

ANNUAL REPORT 2025

CK LIFE SCIENCES

ENHANCING
EVERYDAY
WELLNESS



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)

About

CK Life Sciences

CK Life Sciences Int'l., (Holdings) Inc. is listed on The Stock Exchange of Hong Kong Limited. With the mission of improving the quality of life, CK Life Sciences is engaged in healthcare research and development, with operating businesses that enable its R&D sustainability. CK Life Sciences is a member of the CK Hutchison Group.

Contents

2	Chairman's Statement
8	Business Review
	Pharmaceuticals & Diagnostics R&D
	Nutraceutical Business
	Agriculture-related Business
32	Long Term Development Strategy
33	Financial Summary
34	Financial Review
36	Directors and Key Personnel
43	Report of the Directors
55	Independent Auditor's Report
61	Consolidated Income Statement
62	Consolidated Statement of Comprehensive Income
63	Consolidated Statement of Financial Position
65	Consolidated Statement of Changes in Equity
66	Consolidated Statement of Cash Flows
68	Notes to the Consolidated Financial Statements
143	Principal Subsidiaries
147	Principal Joint Ventures
148	Schedule of Major Investment Properties
149	Corporate Governance Report
185	Risk Factors
194	Corporate Information and Key Dates



Chairman's Statement



For the year ended 31 December 2025, CK Life Sciences Int'l., (Holdings) Inc. ("CK Life Sciences" or the "Company") reported a loss attributable to shareholders of HK\$186.8 million.

The loss attributable to shareholders in 2025 was HK\$60.2 million higher than in 2024. This reflects an increase in R&D spending of HK\$66.5 million plus a combination of several non-cash extraordinary and one-off items including a much larger decline in the value of the vineyard portfolio, various provisions, and a gain from the transaction involving the R&D subsidiary Polynoma and Nasdaq-listed TransCode Therapeutics ("RNAZ").

Excluding the one-time vineyard disposal net gain in 2024 and the extraordinary items in 2025, the 2025 net profit after tax of the Commercial Businesses was HK\$130.8 million, HK\$42.6 million higher than 2024.

The Board of Directors has not recommended a final dividend for the year ended 31 December 2025 (2024: Nil).

CORPORATE REORGANISATION

During the year, we underwent a significant corporate reorganisation, the purpose of which is to increase the intensity of our pharmaceuticals and diagnostics R&D, inject additional professional expertise to sharpen execution, and open new sources of research funding to sustain development.

In October 2025, we completed a transaction in which RNAZ, a Nasdaq-listed company in the U.S., acquired our late-stage melanoma vaccine seviprotimut-L. RNAZ focuses on the development of novel immuno-oncology and RNA therapeutics for high risk and advanced cancers. In 2024, we completed a transaction on our pain management product Halneuron® with Dogwood Therapeutics ("DWTX"), a company listed on Nasdaq focused on developing new medicines for pain and neuropathy, in which we hold a majority stake. The transactions have injected new life and energy into these projects.

Both RNAZ and DWTX are staffed with teams of professional researchers, clinicians, business development and operational executives with substantial years of experience and track record in their respective fields of scientific research and fund raising capability.

The U.S. remains the most sophisticated market for the funding and development of biotech companies, with investors well versed in science and experienced in evaluating and pricing risk. It is also the market where a deep pool of capital is available to support biotech projects. Being listed on Nasdaq provides RNAZ and DWTX access to capital from the public market to support continued development of seviprotimut-L and Halneuron®.

The two transactions secure a better future for the development of both seviprotimut-L and Halneuron®, through dedicated professional management and better fund raising capability.

Chairman's Statement (Cont'd)

The third plank in our reorganisation is the formation of a new wholly owned subsidiary, Sequencio Therapeutics ("Sequencio"), under which we have grouped all our R&D into cancer vaccines. The focus of Sequencio is developing therapeutic cancer vaccines, a novel class of cancer immunotherapy that trains the patient's own immune system to achieve durable, long-term remission with a favourable safety profile, addressing the critical limitations of current standard-of-care therapies. Our vision is to establish a paradigm shift from transient tumour reduction to long-term immune-controlled remission. Sequencio is also sharply focused on value-inflection milestones important for securing funding from biotech investors.

These three pillars of our R&D – RNAZ, DWTX and Sequencio – form a diversified pipeline of early and late-stage projects targeting different areas of substantial unmet medical need, potentially benefiting a large population of patients.

We have also established a Scientific Advisory Board ("SAB"), a body of independent experts from academia, clinical research, and industry to provide scientific, clinical and regulatory guidance to support the Company's rapidly advancing R&D pipeline. Chairing the SAB is Dr. Ko Wing-man, a respected public health leader in Hong Kong. Establishment of the SAB is an important milestone for CK Life Sciences as we enter a new phase of scientific advancement.

PHARMACEUTICALS & DIAGNOSTICS R&D

Pain Therapeutics

Dogwood Therapeutics

The use of opioids in the management of cancer pain can lead to significant and undesirable side effects. Halneuron® – our platform aimed at addressing the urgent need for effective non-opioid pain treatments – continues to progress under the leadership of DWTX.

In December, DWTX reported findings from an interim analysis in the ongoing Phase 2b study of Halneuron® for chemotherapy-induced neuropathic pain. An independent statistical review committee found that patients treated with Halneuron® achieved higher responder rates than those receiving placebo, demonstrating meaningful pain improvement over the four-week study period.

Cancer Therapeutics

CK Life Sciences remains committed to advancing innovative cancer therapeutics, with a focus on RNA therapeutics and therapeutic cancer vaccines.

TransCode Therapeutics

The company's lead therapeutic candidate, TTX-MC138, is an investigational inhibitor of microRNA-10b ("miR-10b") being developed for tumours that overexpress miR-10b, a well-documented biomarker of metastasis.

In October, RNAZ announced the completion of the Phase 1 clinical trial of TTX-MC138. The study achieved its primary safety endpoint and established a recommended Phase 2 dose. RNAZ is now preparing to advance TTX-MC138 into a Phase 2a clinical trial enrolling colorectal cancer patients.

In 2026, RNAZ also plans to begin preclinical studies evaluating the synergistic potential of combining TTX-MC138 with seviprotimut-L to enhance melanoma treatment outcomes.

Sequencio Therapeutics

In April 2025, we announced preclinical results for our novel cancer vaccines targeting Trophoblast Cell Surface Antigen 2 ("TROP2"). These candidates – based on innovative circular RNA (circRNA) and fusion-protein vaccine platforms – generated strong T-cell immune responses and achieved complete (100%) tumour growth inhibition in breast and colorectal cancer mouse studies. Alongside the announcement, we filed both a Hong Kong Original Grant Patent application and a U.S. provisional patent application covering these TROP2 vaccines.

During the same month, we also presented new preclinical data at the 2025 American Association for Cancer Research Annual Meeting in Chicago. These presentations highlighted investigational cancer vaccines targeting PRAME (Preferentially Expressed Antigen in Melanoma), PD-L1 (programmed cell death ligand 1), B7-H3 (B7 homolog 3), and Claudin 6. In addition, together with our research partner XtalPi, we presented two posters showcasing our co-developed AI-enabled cancer vaccine design platform.

