CK Life Sciences Int'l., (Holdings) Inc.
長江生命科技集團有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 0775)

INTERIM RESULTS FOR 2026

2026 FIRST HALF RESULTS

For the six months ended 30 June 2026, CK Life Sciences Int'l., (Holdings) Inc. ("CK Life Sciences" or the "Company") recorded an unaudited loss attributable to shareholders of HK$28.7 million, an 81% reduction in loss compared with the corresponding period last year.

In the second half of 2025, we underwent a corporate reorganisation to increase the intensity of our R&D and injected additional professional expertise to sharpen execution. The reorganisation included a transaction in which a Nasdaq-listed company in the U.S., TransCode Therapeutics ("RNAZ"), acquired our R&D subsidiary Polynoma. In return, the Company would become the majority shareholder of RNAZ. In the first half of 2026, Polynoma-related expenses were no longer consolidated under the Company, nor were expenses in RNAZ consolidated, as shareholders of RNAZ had not yet approved the change of control. This change in accounting treatment has resulted in a significant reduction in R&D expenses in the first half of 2026, contributing to the reported loss in the period being smaller versus last year.

The Board of Directors has not declared an interim dividend for the period under review (2025: Nil).

PHARMACEUTICALS & DIAGNOSTICS R&D

Following its corporate reorganisation, the Group's pharmaceutical R&D activities are conducted through three entities – Dogwood Therapeutics for pain management, TransCode Therapeutics for RNA-based and other oncology therapeutics, and Sequencio Therapeutics for therapeutic cancer vaccines.

Pain Therapeutics

Dogwood Therapeutics

Dogwood Therapeutics ("DWTX") continued to advance Halneuron® for chemotherapy-induced neuropathic pain (CINP). Interim results in its Phase 2b clinical trial have been encouraging, supporting its potential as a non-opioid treatment option in an area of high unmet need. An open-label extension study is also underway to further evaluate safety and durability of response.

In parallel, DWTX is advancing SP16 IV, a first-in-class LRP1 (Low-Density Lipoprotein Receptor-Related Protein 1) agonist peptide designed to address the underlying nerve injury and inflammation associated with chemotherapy-induced neuropathy. Plans for a Phase 1b clinical trial are in place.

Cancer Therapeutics

TransCode Therapeutics

TransCode Therapeutics ("RNAZ") advanced its lead RNA therapeutic candidate, TTX-MC138, into Phase 2a development in 2026 following successful completion of a Phase 1a study. The ongoing study focuses on colorectal cancer patients with minimal residual disease, a setting with high risk of recurrence and limited treatment options. Planning has begun for exploration of combination strategies between TTX-MC138 and seviprotimut-L, a polyvalent melanoma vaccine.

RNAZ has also expanded its oncology pipeline through the addition of next-generation oncolytic virus assets, further strengthening its position across multiple approaches to treating high-risk and metastatic cancers.

Sequencio Therapeutics

Sequencio Therapeutics ("Sequencio") consolidates CK Life Sciences' cancer vaccine research on next-generation therapeutic cancer vaccines designed to induce durable, immune-mediated tumour control. One of the few home-grown biotech companies in Hong Kong, Sequencio is starting to attract industry attention to its progress.

Planning for IND (Investigational New Drug)-enabling studies is underway for the two lead programmes – CKLS118 (TROP2) and CKLS202 (PRAME/PD-L1). Development is ongoing in earlier-stage programmes to provide additional opportunities across clinically validated and emerging tumour targets. At the American Association for Cancer Research (AACR) 2026 Annual Meeting, multiple poster presentations showcased strong immunogenicity and anti-tumour activity across targets including p53 neoantigens, B7-H3, and Claudin-6.

Sequencio is also strengthening its platform capabilities through enabling technologies such as adjuvant systems, lipid nanoparticle delivery for RNA-based vaccines, and artificial intelligence in the improvement of antigen selection and immunogenicity prediction.

