recent years. From the analysis of neural regeneration mechanisms to the implementation of clinical researches, global studies continued to break through the boundaries of traditional therapies. WG103 stem cell injection, as the first local stem cell drug under clinical trials in Shenzhen, is under accelerated phase-II studies in 10 Grade-3A hospitals nationwide, including Beijing Tiantan Hospital and Shenzhen Second People's Hospital. Current results show that the drug as has a favorable safety profile and is expected to improve the prognosis of ischemic stroke patients, offering more convincing "Chinese solutions" to the field of global stem cell therapy for stroke.

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, and it overcame the adverse effect brought forth by the COVID-19 epidemic. It enrolled 17 cases in the study, improved clinical proposals, and detailed the experimental process. At the same time, 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. As at April 2025, a total of 132 clinical experiments have been completed and data showed significant efficacy.

In terms of downstream products and services as well as high-end health management, the Shenzhen clinic and Nanjing clinic of the Group provide international high-end health management services based on the theory of functional medicine. They possess an experienced professional team and a group of loyal users. During the Reporting Period, the clinics operated steadily while continuously optimising management systems, improving service quality, and expanding the new customer base.

# MANAGEMENT DISCUSSION AND ANALYSIS

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 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 there is considerable room for market demand to be unleashed. The Group will continue to deepen its planning in the field of cell therapy research and development and its application, and explore the commercialisation path of cell therapy products, so as to realise the coordinated development between the health management business and other segments.

## Healthcare-related Business Segment – Skin Health Management Business

In recent years, people's higher pursuit of beauty has ushered a beauty era, giving rise to various related emerging consumption scenarios. With its low cost, obvious effects, and short recovery period, light aesthetic medicine fully meets the beauty demand of modern people. While rapidly penetrating the market, it also brings users high-quality service and experience. 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 has launched a brand of "Jixiaojian" (肌小簡), a highlighted brand combining medical aesthetics and skincare in the second half of 2021.

Adhering to the philosophy of "Extremely Professional, Ultra Effective and Zero Routines", and pioneering the integration of the two fields: aesthetic medicine and effective skincare, Jixiaojian uses skincare technology innovation as its guiding principle, to create a new concept of smart skin care. With complementary integration of aesthetic medicine projects and products, Jixiaojian combined the "treatment" of cosmetic medicine and "prevention" of skincare products, and launched the combination of "60% light aesthetic medicine + 40% effective streamlined and effective skincare", providing a more cost-effective and streamlined integrated skincare solution for users. Meanwhile, the Group has established close cooperations with DSM and Ashland, being internationally renowned raw material companies, and successively launched multiple product lines under the brand of Jixiaojian – photoelectric repair series, skin repair series, revitalising series and more. Products under the brand of Jixiaojian are available for sale on WOW COLOUR, the offline trendy makeup collection store, with simultaneous launches on 120 stores nationwide. At the same time, they are also featured in BeauCare Clinics (聯合麗格), a well-known offline chain medical aesthetics group. Jixiaojian has established online cooperation with some of the top broadcasters on Taobao, Douyin and Xiaohongshu.

The flagship store of our light medical beauty brand "Jixiaojian" has been in operation for years. Based on the photoelectric repair series from Jixiaojian, "Jixiaojian × Super Photon", the exclusive project launched by the flagship store, provides an integrated skincare solution for the whole process of super photon aesthetic medical beauty project before, during and after surgery, which was widely recognised and recommended by customers. In terms of aesthetic medical devices, the Group has reached a strategic cooperation relationship with Lumenis, a world-renowned laser beauty leader, and has become its clinical demonstration base. Furthermore, the Group has cooperated with Bandao (半島), a prominent brand in medical equipment, to create the Bandao Soothing Treatment Device Special Project (半島舒敏治療儀特色項目) called "Light Medical Beauty Golder Partner (輕醫美黃金搭檔)". In terms of R&D, the Group has established a close cooperation with Shenzhen Xuanjia (深圳萱嘉), a laboratory equipped with CNAS testing standards, to establish a supramolecular laboratory for the development of skincare product lines with supramolecular technology as the core. The Group has also successfully partnered with the world's largest producer of recombinant collagen, Jland Biotech, to establish a strategic partnership in the field of recombinant collagen.

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The Group will continue to increase investment in the field of skin health management, adhere to the professional and efficient business philosophy and promote the effective improvement of products and services with a customer-oriented mindset, striving to create a scientific skincare brand that combines online and offline integration, aesthetic medicine and effective skincare. Besides, it is committed to reshaping the skincare habits of the new generation and the landscape of the skincare industry with the help of this skincare revolution arising from the iteration of people, cognition and technology.

## Overseas Business

The Group proactively implemented its international business strategies and established a localised management team to expand overseas business. In terms of the European business, as early as 2019, the Group established its subsidiary in Switzerland and organised a local professional team to expand the markets in Europe. In 2021, the high-end CBD health consumption brand independently developed and produced in Switzerland, AlpReleaf, was formally launched in the markets in Europe. AlpReleaf products, based on high-quality CBD as the core technology, have been launched under a number of series such as soothing, sleep aid and easing muscle soreness, aiming to provide users with a better quality of life. The products have been officially certified by the European Union and the United Kingdom and are available for sale in 22 European countries. Relying on the local European team and the existing mature sales network, the Group believes that these strategic initiatives can maximise the advantages of the Swiss brand, helping the brand achieve sustained success in an ever-changing market environment.

For the business in Australia, the 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. It is located on the banks of the Yarra River in Melbourne with mature commercial facilities and convenient transportation. Since its initial launch in 2022, sales work and subsequent construction have been progressing steadily.

During the Reporting Period, the Group's overseas business had been growing steadily. The Group will continue to strengthen its international business strategies, accelerate the expansion of its international business, deepen its brand building, and focus on channel expansion, so as to expand and optimise its overseas business, bringing sustained internal vitality to the Group's growth.

## PROSPECTS

In the first half of 2025, the Chinese government intensified macroeconomic regulation, consolidated and enhanced the positive trend of the Chinese economic recovery. Looking ahead to the second half of 2025, the favourable conditions supporting high-quality development are continuously accumulating, and the recovery trend is expected to continue. In terms of assets, as at 30 June 2025, the Group had net current assets of approximately HK\$566.3 million. On the business front, the Group continued to focus on the health and medical field, continuously optimising skin health management products and their business models, while actively expanding sales channels, strengthening cooperation, and consolidating its business foundation. Besides, the Group will explore any good business opportunities, which can provide good cash flow or high growth. Meanwhile, the Group's overseas business scale is also steadily expanding, distribution channels are widening, and brand building continues to improve. The improving Chinese economic environment, the long-term accumulation of resources such as talents, brands, and channels, the strengthening of internal management, and the determination to embrace changes are the foundation for the Group to overcome cycles and achieve steady growth. The Group remains confident and optimistic about its future business development.

The Company continues to provide return of capital to shareholders through different methods including dividends and repurchases of shares. The Board has declared an interim dividend of HK0.15 cents per Share for the six months ended 30 June 2025.

## OTHER INFORMATION

### 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 2025 (six months ended 30 June 2024: Nil), totalling approximately HK\$6,141,000 to be paid on Friday, 31 October 2025 to the shareholders of the Company whose names appear on the register of members of the Company on Thursday, 2 October 2025. The Interim Dividends are not reflected as a dividend payable in the consolidated financial statements for the six months ended 30 June 2025, but will be reflected as an appropriation for the year ending 31 December 2025.