Work is underway to advance several promising candidates into clinical trials as swiftly as possible to bring potential benefits to patients. In addition, Sequencio is pleased with the advances made in developing an AI platform, designed to improve the prediction of immunogenicity and enable the rational design of cancer vaccines with a higher likelihood of clinical effectiveness.

Cancer Diagnostics

Early detection of cancer enables timely intervention and significantly improves patient outcomes. To support this critical need, we have strategically invested in the R&D of liquid biopsy technologies, which offer a non-invasive and cost-effective approach to cancer detection by analysing tumour-associated biomarkers in blood and urine. During the year, Pharus Inc., in which we have a strategic investment, achieved further advances in the accuracy and specificity of its proprietary microRNA-based OncoSweep™ liquid biopsy model for the early detection of lung cancer. Additional biomarkers are also being evaluated to further enhance the model's performance.

Chairman's Statement (Cont'd)

COMMERCIAL BUSINESSES

Over the years, we have established a portfolio of nutraceutical and agriculture-related businesses, providing corporate support and funding for our R&D.

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; as well as (iii) Lipa Pharmaceuticals Limited ("Lipa") in Australia.

Economic uncertainty and cost increases largely driven by tariffs challenged our nutraceutical business. Revenue in this segment was HK\$3,372 million, a decline of 2% compared to 2024 (HK\$3,452 million).

Vitaquest continued to bring in new customers and added a new probiotics module as the powder business grew into one of its largest formats consistent with market trends.

Lipa received the 2025 Complementary Medicines Australia (CMA) Manufacturer of the Year Award. This marked the ninth time Lipa has received the award and it also celebrated 30 years of operation by undertaking a brand refresh and launched a new brand tagline, *"inspiring wellness with science and nature."*

SNAG focused on strengthening core categories, higher margin SKUs and more efficient operations while also launching innovative new products to meet current market needs.

Agriculture-related Business

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

Revenue in the agriculture-related business was HK\$2,037 million, 2% below 2024 (HK\$2,070 million).

Rented to wine companies or growers on long-term leases, the over 5,500 hectares of vineyards in Australia and New Zealand the Company owns generate steady and secure cash flow. The assessed fair value at the end of 2025 declined by a non-cash amount of HK\$185.8 million post-tax due to unfavourable conditions in the global wine market. Operationally, the vineyard business remains sound.

The salt business in both Australia and New Zealand improved financial performance through operational excellence and customer management despite inflationary pressures and increased energy costs.

More severe weather experienced across all regions of the country impacted Australian Agribusiness. Continued implementation of cost reduction measures and new customer development mitigated revenue and cost pressures.

SUSTAINABILITY

In 2025, we progressed from commitment to delivery through action by maintaining sustainable management practices across our businesses. Australian Agribusiness recommissioned a plant in Narangba to treat contaminated stormwater which would otherwise be disposed of as hazardous waste. Together with CK Asset Holdings Limited, we completed the acquisition of over 350,000 hectares of Australian agricultural land registered with Australia's Clean Energy Regulator for earning Australian Carbon Credit Units ("ACCUs") which companies in Australia use to offset their carbon footprints. The property has started to accrue ACCUs which have monetary value and are tradable in the market.

PROSPECTS

With continued changes in the geopolitical environment and global economic conditions, we anticipate uncertainty in operating conditions to continue. Our reorganisation will make more expertise and funding available for sustained R&D progress. With the ongoing support of our Commercial Businesses, the sharpened strategic focus and enhanced efficiency of our R&D activities will strengthen the outlook for successful scientific development.

Once again, I would like to express my appreciation to our staff for their commitment and dedication in adversity. I would also like to thank our shareholders and the Board of Directors for their continued support and contribution.

Victor T K Li

Chairman

Hong Kong, 17 March 2026

Pharmaceuticals & Diagnostics R&D



CK Life Sciences continued to advance its Pharmaceuticals & Diagnostics R&D programmes with significant developments in Pain Therapeutics, Cancer Therapeutics, and Cancer Diagnostics. The transition of our R&D organisation into distinct segments has strengthened our ability to focus resources and accelerate scientific and clinical progress.



CK Life Sciences' Pharmaceuticals R&D Pipeline

Operating Entity	Candidate	Indication	Stage of Development			
			Preclinical	Phase 1	Phase 2	Phase 3
TRANSCODE THERAPEUTICS	Seviprotimut-L	Stage 2b/2c Melanoma	██████████	██████████	██████████	██████████
	TTX-MC138	Metastatic Cancer	██████████	██████████	██████████	██████████
	Seviprotimut-L + TTX-MC138	Undisclosed	██████████	██████████	██████████	██████████
	TTX-siMYC	Solid Tumours	██████████	██████████	██████████	██████████
	TTX-siPD-L1	Pancreatic Cancer	██████████	██████████	██████████	██████████
	TTX-RIGA	Solid Tumours	██████████	██████████	██████████	██████████
	UIO-524	Muscle-Invasive Bladder Cancer	██████████	██████████	██████████	██████████
	UIO-525	Anti-Angiogenic Targets	██████████	██████████	██████████	██████████
	UIO-526	Colorectal Liver Metastasis	██████████	██████████	██████████	██████████
DOGWOOD THERAPEUTICS	Halneuron®	Chemotherapy-induced Neuropathic Pain	██████████	██████████	██████████	██████████
		General Cancer Pain	██████████	██████████	██████████	██████████
		Acute Surgical Pain	██████████	██████████	██████████	██████████
	SP16	Chemotherapy-induced Peripheral Neuropathy	██████████	██████████	██████████	██████████
Sequencio THERAPEUTICS	CKLS202 (PRAME/PD-L1 Vaccine)	Solid Tumours	██████████	██████████	██████████	██████████
	CKLS118 (TROP2 Vaccine)	Solid Tumours	██████████	██████████	██████████	██████████
	Other Vaccines, including: CKLS126 (HER3) CKLS121 (Claudin-6)	Solid Tumours	██████████	██████████	██████████	██████████

Pain Therapeutics

Dogwood Therapeutics

Dogwood Therapeutics ("DWTX"), our majority-owned Nasdaq-listed subsidiary dedicated to the development of non-opioid therapies for pain management, recorded meaningful progress during the year. Its lead therapeutic candidate, Halneuron®, continued advancement in the Phase 2b clinical study for chemotherapy-induced neuropathic pain (CINP). An interim analysis of 97 patients by an independent statistical review committee found that patients treated with Halneuron® achieved higher responder rates than those receiving placebo, demonstrating meaningful pain improvement over the four-week study period. Following these clinical findings, DWTX secured financing of up to US\$26.8 million through a securities purchase agreement with a healthcare-focused institutional investor to support completion of the Phase 2b programme.

During the year, DWTX further expanded its pain therapeutics pipeline by obtaining a royalty-free, global licence to develop an intravenous formulation of SP16 for cancer-related pain including a broad range of chemotherapy-induced neuropathy symptoms. SP16, a first-in-class low density lipoprotein receptor-related protein 1 (LRP1) agonist demonstrating both anti-inflammatory and neural repair activity, will be evaluated in a forthcoming Phase 1b study fully-funded by the U.S. National Cancer Institute, reflecting the uniqueness of this approach, as well as the unmet medical need associated with chemotherapy-induced peripheral neuropathy.