Cancer Diagnostics

In addition to the above pharmaceutical entities, Pharus Inc., a cancer diagnostic company in which the Company has made an investment, continues to advance validation of a lung cancer early detection test which integrates multiomic biomarkers and artificial intelligence.

COMMERCIAL BUSINESSES

Over the years, we have established a portfolio of nutraceutical and agriculture-related commercial businesses which provide corporate support and funding for our R&D. During the period under review, the commercial businesses recorded higher revenue than last year, but margins were under pressure from cost increases in many areas.

NUTRACEUTICAL BUSINESS

CK Life Sciences' nutraceutical business comprises: (i) Vitaquest International Holdings LLC ("Vitaquest") in the United States; (ii) Santé Naturelle A.G. Ltée ("SNAG") in Canada; and (iii) Lipa Pharmaceuticals Limited ("Lipa") in Australia.

The nutraceutical business segment reported higher revenue than the same period last year. However, tariff, inflation and supply chain disruptions affected profit contribution.

During the first half of 2026, Vitaquest focused on growing sales with higher-margin customers while optimising operational processes to alleviate the combined pressure of cost increases in, and disruption to, the supply of raw materials.

SNAG improved gross margins and overall profitability after rationalising SKUs in 2025 to refocus on core categories. Lipa benefited from both higher volumes and margins that lifted revenue and profit.

AGRICULTURE-RELATED BUSINESS

The Company's agriculture-related business consists of three main streams: (i) Australian Agribusiness (Holdings) Pty Ltd ("Australian Agribusiness"); (ii) the salt business; and (iii) a vineyard portfolio.

Revenue in the agriculture-related segment was satisfactory, but adverse weather, supply chain disruption and cost increases compromised segment profit contribution.

Manufacturing activities in Australian Agribusiness were challenged by unfavourable weather conditions, cost increases and competition from imported finished products.

While volume and revenue in the Australian and New Zealand salt businesses remained steady, cost increases and adverse weather negatively impacted profit.

Mostly protected by long-term leases with reputable wine companies as tenants, the vineyard business continued to provide steady profit contribution and recurrent cashflow during the period under review.

PROSPECTS

Investment in pharmaceutical R&D is inherently high risk, high return. However, higher focus and more disciplined execution across our Pharmaceuticals & Diagnostics portfolio should enable us to manage R&D expenses more effectively. We remain well positioned to build long-term value from our diversified portfolio of R&D assets.

Changes in the geopolitical environment and uncertainty in economic conditions will continue to pose challenges to the sales and profitability of the Company's commercial businesses. We expect that foundations built over the years will withstand the pressure of these headwinds.

Once again, I would like to express my sincere gratitude to our staff for persistence in dealing with challenges. I would also like to thank members of the Board for their ongoing contributions and our stakeholders for their continued support.

Victor T K Li
Chairman

Hong Kong, 11 August 2026

FINANCIAL REVIEW

Financial Resources and Liquidity

As at 30 June 2026, the total assets of the Group were about HK$12,164.8 million, of which bank balances and time deposits were about HK$535.7 million.

At the end of the period under review, the total liabilities of the Group were HK$8,074.3 million, comprising bank borrowings of HK$6,179.4 million. These borrowings were primarily used to finance the acquisitions of overseas businesses and support the general working capital needs for some of the overseas businesses. Interest expenses on the Group's bank borrowings amounted to HK$115.2 million for the six months ended 30 June 2026.

As at 30 June 2026, the Group maintained a net debt to net total capital ratio of approximately 58.0%, which represented the Group's net borrowings divided by the Group's total equity plus net borrowings. For this purpose, the Group defines net borrowings as bank borrowings less cash, bank balances and time deposits.

The net asset value of the Group was HK$0.43 per share.

Treasury Policies

The Group continues to adopt a prudent treasury policy and manage most of its treasury functions at the head office addressing its funding needs, foreign exchange and interest rate exposures.