### CLOSURE OF REGISTER OF MEMBERS

For the purpose of ascertaining the Shareholders’ entitlement to the Interim Dividends, the register of members of the Company will be closed from Friday, 26 September 2025 to Thursday, 2 October 2025, both days inclusive, during which no transfer of the Shares shall be registered. In order to qualify for the entitlement of the Interim Dividends, 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, 25 September 2025 for registration. The Interim Dividends are expected to be paid on Friday, 31 October 2025 to Shareholders whose names appeared on the register of members of the Company as at the close of business on Thursday, 2 October 2025.

### 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.

## OTHER INFORMATION

### **(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 2025:

| Category of participants                      | Date of grant<br>(Note 1) | Exercise period                | Exercise price<br>HK\$ | Number of Share Options       |                           |                             |                          |                             | Outstanding as at<br>30.6.2025 | Closing price per share immediately before the date of grant<br>HK\$ |
|-----------------------------------------------|---------------------------|--------------------------------|------------------------|-------------------------------|---------------------------|-----------------------------|--------------------------|-----------------------------|--------------------------------|----------------------------------------------------------------------|
|                                               |                           |                                |                        | Outstanding as at<br>1.1.2025 | Granted during the period | Exercised during the period | Lapsed during the period | Cancelled during the period |                                |                                                                      |
| <b>(a) DIRECTORS</b>                          |                           |                                |                        |                               |                           |                             |                          |                             |                                |                                                                      |
| 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                                                                |
| <b>Total for Directors</b>                    |                           |                                |                        | 7,000,500                     | –                         | –                           | –                        | –                           | 7,000,500                      |                                                                      |
| <b>(b) EMPLOYEES</b>                          |                           |                                |                        |                               |                           |                             |                          |                             |                                |                                                                      |
| 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)        | 12.5.2022 – 11.5.2030 (Note 6) | 0.33                   | 501,000                       | –                         | –                           | –                        | –                           | 501,000                        | 0.32                                                                 |
|                                               | 12.5.2020 (Note 2)        | 12.5.2021 – 11.5.2030 (Note 7) | 0.33                   | 5,418,000                     | –                         | –                           | (204,000)                | –                           | 5,214,000                      | 0.32                                                                 |
|                                               | 12.5.2020 (Note 2)        | 12.5.2020 – 11.5.2030 (Note 9) | 0.33                   | 996,000                       | –                         | –                           | –                        | –                           | 996,000                        | 0.32                                                                 |
| <b>Total for Employees</b>                    |                           |                                |                        | 7,416,000                     | –                         | –                           | (204,000)                | –                           | 7,212,000                      |                                                                      |
| <b>(c) OTHERS (Note 10)</b>                   |                           |                                |                        |                               |                           |                             |                          |                             |                                |                                                                      |
| 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 8) | 0.33                   | 504,000                       | –                         | –                           | –                        | –                           | 504,000                        | 0.32                                                                 |
|                                               | 12.5.2020 (Note 2)        | N/A (Note 9)                   | 0.33                   | 5,004,000                     | –                         | –                           | –                        | –                           | 5,004,000                      | 0.32                                                                 |
| <b>Total for Others</b>                       |                           |                                |                        | 6,258,000                     | –                         | –                           | –                        | –                           | 6,258,000                      |                                                                      |
| <b>Total for the 2019 Share Option Scheme</b> |                           |                                |                        | 20,674,500                    | –                         | –                           | (204,000)                | –                           | 20,470,500                     |                                                                      |

## OTHER INFORMATION

### 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. 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 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.
7. 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.
8. 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.
9. 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.

## OTHER INFORMATION

10. As at 30 June 2025, 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 2025, 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 2025, which is HK\$46,333,000, divided by the Group's total assets as at 30 June 2025, which is HK\$1,749,089,000, is approximately 2.65%, which the Board considers to be significant. In addition, the Group has a 32.2% stake in Wingor Bio as at 30 June 2025, 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 2025, 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 15,043,500 and 14,965,500, respectively.

For the six months ended 30 June 2025, 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 2025 divided by the weighted average number of Shares in issue (i.e. 4,064,710,835 Shares) (excluding Treasury Shares) is nil. The remaining life of the 2019 Share Option Scheme is approximately 4 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.

## 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 2025 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

| Name of Director             | Capacity                     |                                                | Total number of Shares held<br>(Note 1) | % of total issued Shares |
|------------------------------|------------------------------|------------------------------------------------|-----------------------------------------|--------------------------|
|                              | Beneficial owner<br>(Note 1) | Interest in controlled corporation<br>(Note 1) |                                         |                          |
| Mr. Zhou Xuzhou (Notes 2, 3) | 139,856,470 (L)              | 2,299,304,291 (L)                              | 2,439,160,761 (L)                       | 59.58%                   |
| Dr. Zeng Wentao (Note 3)     | 75,000,000 (L)               | –                                              | 75,000,000 (L)                          | 1.83%                    |
| Ms. Zhou Wen Chuan (Note 3)  | 31,938,000 (L)               | –                                              | 31,938,000 (L)                          | 0.78%                    |
| Dr. Mao Zhenhua (Note 4)     | –                            | 113,890,000 (L)                                | 113,890,000 (L)                         | 2.78%                    |

Notes:

- 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.
- These shares are held by U-Home Group International Limited, U-Home Group Investment Limited and Zhongjia U-Home Investment Limited.
- Mr. Zhou Xuzhou, Dr. Zeng Wentao and Ms. Zhou Wen Chuan are Executive Directors.
- 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

## OTHER INFORMATION

### (b) Interests in Share Options

| <b>Name of Director</b>     | <b>Number of options directly beneficially owned</b><br>(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 2025.

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

As at 30 June 2025, 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

| <b>Name of substantial shareholders</b>        | <b>Capacity</b>                    | <b>Total interests</b><br>(Note 1) | <b>% of total issued shares</b> |
|------------------------------------------------|------------------------------------|------------------------------------|---------------------------------|
| U-Home Group International Limited (Note 2)    | Beneficial owner                   | 964,172,530 (L)                    | 23.55%                          |
| Zhongjia U-Home Investment Limited<br>(Note 3) | Beneficial owner                   | 1,335,131,761 (L)                  | 32.61%                          |
| Shunda Investment Limited (Notes 2, 3)         | Interest in controlled corporation | 2,299,304,291 (L)                  | 56.17%                          |

## OTHER INFORMATION

| Name of substantial shareholders | Capacity                           | Total interests<br>(Note 1) | % of total<br>issued shares |
|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Mr. Zhou Xuzhou (Note)           | Interest in controlled corporation | 2,299,304,291 (L)           | 56.17%                      |
|                                  | Beneficial owner                   | 139,856,470 (L)             | 3.41%                       |

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 is 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 2025.

### 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 2025 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 2025, the Company repurchased (the "**Share Repurchases**") a total of 29,706,000 Shares on the Stock Exchange at an aggregate consideration (before expenses) of HK\$8,847,264. As at 30 June 2025, 29,706,000 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 had no present intention to use or sell the Treasury Shares. The Directors believe that the Share Repurchases would lead to an enhancement of the net assets value per Share and/or earnings per Share.

## OTHER INFORMATION

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 |                | Aggregate consideration (before expenses)<br>HK\$ |
|---------------------|------------------------------------|-----------------------------|----------------|---------------------------------------------------|
|                     |                                    | Highest<br>HK\$             | Lowest<br>HK\$ |                                                   |
| Jan 2025            | 29,166,000                         | 0.305                       | 0.285          | 8,732,400                                         |
| April 2025          | 540,000                            | 0.225                       | 0.209          | 114,864                                           |
|                     | 29,706,000                         |                             |                | 8,847,264                                         |

## 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 2025.

## 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 2025, 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 2025 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 2025, 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 2025 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, 28 August 2025

# BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

## EXECUTIVE DIRECTORS

**Mr. Zhou Xuzhou**, aged 69, 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 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 62, 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 (董輔弼基金會). 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 42, was appointed as an Executive Director on 30 August 2013 and the Chief Executive Officer on 23 September 2013.