▲ CK Life Sciences entered into a purchase agreement and an investment agreement with RNAZ. This transaction expanded RNAZ's pipeline to integrate seviprotimut-L with its RNA therapeutics pipeline, forming a first-in-class immuno-oncology and metastasis-prevention platform.

Cancer Therapeutics

CK Life Sciences has a strong focus on, and is committed to, the development of innovative therapeutics for cancer, including RNA therapeutics and therapeutic cancer vaccines.

TransCode Therapeutics

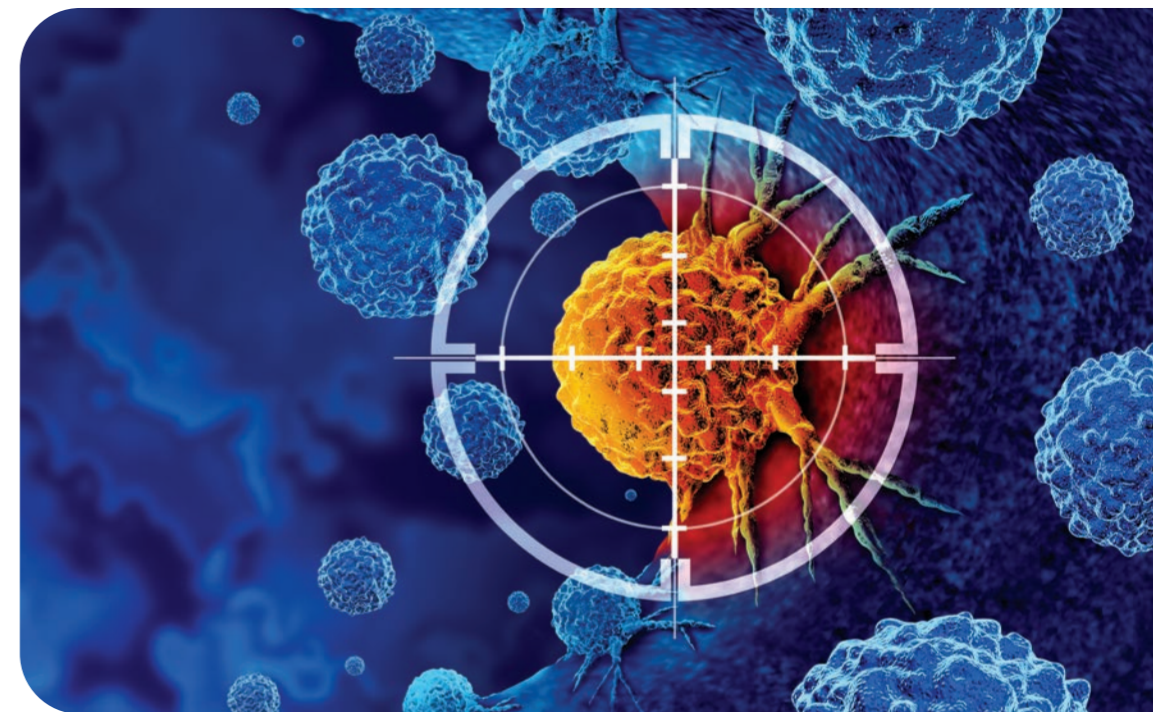
During the year, the Company entered into a purchase agreement and an investment agreement with TransCode Therapeutics ("RNAZ"), under which RNAZ acquired our late-stage melanoma vaccine, seviprotimut-L, and CK Life Sciences invested US\$25 million in RNAZ. This transaction expanded RNAZ's pipeline to integrate seviprotimut-L with its RNA therapeutics pipeline, forming a first-in-class immuno-oncology and metastasis-prevention platform. Upon shareholder approval in future of the conversion of preferred shares to common shares, CK Life Sciences is expected to become the majority shareholder of RNAZ.

Subsequent to the transaction, RNAZ reported completion of the Phase 1a clinical trial with its lead therapeutic candidate, TTX-MC138, an antisense oligonucleotide designed to target and inhibit microRNA-10b ("miR-10b"). Having met its primary safety endpoint and with a recommended Phase 2 dose defined, TTX-MC138 is moving forward into the next stage of clinical evaluation.

In December, RNAZ announced a collaboration with Quantum Leap Healthcare Collaborative to evaluate TTX-MC138 as part of the Quantum Leap PRE-I-SPY clinical trial platform. The PRE-I-SPY program will incorporate TTX-MC138 in a Phase 2a dose-expansion clinical trial enrolling patients with colorectal cancer who have completed standard curative-intent therapy but are ctDNA positive, due to begin in the first half of 2026. An Investigational New Drug (IND) amendment has been submitted to the U.S. Food & Drug Administration.

Preclinical findings published in December underscored the potential of TTX MC138 as a therapeutic candidate for glioblastoma multiforme ("GBM"), where miR-10b is highly expressed. GBM is the most aggressive primary brain cancer, with median survival under two years from the time of diagnosis despite current standard-of-care interventions.

In 2026, RNAZ is expected to initiate preclinical studies assessing the synergistic potential of combining TTX-MC138 with seviprotimut-L to improve melanoma treatment outcomes.





Sequencio Therapeutics

Our in-house R&D activities, consolidated under newly formed Sequencio Therapeutics, advanced the development of next-generation therapeutic cancer vaccines.

In April 2025, we reported promising results from preclinical studies of novel circular RNA ("circRNA") and fusion protein cancer vaccines targeting TROP2 (trophoblast cell surface antigen 2), a cancer-associated cell surface antigen. In breast cancer and colorectal cancer models, the vaccines achieved complete inhibition of tumour growth in multiple studies. Concurrent with these findings, we filed an Original Grant Patent application in Hong Kong and a provisional patent application in the United States covering TROP2 circRNA and fusion protein vaccine constructs.

At the 2025 American Association for Cancer Research Annual Meeting, we presented preclinical data on additional investigational cancer vaccine candidates targeting PRAME (Preferentially Expressed Antigen in Melanoma), PD-L1 (programmed cell death ligand 1), B7-H3 (B7 homolog 3) and Claudin-6, together with two joint presentations with our research collaborator, XtalPi, highlighting an Artificial Intelligence ("AI")-empowered platform for designing cancer vaccines.

The Company is encouraged by the preclinical efficacy demonstrated by its investigational cancer vaccines, and work is underway to advance several promising candidates into clinical development. The Company is also pleased with the continued progress made in its efforts to develop an AI-driven platform aimed at better predicting immunogenicity to support the rational design of cancer vaccines with a higher likelihood of clinical effectiveness.

Cancer Diagnostics

Early detection of cancer facilitates timely intervention and improves patient outcomes. We have strategically invested in the R&D of liquid biopsy tests, which provide a non-invasive and cost-effective approach to cancer detection, through analysing tumour-associated biomarkers in blood and urine samples.