The Group's treasury investments are denominated in Hong Kong dollars and United States dollars, and thus there is no exchange rate risk associated with such investments. All the Group's borrowings are principally on a floating rate basis. To minimise its interest rate risk, the Group has also entered into an interest rate swap in respect of a portion of the Group's bank borrowings. In addition, the Group has been closely monitoring its overall net debt position, and reviewing its funding costs and loan maturity profile so as to facilitate refinancing whenever appropriate.

Charge on Assets

As at 30 June 2026, certain assets of the Group's subsidiary companies with a carrying value of HK$698.5 million were pledged as part of the security for bank borrowings totalling HK$276.9 million granted to the subsidiary companies.

Material Acquisitions/Disposals and Significant Investments

There was no material acquisition/disposal of investments during the period under review.

The Group has continued investing significantly in pharmaceuticals and diagnostics research and development activities. Total research and development expenditure amounted to about HK$97.9 million for the period ended 30 June 2026.

Capital Commitments and Future Plans for Material Investments or Capital Assets

As of 30 June 2026, the total capital commitments by the Group amounted to HK$59.5 million which were mainly made up of contracted/authorised commitments in respect of the acquisition of plant and equipment, and maintenance of vineyards.

Information on Employees

The total number of full-time employees of the Group was 1,925 as at 30 June 2026, and is 10 less than the total headcount of 1,935 as at 30 June 2025. The total staff costs, including director's emoluments, amounted to approximately HK$625.8 million for the six months ended 30 June 2026, which represents an increase of 6% as compared to the same period in 2025. The Group's remuneration policies remained the same as detailed in the Company's annual report for the year ended 31 December 2025.

Contingent Liabilities

The Group did not have any significant contingent liabilities as at 30 June 2026.

Condensed Consolidated Income Statement

	Notes	For the six months ended 30 June 2026 (unaudited) HK$'000	2025 (unaudited) HK$'000
Revenue	3	**2,715,761**	2,605,812
Cost of sales		**(1,951,222)**	(1,812,196)
		764,539	793,616
Other income, gains and losses		**26,083**	41,647
Staff costs	4	**(346,946)**	(331,646)
Depreciation		**(43,323)**	(41,801)
Amortisation of intangible assets		**(1,402)**	(1,189)
Other expenses		**(286,841)**	(452,660)
Finance costs		**(130,473)**	(143,299)
Share of results of joint ventures		**(218)**	479
Loss before taxation		**(18,581)**	(134,853)
Taxation	5	**(30,049)**	(15,984)
Loss for the period	6	**(48,630)**	(150,837)
Attributable to:			
Shareholders of the Company		**(28,730)**	(150,837)
Non-controlling interests of subsidiaries		**(19,900)**	-
		(48,630)	(150,837)
Loss per share	7		
- Basic		**(0.30) cents**	(1.57) cents

Condensed Consolidated Statement of Comprehensive Income

	For the six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	HK$'000	HK$'000
Loss for the period	**(48,630)**	(150,837)
Other comprehensive (expenses)/income		
Item that will not be reclassified to profit or loss:		
Change in fair value of financial assets at fair value through other comprehensive income	**(6,389)**	-
Item that may be reclassified subsequently to profit or loss:		
Exchange differences arising from translation of foreign operations	**190,076**	292,404
Change in fair value of a hedging instrument designated in a cash flow hedge	**12,693**	-
	202,769	292,404
Other comprehensive income for the period	**196,380**	292,404
Total comprehensive income for the period	**147,750**	141,567
Attributable to:		
Shareholders of the Company	**167,650**	141,567
Non-controlling interests of subsidiaries	**(19,900)**	-
	147,750	141,567