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 61, 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), 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 63, 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, the Co-chairman of Business Innovation Education of City University of Hong Kong 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.

## BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

**Mr. Chen Shi**, aged 64, was appointed as an Independent Non-Executive Director on 10 April 2024. He is the chairman of the Remuneration Committee and a member of the Audit 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 served 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 office 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 43, 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

## SENIOR MANAGEMENT

**Mr. Li Shu Pai**, aged 48, was appointed as the Chief Financial Officer and the Company Secretary on 30 July 2019. He has over 20 years of experience in auditing, corporate finance and financial management. Mr. Li had been the chief financial officer and company secretary of Perfectech International Holdings Limited (a company listed on the Stock Exchange, stock code: 765). Also, Mr. Li had been a chief financial officer and joint company secretary of Chutian Dragon Corporation Limited. Before that, Mr. Li served as a chief financial officer of R2Game Co., Limited and earlier the deputy chief financial officer of Beijing Tong Ren Tang Chinese Medicine Company Limited (a company listed on the Stock Exchange, stock code: 3613). In addition, Mr. Li had worked for an international audit firm and various investment banks. Mr. Li was appointed as an independent non-executive director of TransThera Sciences (Nanjing), Inc. (a company listed on the Stock Exchange, stock code: 2617) since 17 June 2021.

Mr. Li graduated from the City University of Hong Kong with a bachelor's degree in business administration and obtained his executive master's degree in business and administration from the Hong Kong University of Science and Technology. He is a fellow member of the HKICPA and a fellow member of the Association of Chartered Certified Accountants.

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2025

|                                                                       |       | Six months ended 30 June        |                                 |
|-----------------------------------------------------------------------|-------|---------------------------------|---------------------------------|
|                                                                       | Notes | 2025<br>HK\$'000<br>(Unaudited) | 2024<br>HK\$'000<br>(Unaudited) |
| <b>Revenue</b>                                                        | 5     | <b>17,453</b>                   | 30,033                          |
| Cost of goods sold and service rendered                               |       | <b>(3,292)</b>                  | (14,640)                        |
| <b>Gross profit</b>                                                   |       | <b>14,161</b>                   | 15,393                          |
| Fair value losses on investment properties                            | 12    | –                               | (20,429)                        |
| Loss on partial disposals of investments in a joint venture           |       | <b>(127)</b>                    | –                               |
| Other income and gains, net                                           |       | <b>22,647</b>                   | 32,599                          |
| Selling and distribution expenses                                     |       | <b>(1,978)</b>                  | (4,800)                         |
| Administrative expenses                                               |       | <b>(11,276)</b>                 | (11,089)                        |
| Impairment losses of assets                                           |       | <b>(461)</b>                    | –                               |
| (Impairment losses)/reversal of impairment losses of receivables, net |       | <b>(1,166)</b>                  | 4,222                           |
| Finance costs                                                         | 6     | <b>(4,804)</b>                  | (6,151)                         |
| Share of losses of associates                                         |       | <b>(152)</b>                    | (104)                           |
| Share of losses of joint ventures                                     |       | <b>(937)</b>                    | (1,616)                         |
| <b>Profit before tax</b>                                              |       | <b>15,907</b>                   | 8,025                           |
| Income tax (expense)/credit                                           | 7     | <b>(763)</b>                    | 205                             |
| <b>Profit for the period</b>                                          | 8     | <b>15,144</b>                   | 8,230                           |
| <b>Attributable to:</b>                                               |       |                                 |                                 |
| Owners of the Company                                                 |       | <b>15,157</b>                   | 8,465                           |
| Non-controlling interests                                             |       | <b>(13)</b>                     | (235)                           |
|                                                                       |       | <b>15,144</b>                   | 8,230                           |
| <b>Earnings per share</b>                                             |       |                                 |                                 |
| Basic and diluted                                                     | 10    | <b>HK0.37 cents</b>             | HK0.21 cents                    |

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2025

|                                                                         | Notes | Six months ended 30 June        |                                 |
|-------------------------------------------------------------------------|-------|---------------------------------|---------------------------------|
|                                                                         |       | 2025<br>HK\$'000<br>(Unaudited) | 2024<br>HK\$'000<br>(Unaudited) |
| <b>Profit for the period</b>                                            | 8     | <b>15,144</b>                   | 8,230                           |
| <b>Other comprehensive income/(loss):</b>                               |       |                                 |                                 |
| <i>Item that will not be reclassified to profit or loss:</i>            |       |                                 |                                 |
| Fair value changes of equity investments at FVTOCI,<br>net of tax       |       | <b>(7,789)</b>                  | (613)                           |
| <i>Items that may be reclassified to profit or loss:</i>                |       |                                 |                                 |
| Exchange differences on translating foreign operations:                 |       |                                 |                                 |
| – Subsidiaries                                                          |       | <b>33,965</b>                   | (25,353)                        |
| – Associates and joint ventures                                         |       | <b>1,175</b>                    | (1,383)                         |
|                                                                         |       | <b>35,140</b>                   | (26,736)                        |
| <b>Other comprehensive income/(loss) for the period,<br/>net of tax</b> |       | <b>27,351</b>                   | (27,349)                        |
| <b>Total comprehensive income/(loss) for the period</b>                 |       | <b>42,495</b>                   | (19,119)                        |
| <b>Attributable to:</b>                                                 |       |                                 |                                 |
| Owners of the Company                                                   |       | <b>42,534</b>                   | (18,905)                        |
| Non-controlling interests                                               |       | <b>(39)</b>                     | (214)                           |
|                                                                         |       | <b>42,495</b>                   | (19,119)                        |

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

|                                             | Notes | 30 June<br>2025<br>HK\$'000<br>(Unaudited) | 31 December<br>2024<br>HK\$'000<br>(Audited) |
|---------------------------------------------|-------|--------------------------------------------|----------------------------------------------|
| <b>Non-current assets</b>                   |       |                                            |                                              |
| Property, plant and equipment               | 11    | 2,969                                      | 2,678                                        |
| Right-of-use assets                         |       | 1,049                                      | 1,245                                        |
| Investment properties                       | 12    | 635,646                                    | 610,292                                      |
| Investment in associates                    |       | 4,430                                      | 4,907                                        |
| Investment in a joint venture               |       | 46,333                                     | 49,889                                       |
| Investments at FVTPL                        |       | 49,294                                     | 47,023                                       |
| Equity investments at FVTOCI                |       | 5,699                                      | 6,122                                        |
| Derivative financial assets                 |       | 170                                        | 165                                          |
| Prepayments, deposits and other receivables | 14    | 225,580                                    | 226,571                                      |
| Deferred tax assets                         |       | 27,875                                     | 31,464                                       |
|                                             |       | <b>999,045</b>                             | 980,356                                      |
| <b>Current assets</b>                       |       |                                            |                                              |
| Inventories                                 |       | 1,417                                      | 1,862                                        |
| Properties held for sale under development  |       | 309,384                                    | 255,086                                      |
| Trade receivables                           | 13    | 19,281                                     | 27,241                                       |
| Prepayments, deposits and other receivables | 14    | 402,980                                    | 367,612                                      |
| Restricted bank deposit                     | 15    | 7,035                                      | 6,550                                        |
| Bank and cash balances                      |       | 9,947                                      | 29,944                                       |
|                                             |       | <b>750,044</b>                             | 688,295                                      |