Pharus Inc. ("Pharus"), a strategic investment of the Company, made progress in refining its proprietary OncoSweep™ microRNA-based liquid biopsy test for lung cancer detection. The AI-driven test demonstrated improved accuracy and specificity during the year, and additional biomarkers are under evaluation to further enhance its performance in early-stage disease detection.

Meanwhile, CK Life Sciences advanced its in-house prostate cancer diagnostic project, focused on developing a non-invasive test leveraging tumour-associated biomarkers detectable in urine and blood, with full sample collection (~150 prostate cancer patients and ~150 controls) completed and early analysis showing urinary microRNA biomarkers capable of outperforming PSA (prostate-specific antigen) for prostate cancer detection.



Pharus made progress in refining its proprietary OncoSweep™ microRNA-based liquid biopsy test for lung cancer detection.

Nutraceutical Business



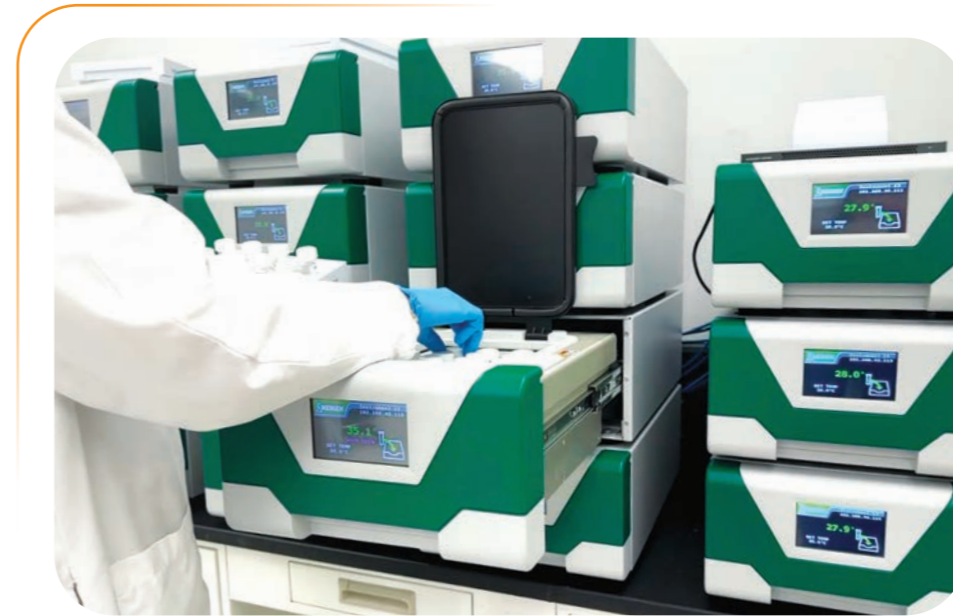
Vitaquest

Vitaquest International Holdings LLC (“Vitaquest”) is an industry-leading development and commercialisation partner for the nutraceutical and functional food markets, offering customised solutions that span concept development, formulation, delivery system design, and finished product manufacturing. With nearly 50 years of operating history, Vitaquest has built a broad and differentiated platform, supporting customers across a wide range of products, formats, and end markets.

2025 was a defining year for Vitaquest. Against a backdrop of continued economic uncertainty, shifting customer demand, and increased operational complexity across the industry, the company remained focused on execution, reliability, and long-term value creation. While the external environment remained challenging, Vitaquest demonstrated resilience by leaning into its core strengths as a trusted development and manufacturing partner and by making deliberate decisions that balanced near-term performance with long-term positioning.



◀ With nearly 50 years of operating history, Vitaquest has built a broad and differentiated platform, supporting customers across a wide range of products, formats, and end markets.



◀ Quality and compliance continued to serve as Vitaquest’s foundational priorities, reinforcing customer confidence and supporting future growth opportunities.

Operationally, the year was marked by disciplined cost control, improved asset utilisation, and continued investment in systems and processes designed to support scale without compromising quality. Management remained focused on productivity gains, equipment optimisation, and tighter operational cadence across facilities. These efforts helped stabilise performance, protect margins, and maintain service levels for customers navigating their own pressures. Quality and compliance continued to serve as foundational priorities, reinforcing customer confidence and supporting future growth opportunities. As the company enters the next phase, Vitaquest is more operationally aligned, more disciplined, and well positioned to respond to evolving market demands.



Lipa

Lipa Pharmaceuticals Limited ("Lipa") is one of Australia's largest contract manufacturers of complementary healthcare medicines, vitamins, and nutritional supplements.

Lipa continues to leverage its reputation for Australian-made excellence to support customers both domestically and across Asian markets, where demand for high-quality, premium healthcare products remains strong.

During the year, Lipa delivered a steady sales and financial performance. In line with its strategic plan, the business continued to expand and optimise its customer base across sales channels and regions, while diversifying its product mix and strengthening its future product and packaging capabilities.



▲ Lipa is one of Australia's largest contract manufacturers of complementary healthcare medicines, vitamins, and nutritional supplements.



▲ Lipa was the proud recipient of the 2025 Complementary Medicines Australia Manufacturer of the Year Award.

In 2025, Lipa celebrated 30 years of operation. To mark this milestone, the company undertook a comprehensive brand refresh and launched a new brand tagline, "*inspiring wellness with science and nature.*"

Lipa was also the proud recipient of the 2025 Complementary Medicines Australia (CMA) Manufacturer of the Year Award. This marked the ninth time Lipa has received the award, recognising its significant and sustained contribution to the complementary medicines industry.

Consistent with its strategy to address emerging market trends, Lipa completed an investment in the first quarter of 2025 to expand and upgrade its probiotics manufacturing capability. The business now operates a state-of-the-art probiotics facility, positioning it to capitalise on rapidly growing global demand. In 2026, further investments are planned in packaging capabilities to support increasing demand for new product formats across Asian markets.



▲ Lipa celebrated 30 years of operation in 2025. The company undertook a comprehensive brand refresh and launched a new brand tagline.



Santé Naturelle A.G.

With nearly 80 years of experience in the nutraceutical market, Santé Naturelle A.G. Ltée (“SNAG”) remains committed to helping consumers live life to the fullest. As one of Canada’s most established providers of high-quality, science-based natural health solutions, SNAG continues to expand its expertise through a dedicated team of scientists, product developers, and merchandisers who design, manufacture, and distribute innovative supplements both domestically and abroad. The company focuses on creating differentiated products that address key wellness needs, including sleep, stress, joint health, immunity, women’s health and energy.

As SNAG approaches its 80th anniversary, it is accelerating efforts to strengthen its scientific and commercial capabilities – deepening its research partnerships, enhancing product development processes, and building expertise across strategic health categories to support long-term growth.

In recent years, SNAG has benefited from heightened consumer interest in wellness, particularly around immunity, stress and preventive health. The company leveraged this shift by adapting its product offerings and adopting creative marketing and merchandising strategies. To mitigate inflationary pressures and supply chain cost escalation, SNAG optimised procurement practices, diversified sourcing partners, and implemented strategic pricing adjustments to protect margins. Today, the company continues to refine its product portfolio, scale operations, and unlock efficiencies, ensuring sustainable and expertise-driven growth for the years ahead.



▲ SNAG focuses on creating differentiated products that address key wellness needs, including sleep, stress, joint health, immunity, women’s health and energy.