Condensed Consolidated Statement of Financial Position

	Notes	**As at 30 June 2026 (unaudited) HK$'000**	As at 31 December 2025 (audited) HK$'000
Non-current assets			
Investment properties	9	**1,600,698**	1,543,562
Property, plant and equipment	10	**2,362,714**	2,297,907
Right-of-use assets	11	**482,601**	423,696
Intangible assets	12	**3,376,461**	3,333,653
Interests in joint ventures		**11,515**	11,072
Other financial assets		**1,175,203**	1,172,340
Deferred taxation		**53,178**	47,548
		9,062,370	8,829,778
Current assets			
Tax recoverable		**29,871**	5,525
Inventories		**1,377,252**	1,230,494
Receivables and prepayments	13	**1,159,678**	1,167,699
Bank balances and deposits		**535,655**	603,067
		3,102,456	3,006,785
Current liabilities			
Payables and accruals	13	**(849,357)**	(979,971)
Bank borrowings	14	**(2,429,389)**	(2,368,083)
Lease liabilities		**(97,316)**	(80,444)
Taxation		**(17,941)**	(39,467)
		(3,394,003)	(3,467,965)
Net current liabilities		**(291,547)**	(461,180)
Total assets less current liabilities		**8,770,823**	8,368,598

Condensed Consolidated Statement of Financial Position (Cont'd)

	Notes	**As at 30 June 2026 (unaudited) HK$'000**	As at 31 December 2025 (audited) HK$'000
Non-current liabilities			
Other financial liabilities		-	(3,441)
Bank borrowings	14	**(3,750,000)**	(3,660,000)
Lease liabilities		**(555,184)**	(512,703)
Deferred taxation		**(363,694)**	(335,397)
Retirement benefit obligations		**(11,467)**	(10,973)
		(4,680,345)	(4,522,514)
Total net assets		**4,090,478**	3,846,084
Capital and reserves			
Share capital	15	**961,107**	961,107
Share premium and reserves		**2,986,166**	2,818,516
Equity attributable to shareholders of the Company		**3,947,273**	3,779,623
Non-controlling interests of subsidiaries		**143,205**	66,461
Total equity		**4,090,478**	3,846,084

Condensed Consolidated Statement of Changes in Equity

	Attributable to shareholders of the Company										
	Share capital (unaudited)	Share premium (unaudited)	Investment at fair value through other comprehensive income reserve (unaudited)	Translation reserve (unaudited)	Asset revaluation reserve (unaudited)	Hedging reserve (unaudited)	Other reserves (unaudited)	Retained earnings (unaudited)	Sub-total (unaudited)	Attributable to non-controlling interests of subsidiaries (unaudited)	Total (unaudited)
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
2025											
At 1 January 2025	961,107	3,109,546	(103,347)	(2,183,217)	59,637	-	(542,249)	2,210,071	3,511,548	-	3,511,548
Loss for the period	-	-	-	-	-	-	-	(150,837)	(150,837)	-	(150,837)
Exchange differences arising from translation of foreign operations	-	-	-	292,404	-	-	-	-	292,404	-	292,404
Total comprehensive income/(expenses) for the period	-	-	-	292,404	-	-	-	(150,837)	141,567	-	141,567
At 30 June 2025	961,107	3,109,546	(103,347)	(1,890,813)	59,637	-	(542,249)	2,059,234	3,653,115	-	3,653,115
2026											
At 1 January 2026	**961,107**	**3,109,546**	**(103,347)**	**(1,903,986)**	**94,604**	**(3,441)**	**(344,868)**	**1,970,008**	**3,779,623**	**66,461**	**3,846,084**
Loss for the period	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(28,730)**	**(28,730)**	**(19,900)**	**(48,630)**
Exchange differences arising from translation of foreign operations	**-**	**-**	**-**	**190,076**	**-**	**-**	**-**	**-**	**190,076**	**-**	**190,076**
Fair value change of financial assets at fair value through other comprehensive income	**-**	**-**	**(6,389)**	**-**	**-**	**-**	**-**	**-**	**(6,389)**	**-**	**(6,389)**
Change in fair value of cash flow hedge	**-**	**-**	**-**	**-**	**-**	**12,693**	**-**	**-**	**12,693**	**-**	**12,693**
Total comprehensive (expenses)/income for the period	**-**	**-**	**(6,389)**	**190,076**	**-**	**12,693**	**-**	**(28,730)**	**167,650**	**(19,900)**	**147,750**
Capital injection by non-controlling interest of subsidiaries	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**96,644**	**96,644**
At 30 June 2026	**961,107**	**3,109,546**	**(109,736)**	**(1,713,910)**	**94,604**	**9,252**	**(344,868)**	**1,941,278**	**3,947,273**	**143,205**	**4,090,478**