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

|                                              | Notes | 30 June<br>2025<br>HK\$'000<br>(Unaudited) | 31 December<br>2024<br>HK\$'000<br>(Audited) |
|----------------------------------------------|-------|--------------------------------------------|----------------------------------------------|
| <b>Current liabilities</b>                   |       |                                            |                                              |
| Trade payables                               | 16    | 41                                         | 10                                           |
| Contract liabilities                         |       | 27,999                                     | 21,838                                       |
| Accruals and other payables                  |       | 31,838                                     | 36,555                                       |
| Dividend payable                             | 9     | 16,375                                     | –                                            |
| Amounts due to related parties               | 17    | 3,636                                      | 7,353                                        |
| Bank borrowings                              | 18    | 93,948                                     | 83,176                                       |
| Lease liabilities                            |       | 448                                        | 437                                          |
| Current tax liabilities                      |       | 9,465                                      | 8,973                                        |
|                                              |       | <b>183,750</b>                             | 158,342                                      |
| <b>Net current assets</b>                    |       | <b>566,294</b>                             | 529,953                                      |
| <b>Total assets less current liabilities</b> |       | <b>1,565,339</b>                           | 1,510,309                                    |
| <b>Non-current liabilities</b>               |       |                                            |                                              |
| Bank borrowings                              | 18    | 250,975                                    | 218,645                                      |
| Lease liabilities                            |       | 589                                        | 806                                          |
| Deferred tax liabilities                     |       | 94,839                                     | 89,494                                       |
|                                              |       | <b>346,403</b>                             | 308,945                                      |
| <b>NET ASSETS</b>                            |       | <b>1,218,936</b>                           | 1,201,364                                    |
| <b>Capital and reserves</b>                  |       |                                            |                                              |
| Share capital                                | 19    | 40,938                                     | 40,938                                       |
| Treasury shares                              | 20    | (9,199)                                    | (335)                                        |
| Reserves                                     |       | 1,187,476                                  | 1,161,001                                    |
| Equity attributable to owners of the Company |       | <b>1,219,215</b>                           | 1,201,604                                    |
| Non-controlling interests                    |       | (279)                                      | (240)                                        |
| <b>TOTAL EQUITY</b>                          |       | <b>1,218,936</b>                           | 1,201,364                                    |

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

|                                                       | (Unaudited)                           |                                    |                                          |                                                |                                                |                                              |                                                          |                                  |                                                         |                                     |                          |                                              |                                 |
|-------------------------------------------------------|---------------------------------------|------------------------------------|------------------------------------------|------------------------------------------------|------------------------------------------------|----------------------------------------------|----------------------------------------------------------|----------------------------------|---------------------------------------------------------|-------------------------------------|--------------------------|----------------------------------------------|---------------------------------|
|                                                       | Attributable to owners of the Company |                                    |                                          |                                                |                                                |                                              |                                                          |                                  |                                                         |                                     |                          |                                              |                                 |
|                                                       | Share capital<br><i>HK\$'000</i>      | Treasury shares<br><i>HK\$'000</i> | Share premium account<br><i>HK\$'000</i> | Contributed surplus account<br><i>HK\$'000</i> | Share-based payment reserve<br><i>HK\$'000</i> | Statutory surplus reserve<br><i>HK\$'000</i> | Equity investment revaluation reserve<br><i>HK\$'000</i> | Other reserve<br><i>HK\$'000</i> | Foreign currency translation reserve<br><i>HK\$'000</i> | Retained profits<br><i>HK\$'000</i> | Total<br><i>HK\$'000</i> | Non-controlling interests<br><i>HK\$'000</i> | Total equity<br><i>HK\$'000</i> |
|                                                       |                                       |                                    |                                          |                                                |                                                |                                              |                                                          |                                  |                                                         |                                     |                          |                                              |                                 |
| As at 1 January 2024                                  | 40,938                                | (335)                              | 572,574                                  | 409,712                                        | 3,953                                          | 25,016                                       | (10,237)                                                 | 4,305                            | (76,728)                                                | 284,957                             | 1,254,155                | 166                                          | 1,254,321                       |
| Total comprehensive loss for the period               | -                                     | -                                  | -                                        | -                                              | -                                              | -                                            | (613)                                                    | -                                | (26,757)                                                | 8,465                               | (18,905)                 | (214)                                        | (19,119)                        |
| Equity-settled share option arrangements              | -                                     | -                                  | -                                        | -                                              | 109                                            | -                                            | -                                                        | -                                | -                                                       | -                                   | 109                      | -                                            | 109                             |
| Share of reserve of a joint venture                   | -                                     | -                                  | -                                        | -                                              | -                                              | -                                            | -                                                        | 502                              | -                                                       | -                                   | 502                      | -                                            | 502                             |
| Dividend recognised as a distribution <i>(Note 9)</i> | -                                     | -                                  | -                                        | -                                              | -                                              | -                                            | -                                                        | -                                | -                                                       | (16,375)                            | (16,375)                 | -                                            | (16,375)                        |
| Changes in equity for the period                      | -                                     | -                                  | -                                        | -                                              | 109                                            | -                                            | (613)                                                    | 502                              | (26,757)                                                | (7,910)                             | (34,669)                 | (214)                                        | (34,883)                        |
| As at 30 June 2024                                    | 40,938                                | (335)                              | 572,574                                  | 409,712                                        | 4,062                                          | 25,016                                       | (10,850)                                                 | 4,807                            | (103,485)                                               | 277,047                             | 1,219,486                | (48)                                         | 1,219,438                       |
| 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 <i>(Note 9)</i> | -                                     | -                                  | -                                        | -                                              | -                                              | -                                            | -                                                        | -                                | -                                                       | (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                       |

# INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

|                                                                                                               | Six months ended 30 June        |                                 |
|---------------------------------------------------------------------------------------------------------------|---------------------------------|---------------------------------|
|                                                                                                               | 2025<br>HK\$'000<br>(Unaudited) | 2024<br>HK\$'000<br>(Unaudited) |
| <b>NET CASH (USED IN)/GENERATED FROM OPERATING ACTIVITIES</b>                                                 | <b>(13,361)</b>                 | 109,286                         |
| Capital injected to an associate                                                                              | –                               | (381)                           |
| Deferred considerations received in respect of disposal of investment properties held for sale in prior years | –                               | 93                              |
| Deferred considerations received in respect of partial disposals of investment in an associate in prior years | –                               | 435                             |
| Advances of loan to a related party                                                                           | –                               | (230,051)                       |
| Advances of loans to third parties                                                                            | <b>(39,087)</b>                 | (141,335)                       |
| Repayment of loan from a related party                                                                        | –                               | 12,611                          |
| Repayment of loans from third parties                                                                         | –                               | 146,771                         |
| Interest received                                                                                             | <b>12,966</b>                   | 10,148                          |
| Dividend received from investments at FVTPL                                                                   | –                               | 458                             |
| Purchases of property, plant and equipment                                                                    | <b>(580)</b>                    | (44)                            |
| Proceeds from partial disposals of investment in a joint venture                                              | <b>4,038</b>                    | –                               |
| Proceeds from disposal equity investments at FVTOCI                                                           | <b>596</b>                      | –                               |
| <b>NET CASH USED IN INVESTING ACTIVITIES</b>                                                                  | <b>(22,067)</b>                 | (201,295)                       |
| Proceeds from bank borrowings                                                                                 | <b>48,336</b>                   | 12,503                          |
| Repayment of bank borrowings                                                                                  | <b>(19,338)</b>                 | (12,426)                        |
| Interest paid                                                                                                 | <b>(4,769)</b>                  | (6,141)                         |
| Repayment of lease liabilities                                                                                | <b>(274)</b>                    | (304)                           |
| Payments of share repurchase                                                                                  | <b>(8,863)</b>                  | –                               |
| <b>NET CASH GENERATED FROM/(USED IN) FINANCING ACTIVITIES</b>                                                 | <b>15,092</b>                   | (6,368)                         |
| <b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>                                                              | <b>(20,336)</b>                 | (98,377)                        |
| Effect of foreign exchange rate changes                                                                       | <b>339</b>                      | (1,289)                         |
| <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>                                                       | <b>29,944</b>                   | 106,309                         |
| <b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>                                                             | <b>9,947</b>                    | 6,643                           |
| <b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>                                                                  |                                 |                                 |
| Bank and cash balances                                                                                        | <b>9,947</b>                    | 6,643                           |

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

## 1. GENERAL INFORMATION

The Company was incorporated in Bermuda with limited liability. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, 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 2024 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 2024.