▲ SNAG has benefited from heightened consumer interest in wellness. Leveraging this, the company adapted its product offering and adopted creative marketing and merchandising strategies.

Agriculture-related Business



Vineyards

CK Life Sciences owns a portfolio of 29 high quality orchards and vineyards as well as irrigation water entitlements in Australia and New Zealand, covering an area of over 5,500 hectares. The Australian holdings are located in South Australia, New South Wales, Western Australia and Victoria. The New Zealand vineyards are situated in both the North and South Islands. All the properties are on long-term leases with wine companies or growers, generating steady and secure cash flow.

Growing regions across Australia and New Zealand have been affected by an oversupply of grapes due in part to global changes in consumer tastes away from heavy red wine to ready to drink spirit-based drinks. This change coupled with large volumes of wine in storage because of the previously experienced reduction in exports to China have resulted in reduced profitability for some wine grape growers.



▲ CK Life Sciences owns a portfolio of 29 high quality orchards and vineyards as well as irrigation water entitlements in Australia and New Zealand, covering an area of over 5,500 hectares.



▲ All CK Life Sciences' vineyard properties are on long-term leases with wine companies or growers, generating steady and secure cash flow.



In 2025 we again continued the program of crop protection and replanting which we commenced in 2022, focusing on one of the largest properties in the portfolio, located in the Murray Valley region of Victoria. The main objective of these works is to convert lower value wholesale grape varieties to higher value specialist varieties. Replanting and development works were also undertaken in the Padthaway and Coonawarra regions of South Australia and the Marlborough region of New Zealand. Irrigation upgrades and replacement work continue across the portfolio where infrastructure has reached the end of its economic life.

The oversupply issues within the wine industry have had an impact on the fair value of the portfolio. In 2025 we experienced a non-cash post-tax decline of HK\$185.8 million. This had a negative impact on the company's earnings compared with last year.

Business Review (Cont'd)

▼ CK Life Sciences' salt business comprises three operating entities: Cheetham Salt Limited in Australia, Dominion Salt Limited in New Zealand and Cheetham Garam Indonesia.



Salt

The salt business comprises three operating entities: Cheetham Salt Limited ("Cheetham") in Australia, Dominion Salt Limited ("Dominion") in New Zealand and Cheetham Garam Indonesia. As the largest producer of value-added salt products in their respective markets, Cheetham and Dominion enjoy a leading position in their domestic markets. They also serve vibrant and growing export markets, supplying premium food grade salt and high purity pharmaceutical salt that meets pharmacopoeia standards.

With significant freehold and leasehold land holdings upon which they operate salt fields and manufacturing plants, Cheetham and Dominion process crude salt into value added products for a broad range of industries, including industrial, food manufacturing, retail, agriculture, pharmaceutical, domestic water treatment and swimming pools management. The diverse range of market segments we supply helps mitigate the impact of weather on demand.

2025 was a positive year for the salt business. Weather is a key factor affecting the volume harvested in our salt fields. Helped by favourable weather conditions, Dominion's Lake Grassmere salt field in New Zealand, the only solar evaporative salt field in the country, harvested a volume of salt above the long-term average. Both Cheetham and Dominion met the group financial targets, despite the Indonesia business experiencing an extended period with no imported salt.

Dominion successfully developed and executed people alignment and engagement plans delivering improved survey scores putting us in the top quartile and just short of top Decile of all benchmarked ANZ businesses.

Cheetham Australia commissioned Stage 1 of a project to upgrade its refinery in South Australia. The objective is to modernise the plant, ensuring that it continues to meet the high-quality standards required of the food industry, both domestic and internationally, of which the site is a major supplier.

▼ With significant freehold and leasehold land holdings upon which they operate salt fields and manufacturing plants, Cheetham and Dominion process crude salt into value added products for a broad range of industries.



Australian Agribusiness

Australian Agribusiness (Holdings) Pty Ltd ("Australian Agribusiness") is a holding company whose business operations include manufacturing, wholesale and retail in Australia. It operates four plant protection and specialty nutrition manufacturing facilities and a network of warehouses and retail outlets.

Australian Agribusiness is divided into two operating divisions: Crop Solutions ("CS") and Consumer and Professional Solutions ("CPS"). The combined capabilities of CS and CPS include Toll Formulation/Manufacturing, Storage and Handling, Formulation Development, Laboratory Services, Regulatory Services, Global Procurement and Sales and Distribution.



▲ Australian Agribusiness operates four plant protection and specialty nutrition manufacturing facilities and a network of warehouses and retail outlets.



▲ CPS is the Sales and Distribution division of Australian Agribusiness and is represented by three brands across four market segments. These brands are Amgrow, Globe Pest Solutions, and Nuturf.

Accensi, being the channel to market for CS, is one of Australia's largest toll formulators of crop protection products. With a national footprint which includes an R&D facility in Queensland and manufacturing and warehousing sites in the three main cropping regions throughout Australia. CS experienced solid growth in volume and earnings in 2025 on the back of market share gains and investments in an automated highspeed small pack line and a sophisticated seed care facility. We continued to invest on our capability to meet the demands of multinational customers, especially in Health, Safety, Environment and Quality (HSEQ).

CPS is the Sales and Distribution division of Australian Agribusiness and is represented by three brands across four market segments. These brands are Amgrow, Globe Pest Solutions, and Nuturf. The respective market segments are Consumer Home & Garden, Specialty Agriculture, Professional Pest Management and Professional Turf Management. In 2025, all CPS units were impacted by significant wet conditions on the eastern seaboard of Australia, which resulted in lower demand for pest control and nutritional products. This was partially offset by strong growth of our equipment solutions business within Nuturf.



▲ Accensi, being the channel to market for Crop Solutions, is one of Australia's largest toll formulators of crop protection products.



CK Life Sciences is an international life sciences company dedicated to enhancing the quality of life through improving human health and the environment in which we live.

CK Life Sciences is engaged in healthcare research and development, with operating businesses that enable its R&D sustainability.

To maximise delivery of its mission, CK Life Sciences will continue to pursue its three-pronged strategy for ongoing development:

1. Intensify the Pace of Research and Development

CK Life Sciences will aggressively accelerate the pace of development and commercialisation of its pharmaceutical products to bring more effective health solutions to the community.

2. Facilitate Growth of Commercial Businesses

To support the acceleration of R&D activities, CK Life Sciences strives to nurture organic growth from its existing Commercial Businesses, increase its operating efficiencies, and broaden its sales as well as manufacturing capabilities. The Company

also endeavours to extend the product range from its Commercial Businesses, penetrate further into its existing and new markets, and expand geographical coverage to enhance its pace of expansion.

3. Re-double Corporate Development Efforts

Based upon a solid financial foundation, CK Life Sciences will continue to seek research funding and partnership opportunities around the world to further the achievement of the Company's objectives. Focus will be on projects which will help accelerate R&D programmes coming into fruition.

Corporate Culture

As a company striving to improve quality of life, CK Life Sciences leverages well-developed and productive technologies to generate resources which support research into innovative future technologies. In this process, we encourage fostering long-term relationships with all stakeholders in a spirit of collaboration. Our corporate culture places strong emphasis on health and safety, and promotes creativity, diversity, inclusion, equity and responsibility across all levels. Workplace policies and practices reflect the purpose, values and strategic direction of the Company.