Condensed Consolidated Statement of Cash Flows

	For the six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	HK$'000	HK$'000
Net cash outflow from operating activities	**(50,004)**	(6,059)
Net cash (outflow)/inflow from investing activities	**(68,890)**	18,405
Net cash inflow from financing activities	**41,227**	207,086
(Decrease)/increase in cash and cash equivalents	**(77,667)**	219,432
Cash and cash equivalents at beginning of the period	**603,067**	553,970
Effect of foreign exchange rate changes	**10,255**	17,706
Cash and cash equivalents at end of the period	**535,655**	791,108

Notes to the Condensed Consolidated Financial Statements

1. Basis of Preparation

The unaudited condensed consolidated financial statements have been prepared in accordance with the Hong Kong Accounting Standards 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

2. Material Accounting Policy Information

The condensed consolidated financial statements have been prepared under the historical cost convention, except for certain properties and financial instruments, which are measured at revaluated amounts or fair values.

The accounting policies used in preparing the interim financial statements are consistent with those used in the Group's annual financial statements for the year ended 31 December 2025 (the "2025 Financial Statements"), except for the new and revised Hong Kong Financial Reporting Standards, amendments and interpretations (collectively "new and revised HKFRSs") issued by HKICPA which have become effective in this period as detailed in note 2 of the 2025 Financial Statements. The adoption of such new and revised HKFRSs has no material impact on the accounting policies in the Group's interim financial statements for the period.

3. Revenue and Segment Information

Revenue represents net invoiced value of goods sold, after allowance for returns and trade discounts, as well as rental income and income from investments, and is analysed as follows:

A. Revenue

	For the six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Sales of goods:		
Agriculture-related	**911,069**	891,620
Nutraceutical	**1,733,033**	1,636,653
Revenue from contracts with customers	**2,644,102**	2,528,273
Rental income (included in agriculture-related segment)	**71,659**	76,129
Investment income	**-**	1,410
	2,715,761	2,605,812

Revenue from contracts with customers regarding the sale of goods is generally recognised at a point in time when the control of the goods underlying the particular performance obligation is transferred to the customers.

B. Segment results

An analysis of the segment results is as follows:

	Agriculture-related		Nutraceutical		Pharmaceuticals & Diagnostics R&D		Unallocated		Total	
	2026	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025
	HK$'000	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000
Segment revenue	**982,728**	967,749	**1,733,033**	1,636,653	**-**	-	**-**	1,410	**2,715,761**	2,605,812
Segment results	**110,874**	130,136	**141,884**	160,505	**(97,879)**	(235,304)	**-**	-	**154,879**	55,337
Unallocated other income, gains or losses									**3,827**	3,725
Corporate expenses									**(46,814)**	(50,616)
Finance costs									**(130,473)**	(143,299)
Loss before taxation									**(18,581)**	(134,853)
Taxation									**(30,049)**	(15,984)
Loss for the period									**(48,630)**	(150,837)

4. Staff Costs

Staff costs which include salaries, bonuses, retirement benefit scheme contributions and recruitment costs for the six months ended 30 June 2026 amounted to HK$625.8 million (2025: HK$592.2 million) of which HK$278.9 million (2025: HK$260.6 million) relating to direct labor costs were included in cost of sales.