## 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 2025. 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 2025

## 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 2025 (Unaudited):

| Description                                    | Fair value measurements using: |                     |                     | Total            |
|------------------------------------------------|--------------------------------|---------------------|---------------------|------------------|
|                                                | Level 1<br>HK\$'000            | Level 2<br>HK\$'000 | Level 3<br>HK\$'000 | 2025<br>HK\$'000 |
| <b>Recurring fair value measurements:</b>      |                                |                     |                     |                  |
| <i>Financial assets at FVTOCI</i>              |                                |                     |                     |                  |
| – Unlisted equity investments                  | –                              | –                   | 5,699               | 5,699            |
| <i>Financial assets at FVTPL</i>               |                                |                     |                     |                  |
| – Unlisted equity investments                  | –                              | 23,098              | 26,196              | 49,294           |
| – Derivative financial assets                  |                                |                     |                     |                  |
| – Call options                                 | –                              | –                   | 154                 | 154              |
| – Put options                                  | –                              | –                   | 16                  | 16               |
| <b>Total recurring fair value measurements</b> | –                              | 23,098              | 32,065              | 55,163           |

Disclosures of level in fair value hierarchy as at 31 December 2024 (Audited):

| Description                                    | Fair value measurements using: |                     |                     | Total            |
|------------------------------------------------|--------------------------------|---------------------|---------------------|------------------|
|                                                | Level 1<br>HK\$'000            | Level 2<br>HK\$'000 | Level 3<br>HK\$'000 | 2024<br>HK\$'000 |
| <b>Recurring fair value measurements:</b>      |                                |                     |                     |                  |
| <i>Financial assets at FVTOCI</i>              |                                |                     |                     |                  |
| – Unlisted equity investments                  | –                              | –                   | 6,122               | 6,122            |
| <i>Financial assets at FVTPL</i>               |                                |                     |                     |                  |
| – Unlisted equity investments                  | –                              | 21,582              | 25,441              | 47,023           |
| – Derivative financial assets                  |                                |                     |                     |                  |
| – Call options                                 | –                              | –                   | 150                 | 150              |
| – Put options                                  | –                              | –                   | 15                  | 15               |
| <b>Total recurring fair value measurements</b> | –                              | 21,582              | 31,728              | 53,310           |

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

## 4. FAIR VALUE MEASUREMENTS *(Continued)*

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

| Description                                                               | Unlisted equity investments<br>(classified as financial assets<br>at FVTOCI)<br>HK\$'000 | Unlisted equity investments<br>(classified as financial assets<br>at FVTPL)<br>HK\$'000 | Derivative financial assets<br>– Call options<br>(classified as financial assets<br>at FVTPL)<br>HK\$'000 | Derivative financial assets<br>– Put options<br>(classified as financial assets<br>at FVTPL)<br>HK\$'000 | 2025 Total<br>HK\$'000 |
|---------------------------------------------------------------------------|------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|------------------------|
| As at 1 January                                                           | 6,122                                                                                    | 25,441                                                                                  | 150                                                                                                       | 15                                                                                                       | 31,728                 |
| Total gains or losses recognised<br>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<br>held at end of Reporting Period | –                                                                                        | –                                                                                       | –                                                                                                         | –                                                                                                        | –                      |

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

## 4. FAIR VALUE MEASUREMENTS *(Continued)*

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

| Description                                                            | Unlisted equity investments<br>(classified as financial assets at FVTOCI)<br>HK\$'000 | Unlisted equity investments<br>(classified as financial assets at FVTPL)<br>HK\$'000 | Derivative financial assets –<br>Call options<br>(classified as financial assets at FVTPL)<br>HK\$'000 | 2024 Total<br>HK\$'000 |
|------------------------------------------------------------------------|---------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|------------------------|
| As at 1 January                                                        | 24,470                                                                                | 27,911                                                                               | 877                                                                                                    | 53,258                 |
| Total gains or losses recognised                                       |                                                                                       |                                                                                      |                                                                                                        |                        |
| in profit or loss (#)                                                  | –                                                                                     | 17,835                                                                               | –                                                                                                      | 17,835                 |
| in other comprehensive loss                                            | (817)                                                                                 | –                                                                                    | –                                                                                                      | (817)                  |
| Transfer out of level 3                                                | –                                                                                     | (26,500)                                                                             | –                                                                                                      | (26,500)               |
| Exchange differences                                                   | (566)                                                                                 | (556)                                                                                | (20)                                                                                                   | (1,142)                |
| As at 30 June                                                          | 23,087                                                                                | 18,690                                                                               | 857                                                                                                    | 42,634                 |
| (#) Include gains or losses for assets held at end of Reporting Period | –                                                                                     | 17,835                                                                               | –                                                                                                      | 17,835                 |

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 2024, unlisted equity investment classified as financial assets at FVTPL amounting to HK\$26,500,000 was transferred from measurement based on Level 3 to Level 2 as a result of an existing of observable market data.

Other than the transfer disclosed above, 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.

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

## 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 2024: 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 2025

## 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 2025 (Unaudited)

|                                                     | Healthcare-related<br>business<br>HK\$'000 | Trading<br>business<br>HK\$'000 | Property-related<br>business<br>HK\$'000 | Equity<br>investment<br>business<br>HK\$'000 | Total<br>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            |

For the six months ended 30 June 2024 (Unaudited)

|                                                     | Healthcare-related<br>business<br>HK\$'000 | Trading<br>business<br>HK\$'000 | Property-related<br>business<br>HK\$'000 | Equity<br>investment<br>business<br>HK\$'000 | Total<br>HK\$'000 |
|-----------------------------------------------------|--------------------------------------------|---------------------------------|------------------------------------------|----------------------------------------------|-------------------|
| Revenue from external customers                     | 11,480                                     | 10,327                          | 8,226                                    | –                                            | 30,033            |
| Segment profit/(loss)                               | 1,100                                      | 6,594                           | (16,022)                                 | 16,634                                       | 8,306             |
| Interest income                                     |                                            |                                 |                                          |                                              | 8,936             |
| Provision for equity-settled share options expenses |                                            |                                 |                                          |                                              | (109)             |
| Finance costs                                       |                                            |                                 |                                          |                                              | (6,151)           |
| Unallocated expenses                                |                                            |                                 |                                          |                                              | (2,957)           |
| Profit before tax                                   |                                            |                                 |                                          |                                              | 8,025             |

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

## 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<br>2025<br>HK\$'000<br>(Unaudited) | 31 December<br>2024<br>HK\$'000<br>(Audited) |
|-------------------------------------|--------------------------------------------|----------------------------------------------|
| Healthcare-related business         | 16,108                                     | 13,134                                       |
| Trading business                    | 51,610                                     | 90,501                                       |
| Property-related business           | 1,013,748                                  | 929,544                                      |
| Equity investment business          | 117,604                                    | 116,418                                      |
| Total assets of reportable segments | 1,199,070                                  | 1,149,597                                    |
| Deferred tax assets                 | 27,875                                     | 31,464                                       |
| Unallocated corporate assets        | 522,144                                    | 487,590                                      |
| Consolidated total assets           | 1,749,089                                  | 1,668,651                                    |