	Year ended 31 December				
	2021 HK\$'000	2022 HK\$'000	2023 HK\$'000	2024 HK\$'000	2025 HK\$'000
Consolidated results summary					
Revenue	5,402,312	5,275,590	5,322,733	5,522,674	5,410,228
Pharmaceuticals & Diagnostics R&D expenditure	(157,269)	(158,535)	(145,874)	(254,084)	(320,610)
Profit/(loss) attributable to shareholders of the Company	162,801	131,963	17,250	(126,554)	(186,806)
	As at 31 December				
	2021 HK\$'000	2022 HK\$'000	2023 HK\$'000	2024 HK\$'000	2025 HK\$'000
Consolidated statement of financial position summary					
Non-current assets	8,561,868	8,141,765	8,254,930	7,823,666	8,829,778
Current assets	3,169,150	3,124,997	2,992,480	2,964,902	3,006,785
Current liabilities	(2,075,102)	(4,062,475)	(2,100,561)	(2,313,308)	(3,467,965)
Non-current liabilities	(5,155,072)	(3,048,837)	(4,957,596)	(4,963,712)	(4,522,514)
Total net assets	4,500,844	4,155,450	4,189,253	3,511,548	3,846,084
Equity attributable to shareholders of the Company	4,503,584	4,158,201	4,189,253	3,511,548	3,779,623
Non-controlling interests of subsidiaries	(2,740)	(2,751)	–	–	66,461
Total equity	4,500,844	4,155,450	4,189,253	3,511,548	3,846,084

FINANCIAL RESOURCES, LIQUIDITY AND TREASURY POLICIES

In 2025, the financial and liquidity position of the Group continued to be sound and healthy. It was financed mainly from internal sources such as cash generated from business activities as well as other sources such as borrowings from banks.

The Group's bank borrowings were mainly for the acquisition of the Group's overseas businesses as well as providing general working capital. As at 31 December 2025, the bank borrowings amounted to HK\$6,028.1 million. All these borrowings were made on a floating interest rate basis and were granted based on some committed terms by, and with the guarantees of, the Company. As at 31 December 2025, certain assets of the Group's overseas subsidiaries with carrying value of HK\$679.6 million were pledged as part of the security for bank borrowings totalling HK\$194.4 million. The total interest expenses on bank borrowings of the Group for the year were HK\$239.1 million.

At the end of 2025, the total assets of the Group were about HK\$11,836.6 million, of which bank balances and time deposits were about HK\$603.1 million.

The total net assets of the Group as at 31 December 2025 were HK\$3,846.1 million, representing HK\$0.40 per share. The net debt to net total capital ratio of the Group as at 31 December 2025 was approximately 58.52%, which is calculated as the Group's net borrowings over the aggregate of the Group's total equity and net borrowings. For this purpose, the Group defines net borrowings as bank borrowings less cash, bank balances and time deposits.

The Group's treasury function operates as a centralised service for managing financial risks, including interest rate and foreign exchange risks, and for providing cost efficient funding to the Group. The Group manages its interest rate exposure with a focus on reducing the Group's overall cost of debt and exposure to interest rates fluctuation. The Group also entered into an interest rate swap to mitigate interest rate risks associated with a portion of the Group's bank borrowings. As at 31 December 2025, the notional amount of the interest rate swaps amounted to HK\$736.0 million. In addition, it monitors its overall net debt position closely, reviews its funding costs and maturity profile regularly, and takes necessary actions to facilitate refinancing whenever appropriate.

MATERIAL ACQUISITIONS, DISPOSALS AND SIGNIFICANT INVESTMENTS

In October 2025, the Group completed transactions involving (i) the disposal of 100% equity interests in ABCJ, LLC of the Group at a consideration of US\$125.0 million (equivalent to approximate HK\$975.0 million) which was settled by the issuance of common stock and preferred stock by TransCode Therapeutics, Inc. ("TransCode"); and (ii) purchase of preferred stock in TransCode for a total consideration of US\$25.0 million (equivalent to approximate HK\$195.0 million). Details of these transactions were disclosed in the Company's announcement dated 8 October 2025.

In November 2025, the Group completed the conversion of its preferred stock of Dogwood Therapeutics, Inc. ("Dogwood") into common stock. Upon the conversion, the Group held approximately 83% of Dogwood's equity interest and became the controlling shareholder of Dogwood.

Other than the aforementioned, there was no other material acquisitions/disposals during the year under review.

The Group has continued in investing significantly in pharmaceuticals and diagnostics research and development activities. Total research and development expenditure incurred in 2025 amounted to about HK\$320.6 million.

CAPITAL COMMITMENTS AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

As of 31 December 2025, the total capital commitments by the Group amounted to HK\$51.4 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 1,920 as at 31 December 2025 (2024: 2,033). The total staff costs, including directors' emoluments, amounted to approximately HK\$1,238.4 million for the year under review, which represents an increase of 0.1% as compared to the previous year.

The Group's remuneration policies and fringe benefits remained basically the same as before. The Group would ensure the pay levels of its employees are competitive and its employees are rewarded on a performance related basis within the general framework of the Group's salary and bonus system.

CONTINGENT LIABILITIES

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

DIRECTORS' BIOGRAPHICAL INFORMATION

LI Tzar Kuoi, Victor, aged 61, has been the Chairman of the Company since 2002. Mr. Li has been the Chairman of the Executive Committee of the Company since February 2021 and has been a member of the Remuneration Committee of the Company since March 2005. Mr. Li has been a member of the Nomination Committee of the Company since January 2019. Mr. Li is the Chairman and Executive Director of CK Hutchison Holdings Limited, and the Chairman and Managing Director and the Chairman of the Executive Committee of CK Asset Holdings Limited. He is also the Chairman of CK Infrastructure Holdings Limited, a Non-executive Director of Power Assets Holdings Limited and HK Electric Investments Manager Limited ("HKEIM") as the trustee-manager of HK Electric Investments, and a Non-executive Director and the Deputy Chairman of HK Electric Investments Limited. Except for HKEIM, all the companies/investment trust mentioned above are listed companies/investment trust. Mr. Li is also the Deputy Chairman of Li Ka Shing Foundation Limited and Li Ka Shing (Global) Foundation, and the Member Deputy Chairman of Li Ka Shing (Canada) Foundation. Mr. Li is a member of the 14th National Committee of the Chinese People's Political Consultative Conference of the People's Republic of China. He is also Vice Chairman of the Hong Kong General Chamber of Commerce. Mr. Li is the Honorary Consul of Barbados in Hong Kong and is awarded the Grand Officer of the Order of the Star of Italy. He holds a Bachelor of Science degree in Civil Engineering, a Master of Science degree in Civil Engineering and a degree of Doctor of Laws, honoris causa (LL.D.). Mr. Li is the elder son of Mr. Li Ka-shing, a substantial shareholder of the Company within the meaning of Part XV of the Securities and Futures Ordinance ("SFO"), and a nephew of Mr. Kam Hing Lam, the President of the Company. Mr. Li is also a director of certain substantial shareholders of the Company within the meaning of Part XV of the SFO, and a director of certain companies controlled by certain substantial shareholders of the Company.