5. Taxation

	For the six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Current tax		
Hong Kong	**-**	(1)
Other jurisdictions	**11,549**	25,076
Deferred tax		
Other jurisdictions	**18,500**	(9,091)
	30,049	15,984

Hong Kong profits tax has been provided for at the rate of 16.5% of the estimated assessable profits. Taxation arising from other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

6. Loss for the Period

	For the six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Loss for the period has been arrived at after crediting:		
Included in revenue:		
Rental income from investment properties	**71,659**	76,129
Included in other income, gains and losses:		
Interest income from bank deposits	**6,525**	10,490
Net loss on financial assets at fair value through profit or loss	**-**	(98)

7. Loss Per Share

The calculations of the basic loss per share attributable to shareholders of the Company are based on the following data :

	For the six months ended 30 June	
	2026	2025
	HK$'000	HK$'000
Loss for the period attributable to shareholders of the Company		
Loss for calculating basic loss per share	**(28,730)**	(150,837)
Number of shares		
Number of ordinary shares in issue used in the calculation of basic loss per share	**9,611,073,000**	9,611,073,000

No diluted loss per share for the periods ended 30 June 2026 and 2025 were presented as there were no potential ordinary shares in issue.

8. Dividends

The Board of Directors of the Company has not declared an interim dividend for the six months ended 30 June 2026 (2025: Nil).

9. Investment Properties

	HK$'000
Valuation	
At 1 January 2026	**1,543,562**
Additions	**1,330**
Exchange differences	**55,806**
At 30 June 2026	**1,600,698**

10. Property, Plant and Equipment

	Land and buildings	Vines	Salt fields	Construction in progress	Laboratory instruments, plant and equipment	Furniture, fixtures and other assets	Leasehold improvement	Total
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Cost or valuation								
At 1 January 2026	629,259	582,125	553,272	160,007	1,547,563	199,476	335,271	4,006,973
Additions	-	956	1,138	65,692	11	2,972	4,138	74,907
Reclassification	267	-	-	(66,907)	54,023	12,595	22	-
Disposals/write-off	-	-	-	-	(938)	(363)	-	(1,301)
Exchange differences	17,361	23,909	23,346	6,577	45,741	2,923	3,366	123,223
At 30 June 2026	**646,887**	**606,990**	**577,756**	**165,369**	**1,646,400**	**217,603**	**342,797**	**4,203,802**
Depreciation and impairment								
At 1 January 2026	154,483	359,922	-	-	855,188	159,996	179,477	1,709,066
Provided for the period	8,515	9,134	-	-	52,174	7,360	7,344	84,527
Eliminated upon disposals/write-off	-	-	-	-	(741)	(361)	-	(1,102)
Exchange differences	3,131	16,427	-	-	24,917	2,718	1,404	48,597
At 30 June 2026	**166,129**	**385,483**	**-**	**-**	**931,538**	**169,713**	**188,225**	**1,841,088**
Carrying values								
At 30 June 2026	**480,758**	**221,507**	**577,756**	**165,369**	**714,862**	**47,890**	**154,572**	**2,362,714**
At 31 December 2025	474,776	222,203	553,272	160,007	692,375	39,480	155,794	2,297,907

11. Right-of-use Assets

	As at 30 June 2026	As at 31 December 2025
	HK$'000	HK$'000
Land and buildings	**446,305**	400,041
Machinery and equipment	**24,070**	15,655
Furniture, fixtures and other assets	**12,226**	8,000
	482,601	423,696