#### Segment liabilities

|                                          | 30 June<br>2025<br>HK\$'000<br>(Unaudited) | 31 December<br>2024<br>HK\$'000<br>(Audited) |
|------------------------------------------|--------------------------------------------|----------------------------------------------|
| Healthcare-related business              | 46,366                                     | 41,337                                       |
| Trading business                         | 113,301                                    | 107,532                                      |
| Property-related business                | 248,572                                    | 217,585                                      |
| Equity investment business               | 847                                        | 122                                          |
| Total liabilities of reportable segments | 409,086                                    | 366,576                                      |
| Deferred tax liabilities                 | 94,839                                     | 89,494                                       |
| Current tax liabilities                  | 9,465                                      | 8,973                                        |
| Unallocated corporate liabilities        | 16,763                                     | 2,244                                        |
| Consolidated total liabilities           | 530,153                                    | 467,287                                      |

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

## 5. REVENUE AND SEGMENT INFORMATION *(Continued)*

### Revenue

|                                                        | Six months ended 30 June        |                                 |
|--------------------------------------------------------|---------------------------------|---------------------------------|
|                                                        | 2025<br>HK\$'000<br>(Unaudited) | 2024<br>HK\$'000<br>(Unaudited) |
| Sale of healthcare-related products                    | 2,121                           | 5,668                           |
| Healthcare management service income                   | 1,985                           | 1,933                           |
| Aesthetic medical service income                       | 2,317                           | 3,273                           |
| Sale of construction materials                         | –                               | 8,718                           |
| Sale of renewable energy products                      | 589                             | 222                             |
| Healthcare-related products sale agency service income | 221                             | 1,387                           |
| Sale of CBD downstream products                        | 178                             | 606                             |
| Revenue from contracts with customers                  | 7,411                           | 21,807                          |
| Rental income                                          | 10,042                          | 8,226                           |
| Total revenue                                          | 17,453                          | 30,033                          |

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

## 5. REVENUE AND SEGMENT INFORMATION *(Continued)*

### Disaggregation of revenue from contracts with customers

For the six months ended 30 June 2025 (Unaudited)

| Segments                                         | Healthcare-related business<br>HK\$'000 | Trading business<br>HK\$'000 | Total<br>HK\$'000 |
|--------------------------------------------------|-----------------------------------------|------------------------------|-------------------|
| <b>Major products/services</b>                   |                                         |                              |                   |
| 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             |
| <b>Geographical markets</b>                      |                                         |                              |                   |
| PRC                                              | 6,423                                   | –                            | 6,423             |
| Others                                           | 178                                     | 810                          | 988               |
| Total                                            | 6,601                                   | 810                          | 7,411             |
| <b>Timing of revenue recognition</b>             |                                         |                              |                   |
| At a point in time                               | 4,616                                   | 810                          | 5,426             |
| Over time                                        | 1,985                                   | –                            | 1,985             |
| Total                                            | 6,601                                   | 810                          | 7,411             |

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

## 5. REVENUE AND SEGMENT INFORMATION *(Continued)*

For the six months ended 30 June 2024 (Unaudited)

| Segments                                         | Healthcare-<br>related<br>business<br><i>HK\$'000</i> | Trading<br>business<br><i>HK\$'000</i> | Total<br><i>HK\$'000</i> |
|--------------------------------------------------|-------------------------------------------------------|----------------------------------------|--------------------------|
| <b>Major products/services</b>                   |                                                       |                                        |                          |
| Sale of healthcare-related products              | 5,668                                                 | –                                      | 5,668                    |
| Aesthetic medical services                       | 3,273                                                 | –                                      | 3,273                    |
| Healthcare management services                   | 1,933                                                 | –                                      | 1,933                    |
| Sale of CBD downstream products                  | 606                                                   | –                                      | 606                      |
| Sale of construction materials                   | –                                                     | 8,718                                  | 8,718                    |
| Healthcare-related products sale agency services | –                                                     | 1,387                                  | 1,387                    |
| Sale of renewable energy products                | –                                                     | 222                                    | 222                      |
| Total                                            | 11,480                                                | 10,327                                 | 21,807                   |
| <b>Geographical markets</b>                      |                                                       |                                        |                          |
| PRC                                              | 10,874                                                | 8,066                                  | 18,940                   |
| Others                                           | 606                                                   | 2,261                                  | 2,867                    |
| Total                                            | 11,480                                                | 10,327                                 | 21,807                   |
| <b>Timing of revenue recognition</b>             |                                                       |                                        |                          |
| At a point in time                               | 9,547                                                 | 10,327                                 | 19,874                   |
| Over time                                        | 1,933                                                 | –                                      | 1,933                    |
| Total                                            | 11,480                                                | 10,327                                 | 21,807                   |

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

## 6. FINANCE COSTS

|                               | Six months ended 30 June        |                                 |
|-------------------------------|---------------------------------|---------------------------------|
|                               | 2025<br>HK\$'000<br>(Unaudited) | 2024<br>HK\$'000<br>(Unaudited) |
| Interest on bank loans        | 4,769                           | 6,141                           |
| Interest on lease liabilities | 35                              | 10                              |
|                               | 4,804                           | 6,151                           |

## 7. INCOME TAX EXPENSE/(CREDIT)

|                                                | Six months ended 30 June        |                                 |
|------------------------------------------------|---------------------------------|---------------------------------|
|                                                | 2025<br>HK\$'000<br>(Unaudited) | 2024<br>HK\$'000<br>(Unaudited) |
| <b>Current income tax expense</b>              |                                 |                                 |
| – PRC Enterprise Income Tax                    | 268                             | 3,474                           |
| – Australia withholding tax on interest income | 286                             | 276                             |
| <b>Deferred income tax expense/(credit)</b>    | 209                             | (3,955)                         |
|                                                | 763                             | (205)                           |

Enterprise Income Tax of the PRC has been provided at the rate of 25% (six months ended 30 June 2024: 25%) on the estimated assessable profits arising from the PRC for the both periods, except for certain group entities operating in PRC, which are taxed at preferential tax rates. Group entities operating in PRC that are qualified as small and thin-profit enterprises with assessable profits of RMB3 million or less, the assessable profits are taxed at the effective rate of 5% (six months ended 30 June 2024: 5%). In addition, the Group entities operating in the PRC that are qualified as high and new technology enterprises are subject to income tax at a preferential tax rate of 15% (six months ended 30 June 2024: 15%).

Australia corporate income tax has been provided at the rate of 30% (six months ended 30 June 2024: 30%) on the estimated assessable profits arising from Australia for the both periods.

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

## 7. INCOME TAX EXPENSE/(CREDIT) *(Continued)*

A Group entity, which is a non-tax resident enterprise in Australia, is subject to Australia withholding tax at the tax rate of 10% (six months ended 30 June 2024: 10%) on the gross interest income arising from its loans provided to another Group entity, which is a tax resident enterprise in Australia.

Hong Kong Profits Tax has been provided at the rate of 16.5% (six months ended 30 June 2024: 16.5%) on the estimated assessable profits arising from Hong Kong for the both periods, except for one group entity operating in Hong Kong which is a qualifying corporate under the two-tiered Profits Tax rate regime. For the qualifying Group entity, the first HK\$2 million of assessable profits are taxed at the rate of 8.25% (six months ended 30 June 2024: 8.25%) and the remaining assessable profits are taxed at the rate of 16.5% (six months ended 30 June 2024: 16.5%).