KAM Hing Lam, aged 79, is the President of the Company. Mr. Kam had been the President and Chief Executive Officer of the Company since June 2002 and was re-designated as the President of the Company since September 2020. Mr. Kam has been an Executive Committee Member of the Company since February 2021. Mr. Kam is Deputy Managing Director of CK Hutchison Holdings Limited, and Deputy Managing Director and Executive Committee Member of CK Asset Holdings Limited. He is also the Deputy Chairman and Co-Managing Director of CK Infrastructure Holdings Limited. All the companies mentioned above are listed companies. Mr. Kam is also the Chairman of Hui Xian Asset Management Limited, the manager of Hui Xian Real Estate Investment Trust which is listed in Hong Kong. He holds a Bachelor of Science degree in Engineering and a Master's degree in Business Administration. Mr. Kam is an uncle of Mr. Li Tzar Kuoi, Victor, the Chairman of the Company. Mr. Kam is also a director of certain substantial shareholders of the Company within the meaning of Part XV of the SFO, and a director of certain companies controlled by certain substantial shareholders of the Company.

IP Tak Chuen, Edmond, aged 73, is the Senior Vice President and Chief Investment Officer of the Company. He has been a member of the Sustainability Committee of the Company since December 2020 and acted as the Chairman of the Sustainability Committee of the Company from December 2020 to October 2025. He has been an Executive Committee Member of the Company since February 2021. Mr. Ip joined the CK Group in 1993 and the Group in December 1999. He is Deputy Managing Director of CK Hutchison Holdings Limited, and Deputy Chairman and Executive Committee Member of CK Asset Holdings Limited. He is also an Executive Director and Deputy Chairman of CK Infrastructure Holdings Limited. All the companies mentioned above are listed companies. Mr. Ip is also a Non-executive Director of Hui Xian Asset Management Limited, the manager of Hui Xian Real Estate Investment Trust which is listed in Hong Kong. He holds a Bachelor of Arts degree in Economics and a Master of Science degree in Business Administration. Mr. Ip is also a director of a substantial shareholder of the Company within the meaning of Part XV of the SFO, and a director of certain companies controlled by a substantial shareholder of the Company.

YU Ying Choi, Alan Abel, aged 70, is the Deputy Chairman of the Company. Mr. Yu has been a member of the Executive Committee of the Company since February 2021. Mr. Yu acted as the Vice President and Chief Executive Officer of the Company from September 2020 to September 2024 and acted as the Vice President and Chief Operating Officer of the Company from June 2002 to September 2020. He is also a Director of Dogwood Therapeutics, Inc. (listed in the United States). He holds a Bachelor of Arts degree and a Master's degree in Business Administration and is a fellow member of The Hong Kong Institute of Directors. Mr. Yu has held a number of positions in the consumer finance, food and fast-moving consumer goods sectors in Asia and Australasia. Prior to joining the Group in 2000, he was Worldwide Vice President in a leading US diversified healthcare multinational corporation.

LEE YUEN, Lance Richard, aged 60, is Vice President and Chief Executive Officer of the Company. He has been an Executive Committee member of the Company since September 2024. Mr. Yuen joined the Group in September 2024. Mr. Yuen holds a Bachelor of Arts degree and a Master of Business Administration degree. Mr. Yuen has over 36 years of leadership experience in multinational healthcare, packaged goods, and pharmaceutical companies in the United States, Canada, Hong Kong, Japan and China. Prior to joining the Group, Mr. Yuen was Asia-Pacific President and a member of the Executive Committee of the Consumer Health division within Bayer, a German multinational company which is one of the largest pharmaceutical, agricultural, and biomedical companies in the world.

TOH Kean Meng, Melvin, aged 59, is the Vice President and Chief Scientific Officer of the Company. He has been an Executive Committee Member of the Company since February 2021. Dr. Toh joined the Group in January 2008 and was previously Vice President, Pharmaceutical Development, of the Company. He is also a Director of Dogwood Therapeutics, Inc. (listed in the United States). He holds Bachelor of Medicine and Bachelor of Surgery degrees from the National University of Singapore and a Master of Science degree in Epidemiology from the University of London. He is registered with the Singapore Medical Council and the General Medical Council, United Kingdom. Dr. Toh has over 30 years of experience in clinical medicine and pharmaceutical research and development, and has held various management and scientific positions in Asia and the United States. Prior to joining the Group, Dr. Toh was Director of Clinical Pharmacology in Oncology Development, directing a team of scientists working on the clinical development of new cancer drugs for a leading pharmaceutical firm in the United States.

TULLOCH, Peter Peace, aged 82, has been a Non-executive Director of the Company since April 2002. Mr. Tulloch serves as the Chairman and Non-executive Director of each of Victoria Power Networks Pty Ltd, SA Power Networks and Australian Gas Networks Limited. He is also Chairman and a Non-executive Director of both Powercor Australia Limited and CitiPower Pty Ltd. He is a director of certain companies controlled by a substantial shareholder of the Company within the meaning of Part XV of the SFO. Mr. Tulloch is a Fellow of the Institute of Canadian Bankers and has spent more than 30 years in Asia.

Directors and Key Personnel (Cont'd)

KWOK Eva Lee, aged 84, has been an Independent Non-executive Director of the Company since June 2002. She has been a member of the Remuneration Committee of the Company since January 2005 and the Chairperson of the Remuneration Committee of the Company since January 2012. Mrs. Kwok has been a member of the Nomination Committee of the Company since March 2025. She acted as a member of the Audit Committee of the Company from June 2002 to June 2019. Mrs. Kwok currently serves as the Chair and Chief Executive Officer of Amara Holdings Inc. ("Amara"). Mrs. Kwok also acts as an Independent Director for Cenovus Energy Inc. ("Cenovus Energy"). Mrs. Kwok currently serves as an Independent Non-executive Director of CK Asset Holdings Limited, an Independent Non-executive Director and the Chairperson of the Nomination Committee of CK Infrastructure Holdings Limited, and a Director of Li Ka Shing (Canada) Foundation ("LKS Canada Foundation"). She also sits on the Governance Committee of Cenovus Energy. Except for Amara and LKS Canada Foundation, all the companies mentioned above are listed companies. She is a director of certain companies controlled by certain substantial shareholders of the Company within the meaning of Part XV of the SFO. In addition, she was an Independent Director of Bank of Montreal, a listed company, and previously sat on the Human Resources and Compensation Committee of Cenovus Energy, the Compensation Committee, Corporate Governance Committee and the Audit Committee of Husky Energy Inc., the Audit Committee of CK Infrastructure Holdings Limited, the Audit Committee and Pension Fund Society of the Bank of Montreal, the Nominating and Governance Committee of Shoppers Drug Mart Corporation, the Independent Committee of Directors and Human Resources Committee of Telesystems International Wireless (TIW) Inc., the Independent Committee of Directors and the Corporate Governance Committee of Fletcher Challenge Canada Ltd., the Audit and Corporate Governance Committees of Clarica Life Insurance Company, the Corporate Governance Committee of Air Canada, the Innovation Saskatchewan (IS) Board of Directors and the Saskatchewan-Asia Advisory Council of Saskatchewan.