12. Intangible Assets

	Development costs	Patents	Goodwill	Brand name and trademarks	Customer relationships	Water rights	Other intangible assets	Total
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Cost								
At 1 January 2026	383,474	130	2,790,355	116,566	360,467	210,537	30,195	3,891,724
Additions	-	-	-	-	-	-	698	698
Exchange differences	(3,757)	8	28,117	1,060	8,863	12,575	468	47,334
At 30 June 2026	**379,717**	**138**	**2,818,472**	**117,626**	**369,330**	**223,112**	**31,361**	**3,939,756**
Amortisation and impairment								
At 1 January 2026	444	130	147,792	27,264	360,467	1,566	20,408	558,071
Provided for the period	-	-	-	-	-	-	1,402	1,402
Exchange differences	(9)	8	(4,913)	(530)	8,863	94	309	3,822
At 30 June 2026	**435**	**138**	**142,879**	**26,734**	**369,330**	**1,660**	**22,119**	**563,295**
Carrying values								
At 30 June 2026	**379,282**	**-**	**2,675,593**	**90,892**	**-**	**221,452**	**9,242**	**3,376,461**
At 31 December 2025	383,030	-	2,642,563	89,302	-	208,971	9,787	3,333,653

13. Receivables and Payables

The Group has a policy of granting an average credit period of 0 to 90 days to its customers.

The ageing analysis of trade receivables and trade payables based on invoice dates is as follows:

	As at 30 June 2026	As at 31 December 2025
	HK$'000	HK$'000
Trade receivables		
0 - 90 days	**787,314**	900,771
Over 90 days	**122,621**	66,026
	909,935	966,797
Trade payables		
0 - 90 days	**374,615**	351,795
Over 90 days	**33,788**	21,244
	408,403	373,039

14. Bank Borrowings

Certain bank borrowings are secured by charges over the assets of certain subsidiary companies.

15. Share Capital

	Number of share of HK$0.1 each	Nominal value
	'000	HK$'000
Authorised		
At 31 December 2025 and 30 June 2026	15,000,000	1,500,000
Issued and fully paid		
At 31 December 2025 and 30 June 2026	9,611,073	961,107

16. Fair Value Measurement of Financial Instruments

Financial instruments measured at fair value on a recurring basis

	Level 1	Level 2	Level 3	Total
	HK$'000	HK$'000	HK$'000	HK$'000
As at 30 June 2026				
Financial assets at fair value through profit or loss				
Unlisted investments	**-**	**-**	**967,723**	**967,723**
Financial assets at fair value through other comprehensive income				
Equity securities – listed in United States	**3,228**	**-**	**-**	**3,228**
Unlisted investment	**-**	**195,000**	**-**	**195,000**
	3,228	**195,000**	**-**	**198,228**
Financial asset				
Derivative financial instruments				
Cash flow hedges – Interest rate swap	**-**	**9,252**	**-**	**9,252**
	-	**9,252**	**-**	**9,252**
As at 31 December 2025				
Financial assets at fair value through profit or loss				
Unlisted investments	-	-	967,723	967,723
Financial assets at fair value through other comprehensive income				
Equity securities – listed in United States	9,617	-	-	9,617
Unlisted investment	-	195,000	-	195,000
	9,617	195,000	-	204,617
Financial liability				
Derivative financial instruments				
Cash flow hedges – Interest rate swap	-	(3,441)	-	(3,441)
	-	(3,441)	-	(3,441)

There were no transfers between Levels 1 and 2, or transfers into or out of Level 3 during the six months ended 30 June 2026 and 2025.

17. Related Party Transactions

In addition to the transactions and balances set out elsewhere in the notes to the condensed consolidated financial statements, the Group entered into the following transactions with related parties during the six months ended 30 June 2026:

- The Group made sales of HK$ 22.3 million (2025: HK$17.0 million) to CK Hutchison Holdings Limited, a substantial shareholder of the Company, and its subsidiaries.

18. Subsequent Event

(i) Subsequent to the end of the reporting period, the refinancing arrangements for bank borrowings amounting to HK$2,000,000,000 with relevant banks were completed in July 2026.