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 |             |
|-----------------------------------------------------------------------|--------------------------|-------------|
|                                                                       | 2025                     | 2024        |
|                                                                       | HK\$'000                 | HK\$'000    |
|                                                                       | (Unaudited)              | (Unaudited) |
| Impairment losses/(reversal of impairment losses) of receivables, net | 1,166                    | (4,222)     |
| Impairment losses of investment in an associate                       | 461                      | –           |
| Loss on partial disposals of investment in a joint venture            | 127                      | –           |
| Fair value (gains) on investments at FVTPL                            | (868)                    | (17,835)    |
| Net foreign exchange (gains)                                          | (5,794)                  | (4,366)     |
| Provision for equity-settled share options expenses                   | 62                       | 109         |

## 9. DIVIDENDS

The Board has declared an interim dividend of HK0.15 cents per share for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

During the six months ended 30 June 2025, the shareholders of the Company had approved the final dividend for the financial year ended 31 December 2024 of HK0.4 cents per share. Such final dividend was recognised as a distribution of approximately HK\$16,375,000 which was paid on 20 August 2025.

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

## 10. EARNINGS PER SHARE

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

|                                                                                                           | Six months ended 30 June        |                                 |
|-----------------------------------------------------------------------------------------------------------|---------------------------------|---------------------------------|
|                                                                                                           | 2025<br>HK\$'000<br>(Unaudited) | 2024<br>HK\$'000<br>(Unaudited) |
| Earnings                                                                                                  |                                 |                                 |
| Profit attributable to owners of the Company used in the basic and diluted earnings per share calculation | 15,157                          | 8,465                           |

  

|                                                                                                              | Six months ended 30 June |                     |
|--------------------------------------------------------------------------------------------------------------|--------------------------|---------------------|
|                                                                                                              | 2025<br>(Unaudited)      | 2024<br>(Unaudited) |
| Number of shares                                                                                             |                          |                     |
| Weighted average number of ordinary shares used in basic and diluted earnings per share calculation (Note a) | 4,064,710,835            | 4,092,562,636       |

Note:

- (a) For the six months ended 30 June 2025 and 2024, 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

During the six months ended 30 June 2025, the Group acquired items of property, plant and equipment with a cost of HK\$580,000 (six months ended 30 June 2024: HK\$44,000), and no items of property, plant and equipment were written off during the six months ended 30 June 2025 and 30 June 2024.

In addition, during the six months ended 30 June 2025 and 30 June 2024, no items of property, plant and equipment were disposed.

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

## 12. INVESTMENT PROPERTIES

|                                            | <b>30 June<br/>2025<br/>HK\$'000<br/>(Unaudited)</b> | 31 December<br>2024<br>HK\$'000<br>(Audited) |
|--------------------------------------------|------------------------------------------------------|----------------------------------------------|
| <b>Carrying amount</b>                     |                                                      |                                              |
| <b>As at 1 January 2025/1 January 2024</b> | <b>610,292</b>                                       | 598,509                                      |
| Additions                                  | <b>7,024</b>                                         | 8,131                                        |
| Fair value gains                           | <b>–</b>                                             | 23,813                                       |
| Exchange differences                       | <b>18,330</b>                                        | (20,161)                                     |
| <b>Carrying amount</b>                     |                                                      |                                              |
| <b>As at 30 June 2025/31 December 2024</b> | <b>635,646</b>                                       | 610,292                                      |

## 13. TRADE RECEIVABLES

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

|               | <b>30 June<br/>2025<br/>HK\$'000<br/>(Unaudited)</b> | 31 December<br>2024<br>HK\$'000<br>(Audited) |
|---------------|------------------------------------------------------|----------------------------------------------|
| 0 to 30 days  | <b>3,042</b>                                         | 4,480                                        |
| 31 to 90 days | <b>46</b>                                            | 14,886                                       |
| Over 90 days  | <b>16,193</b>                                        | 7,875                                        |
|               | <b>19,281</b>                                        | 27,241                                       |

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

## 14. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

|                                                                     | 30 June<br>2025<br>HK\$'000<br>(Unaudited) | 31 December<br>2024<br>HK\$'000<br>(Audited) |
|---------------------------------------------------------------------|--------------------------------------------|----------------------------------------------|
| Loan receivables ( <i>Note</i> )                                    | 505,383                                    | 452,285                                      |
| Loan interest receivables                                           | 19,152                                     | 15,927                                       |
|                                                                     | 524,535                                    | 468,212                                      |
| Provision for loss allowance                                        | (1,175)                                    | (1,086)                                      |
| Loan and interest receivable, net                                   | 523,360                                    | 467,126                                      |
| Prepayments to suppliers                                            | 39,431                                     | 32,412                                       |
| Prepayments for acquisition of an investment property               | –                                          | 7,513                                        |
| Deposits for pre-sale of properties held for sale under development | 23,736                                     | 15,982                                       |
| Consideration receivables in relation to:                           |                                            |                                              |
| – Partial disposals of investment in an associate                   | 7,683                                      | 7,461                                        |
| – Partial disposal of investment in a joint venture                 | 6,370                                      | 6,169                                        |
| Performance bond receivable                                         | 27,395                                     | 58,531                                       |
| Other receivables                                                   | 2,491                                      | 3,671                                        |
| Other tax receivables                                               | 5,857                                      | 2,918                                        |
| Deposits paid                                                       | 181                                        | 178                                          |
|                                                                     | 636,504                                    | 601,961                                      |
| Provision for loss allowance                                        | (7,944)                                    | (7,778)                                      |
|                                                                     | 628,560                                    | 594,183                                      |
| Analysed as:                                                        |                                            |                                              |
| Current assets                                                      | 402,980                                    | 367,612                                      |
| Non-current assets                                                  | 225,580                                    | 226,571                                      |
|                                                                     | 628,560                                    | 594,183                                      |

*Note:*

As at 30 June 2025, loan receivable with the carrying amount of approximately HK\$219,160,000 (31 December 2024: HK\$212,840,000) 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\$286,223,000 (31 December 2024: HK\$239,445,000) were made to third parties, which are denominated in RMB, bear fixed interest rates ranging from 3% to 8% per annum (31 December 2024: 3% to 8% per annum) and repayable in full within one year from the date of the respective loan agreements.

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

## 15. RESTRICTED BANK DEPOSIT

The Group's restricted bank deposit amounted to HK\$7,035,000 as at 30 June 2025 (31 December 2024: HK\$6,550,000) 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:

|              | <b>30 June<br/>2025<br/>HK\$'000<br/>(Unaudited)</b> | <b>31 December<br/>2024<br/>HK\$'000<br/>(Audited)</b> |
|--------------|------------------------------------------------------|--------------------------------------------------------|
| 0 to 90 days | <b>31</b>                                            | –                                                      |
| Over 90 days | <b>10</b>                                            | 10                                                     |
|              | <b>41</b>                                            | 10                                                     |

## 17. AMOUNTS DUE TO RELATED PARTIES

The balances are unsecured, interest-free and have no fixed term of repayable.

## 18. BANK BORROWINGS

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.

During the six months ended 30 June 2024, the Group obtained two bank loans amounting to HK\$12,503,000 as additional working capital and made repayment of bank borrowings of HK\$12,426,000. The new loans were denominated in RMB, bearing fixed interest rates ranging from 4% to 4.5% per annum and repayable by instalments commencing from 2024 to 2034.

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

## 19. SHARE CAPITAL

|                                                                            | Number<br>of shares | Amount<br>HK\$'000 |
|----------------------------------------------------------------------------|---------------------|--------------------|
| Authorised:                                                                |                     |                    |
| Ordinary shares of HK\$0.01 each                                           |                     |                    |
| As at 1 January 2024, 31 December 2024,<br>1 January 2025 and 30 June 2025 | 10,000,000,000      | 100,000            |
| Issued and fully paid:                                                     |                     |                    |
| Ordinary shares of HK\$0.01 each                                           |                     |                    |
| As at 1 January 2024, 31 December 2024,<br>1 January 2025 and 30 June 2025 | 4,093,756,636       | 40,938             |

## 20. TREASURY SHARES

|                                                        | Number<br>of shares | Amount<br>HK\$'000 |
|--------------------------------------------------------|---------------------|--------------------|
| As at 1 January 2024, 31 December 2024, 1 January 2025 | 1,194,000           | 335                |
| Repurchases of share                                   | 29,706,000          | 8,864              |
| As at 30 June 2025                                     | 30,900,000          | 9,199              |

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

## 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 4 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 2025

## 21. SHARE-BASED PAYMENTS *(Continued)*

### Equity-settled share option scheme *(Continued)*

Details of the movements of share options are as follows:

| Category of participants                             | Date of grant<br><i>(Note a)</i> | Exercise period                       | Exercise price<br><i>HK\$</i> | (Unaudited)<br>Number of share options |                             |                                |
|------------------------------------------------------|----------------------------------|---------------------------------------|-------------------------------|----------------------------------------|-----------------------------|--------------------------------|
|                                                      |                                  |                                       |                               | Outstanding as at<br>1/1/2025          | Lapsed during<br>the period | Outstanding as at<br>30/6/2025 |
| Directors                                            | 12.5.2020 <i>(Note b)</i>        | 12.5.2021 – 11.5.2030 <i>(Note d)</i> | 0.33                          | 2,500,500                              | –                           | 2,500,500                      |
|                                                      | 24.6.2020 <i>(Note c)</i>        | 24.6.2021 – 23.6.2030 <i>(Note e)</i> | 0.33                          | 4,500,000                              | –                           | 4,500,000                      |
| Employees                                            | 12.5.2020 <i>(Note b)</i>        | 12.5.2021 – 11.5.2030 <i>(Note d)</i> | 0.33                          | 501,000                                | –                           | 501,000                        |
|                                                      | 12.5.2020 <i>(Note b)</i>        | 12.5.2022 – 11.5.2030 <i>(Note f)</i> | 0.33                          | 501,000                                | –                           | 501,000                        |
|                                                      | 12.5.2020 <i>(Note b)</i>        | 12.5.2021 – 11.5.2030 <i>(Note g)</i> | 0.33                          | 5,418,000                              | (204,000)                   | 5,214,000                      |
|                                                      | 12.5.2020 <i>(Note b)</i>        | 12.5.2020 – 11.5.2030 <i>(Note i)</i> | 0.33                          | 996,000                                | –                           | 996,000                        |
| Others                                               | 12.5.2020 <i>(Note b)</i>        | 12.5.2021 – 11.5.2030 <i>(Note d)</i> | 0.33                          | 750,000                                | –                           | 750,000                        |
|                                                      | 12.5.2020 <i>(Note b)</i>        | 12.5.2022 – 11.5.2030 <i>(Note h)</i> | 0.33                          | 504,000                                | –                           | 504,000                        |
|                                                      | 12.5.2020 <i>(Note b)</i>        | N/A <i>(Note i)</i>                   | 0.33                          | 5,004,000                              | –                           | 5,004,000                      |
| <b>Total for Scheme</b>                              |                                  |                                       |                               | 20,674,500                             | (204,000)                   | 20,470,500                     |
| <b>Exercisable at the end of the period</b>          |                                  |                                       |                               | 15,043,500                             |                             | 14,965,500                     |
| <b>Weighted average exercise price <i>(HK\$)</i></b> |                                  |                                       |                               | 0.33                                   | 0.33                        | 0.33                           |

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

## 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) 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 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.
- (g) 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.
- (h) 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.
- (i) 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 2024 and 2025.

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

## 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.

# NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2025

## 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 | 2025<br>HK\$'000<br>(Unaudited) | 2024<br>HK\$'000<br>(Unaudited) |
| Fellow subsidiaries of the Group:                                           | (i)   |                                 |                                 |
| Loan interest income paid to the Group                                      | (ii)  | 6,531                           | 4,967                           |
| Purchases from the Group                                                    | (ii)  | 378                             | 2,078                           |
| Healthcare management service income paid to the Group                      | (ii)  | 471                             | 474                             |
| Rental expenses paid from the Group                                         | (ii)  | 619                             | 360                             |
| The Directors:                                                              |       |                                 |                                 |
| Aesthetic medical service income paid to the Group                          | (ii)  | –                               | 1                               |
| Members of key management personnel of the Group (excluding the Directors): |       |                                 |                                 |
| Aesthetic medical service income paid to the Group                          |       | 16                              | 1                               |
| Purchases from the Group                                                    |       | –                               | 1                               |
| 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 2025 and 31 December 2024, 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 2025

## 22. RELATED PARTY TRANSACTIONS *(Continued)*

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

|                                                     | Six months ended 30 June        |                                 |
|-----------------------------------------------------|---------------------------------|---------------------------------|
|                                                     | 2025<br>HK\$'000<br>(Unaudited) | 2024<br>HK\$'000<br>(Unaudited) |
| Short-term employee benefits                        | 2,839                           | 3,033                           |
| Post-employment benefits                            | 67                              | 119                             |
| Provision for equity-settled share options expenses | 7                               | 31                              |
| Total compensation paid to key management personnel | 2,913                           | 3,183                           |

## 23. CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities as at 30 June 2025 (31 December 2024: Nil).

## 24. CAPITAL COMMITMENTS

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

|                                                                             | 30 June<br>2025<br>HK\$'000<br>(Unaudited) | 31 December<br>2024<br>HK\$'000<br>(Audited) |
|-----------------------------------------------------------------------------|--------------------------------------------|----------------------------------------------|
| Contracted, but not provided for:                                           |                                            |                                              |
| Capital contribution to associates                                          | 10,465                                     | 10,163                                       |
| Construction cost commitments to properties held for sale under development | 63,210                                     | 86,030                                       |
|                                                                             | 73,675                                     | 96,193                                       |

## 25. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The interim condensed consolidated financial statements were approved and authorised for issued by the Board on 28 August 2025.

## GLOSSARY

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

| Term(s)                         | Definition                                                                                                                                                                                     |
|---------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| "14th Five-Year Plan"           | the Outline of the 14th Five-Year Plan for the National Economic and Social Development of the PRC and the Long-Range Objectives Through the Year 2035                                         |
| "2019 Share Option Scheme"      | the share option scheme adopted by the Company on 20 June 2019 and became effective on 28 June 2019                                                                                            |
| "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                                                                                                                                                     |
| "Chief Financial Officer"       | the chief financial 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 |
| "Company Secretary"             | the company secretary of the Company                                                                                                                                                           |
| "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 20 European countries                                                                                                                                                                                                                                                                                                                                 |
| "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 |
| "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 2025                                                                                                                                                                                                            |
| "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                                                                                                                                                                   |
| "sq.m."                     | square meter(s)                                                                                                                                                                                                                              |
| "Stock Exchange"            | The Stock Exchange of Hong Kong Limited                                                                                                                                                                                                      |
| "Strategic Committee"       | the strategic committee of the Board                                                                                                                                                                                                         |

\* For identification purposes only

# GLOSSARY

| Term(s)           | Definition                                                                                                                                                                                                                                                                                                          |
|-------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| "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) (formerly known as Jiangsu U-light Zhaoneng New Energy Technology Co., Ltd.* (江蘇光宇兆能新能源科技有限公司)), a company established in the PRC with limited liability which is owned as to 3.636% 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                                                                                                                                                                                                                                                                                                            |

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