(ii) In July 2026, subsequent to the end of the reporting period, TransCode Therapeutics, Inc. ("TransCode") obtained shareholder approval and satisfied the relevant Nasdaq requirements for the conversion of the non-voting convertible preferred stock of TransCode held by the Group into common stock. In August 2026, the Group completed the conversion of its TransCode preferred stock to common stock and hence became the controlling shareholder of TransCode accordingly.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the six months ended 30 June 2026, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares). As at 30 June 2026, the Company and its subsidiaries did not hold any treasury shares whether in the Clearing and Settlement System, or otherwise.

CORPORATE GOVERNANCE CODE

The Board of Directors ("Board") and the management of the Company are committed to the maintenance of good corporate governance practices and procedures of the Company and its subsidiaries ("Group"). The Company acknowledges a good corporate governance framework is essential for effective management, a healthy corporate culture, business growth and shareholder value enhancement. The corporate governance principles of the Company emphasise a quality Board, sound internal controls, and transparency and accountability to all shareholders.

The Company has applied the principles and complied with all code provisions and, where applicable, the recommended best practices of the Corporate Governance Code ("CG Code") as set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") throughout the six months ended 30 June 2026.

The Group adheres to high corporate governance standards and conducts its businesses with ethics and integrity. The Group's vision, values and strategy are inextricably linked to its purpose and business operations. In compliance with the CG Code, the Company has adopted, and regularly reviews its comprehensive set of corporate governance policies such as Anti-Fraud and Anti-Bribery Policy, Anti-Money Laundering Policy, Employee Code of Conduct, Policy on Handling of Confidential Information, Information Disclosure, and Securities Dealing, and Whistleblowing Policy - Procedures for Reporting Possible Improprieties. The Group maintains a robust corporate governance framework and internal control systems to uphold its accountability with support from internal and external auditors and other professional advisors.

AUDIT COMMITTEE

The Audit Committee comprises three members, all of whom are Independent Non-executive Directors. The Audit Committee is chaired by Mr. Kwan Kai Cheong with Mr. Paul Joseph Tighe and Mr. Donald Jeffrey Roberts as members.

The Group's interim results for the six months ended 30 June 2026 have been reviewed by the Audit Committee.

REMUNERATION COMMITTEE

A majority of the members of the Company's Remuneration Committee are Independent Non-executive Directors. The Remuneration Committee is chaired by Mrs. Kwok Eva Lee, an Independent Non-executive Director, with another Independent Non-executive Director, Mr. Donald Jeffrey Roberts and the Chairman of the Board, Mr. Victor T K Li, as members.

NOMINATION COMMITTEE

A majority of the members of the Company's Nomination Committee are Independent Non-executive Directors. The Nomination Committee is chaired by Mr. Paul Joseph Tighe, an Independent Non-executive Director, with two other Independent Non-executive Directors, Mrs. Kwok Eva Lee and Mr. Donald Jeffrey Roberts, and the Chairman of the Board, Mr. Victor T K Li, as members.

SUSTAINABILITY COMMITTEE

The Sustainability Committee comprises an Executive Director, an Independent Non-executive Director and the Company Secretary. The Sustainability Committee is chaired by Mr. Paul Joseph Tighe, an Independent Non-executive Director. Other members include the Senior Vice President and Chief Investment Officer, Mr. Ip Tak Chuen, Edmond, and the Company Secretary, Ms. Eirene Yeung.

As at the date of this document, the Executive Directors of the Company are Mr. Li Tzar Kuoi, Victor (Chairman), Mr. Kam Hing Lam, Mr. Ip Tak Chuen, Edmond, Mr. Yu Ying Choi, Alan Abel and Dr. Toh Kean Meng, Melvin; and the Non-executive Directors are Mr. Peter Peace Tulloch, Mrs. Kwok Eva Lee (Independent Non-executive Director), Mr. Kwan Kai Cheong (Independent Non-executive Director), Mr. Paul Joseph Tighe (Independent Non-executive Director) and Mr. Donald Jeffrey Roberts (Independent Non-executive Director).