KWAN Kai Cheong, aged 76, has been an Independent Non-executive Director of the Company since March 2015 and the Chairman of the Audit Committee of the Company since May 2015. Mr. Kwan is Managing Director of Morrison & Company Limited, a business consultancy firm. He worked for Merrill Lynch & Co., Inc. for over 10 years during the period from 1982 to 1993, with his last position as President for its Asia Pacific region. He was formerly Chairman of the Board of GT Land Holdings Limited and Joint Managing Director of Pacific Concord Holding Limited. Mr. Kwan is also an Independent Non-executive Director of HK Electric Investments Limited, HK Electric Investments Manager Limited ("HKEIM") as the trustee-manager of HK Electric Investments, Greenland Hong Kong Holdings Limited, Henderson Sunlight Asset Management Limited ("HSAM") as the manager of Sunlight Real Estate Investment Trust and Win Hanverky Holdings Limited. Mr. Kwan is also a Director of The Hongkong Electric Company, Limited ("HK Electric"). Except for HKEIM, HSAM and HK Electric, all the companies/investment trust mentioned above are listed in Hong Kong. He is a director of certain companies controlled by a substantial shareholder of the Company within the meaning of Part XV of the SFO. Mr. Kwan holds a Bachelor of Accountancy (Honours) degree and is a Fellow of the Hong Kong Institute of Certified Public Accountants, The Institute of Chartered Accountants in Australia and The Hong Kong Institute of Directors. He completed the Stanford Executive Program in 1992.

Directors and Key Personnel (Cont'd)

TIGHE, Paul Joseph, aged 69, has been an Independent Non-executive Director and a member of the Audit Committee of the Company since June 2019. He has been a member of the Nomination Committee of the Company since June 2019 and acted as the Chairman of the Nomination Committee of the Company since December 2020. He has been a member of the Sustainability Committee of the Company since December 2020 and acted as the Chairman of the Sustainability Committee of the Company since November 2025. Mr. Tighe is an Independent Non-executive Director of CK Hutchison Holdings Limited and CK Infrastructure Holdings Limited, both listed companies. He is a former career diplomat with Australia's Department of Foreign Affairs and Trade. He has around 37 years of experience in government and public policy, including 28 years as a diplomat. He has served as Australian Consul-General to Hong Kong and Macau (from 2011 to 2016), Australian Ambassador to Greece, Bulgaria and Albania (from 2005 to 2008), Deputy Head of Mission and Permanent Representative to the United Nations' Economic and Social Commission for Asia and the Pacific at the Australian Embassy in Bangkok (from 1998 to 2001) and as Counsellor in the Australian Delegation to the Organisation for Economic Co-operation and Development in Paris (from 1991 to 1995). In between overseas assignments, Mr. Tighe has held several positions at the headquarters of the Department of Foreign Affairs and Trade in Canberra, including as head of the Department's Trade and Economic Policy Division, head of the Diplomatic Security, Information Management and Services Division, head of the Agriculture and Resources Branch and Director of the International Economic Analysis Section. Before joining the Department of Foreign Affairs and Trade, Mr. Tighe worked in the Overseas Economic Relations Division of the Australian Treasury (from 1986 to 1988), in the Secretariat of the Organisation for Economic Co-operation and Development in Paris (from 1984 to 1986) and in the Australian Industries Assistance Commission (from 1980 to 1984). He holds a Bachelor of Science degree from the University of New South Wales. Mr. Tighe is a director of a substantial shareholder of the Company within the meaning of Part XV of the SFO and a director of a company controlled by a substantial shareholder of the Company.

ROBERTS, Donald Jeffrey, aged 74, has been an Independent Non-executive Director, a member of the Audit Committee and a member of the Nomination Committee of the Company since July 2020. He has been a member of the Remuneration Committee of the Company since September 2022. Mr. Roberts is an Independent Non-executive Director of CK Asset Holdings Limited (listed in Hong Kong); an Independent Non-executive Director of HK Electric Investments Manager Limited, which is the trustee-manager of HK Electric Investments ("HKEI"), and HK Electric Investments Limited, a company listed together with HKEI in Hong Kong; and an Independent Non-executive Director of Queen's Road Capital Investment Ltd. (listed in Canada). He is also a Director of The Hongkong Electric Company, Limited, and an Independent Non-executive Director of Welab Bank Limited and Welab Capital Limited. He is a director of certain companies controlled by a substantial shareholder of the Company within the meaning of Part XV of SFO. He joined Hutchison Whampoa Limited ("HWL") in 1988 and was the Group Deputy Chief Financial Officer of HWL from 2000 until his retirement in 2011. Mr. Roberts was a Member of the Listing Committee of the Main Board and GEM of The Stock Exchange of Hong Kong Limited from July 2015 to July 2020. He was previously a member of the Executive Committee of The Canadian Chamber of Commerce (the "Chamber") in Hong Kong and is currently Governor of the Chamber. He previously served as a Governor of the Canadian International School of Hong Kong for the periods from 1998 to 2004, and from 2006 to 2012, and also a member on its Finance & Administration Committee. Mr. Roberts has served as a member, including as the Deputy Chairman, of the Professional Conduct Committee of the Hong Kong Institute of Certified Public Accountants ("HKICPA") for 9 years. Mr. Roberts holds a Bachelor of Commerce degree. He is a Chartered Accountant with the Chartered Professional Accountants of Canada, Alberta and British Columbia, and also a Fellow of the HKICPA.

KEY PERSONNEL'S BIOGRAPHICAL INFORMATION

HONG KONG

CHIU Ching Sze, Cindy, aged 49, is General Counsel of the Company. She holds a Master of Laws degree in Chinese Law and a Bachelor of Laws degree. She is a solicitor of the High Court of the Hong Kong Special Administrative Region. She has over 18 years of legal experience and was a senior counsel in a multinational listed company prior to joining the Company in May 2022.

HO Sze Mun, Cecilia, aged 54, is Vice President, Corporate Development of the Company. Ms. Ho has been an Executive Committee Member of the Company since February 2025. Ms. Ho is responsible for the Company's strategic development projects, including M&A. She holds a Master of Business Administration degree and a Bachelor of Business Administration degree. She has held leadership roles in general management and strategic business development, as well as senior roles in a leading international management consulting firm. Before joining the Company in March 2023, Ms. Ho was Head of Business Development in a local conglomerate, having previously been stationed in the United States, the United Kingdom and Mainland China with multinational corporations.

TONG BARNES Wai Che, Wendy, aged 65, Chief Corporate Affairs Officer of the Company, joined the CK Group in March 1999. She is also Executive Committee Member and Chief Corporate Affairs Officer of CK Asset Holdings Limited and CK Infrastructure Holdings Limited, as well as the Deputy Chief Executive Officer of Hui Xian Asset Management Limited. She holds a Bachelor's degree in Business Administration.

WANG Hong, aged 59, is Preclinical Development Director of the Company, and is responsible for leading the Company's discovery and preclinical evaluation projects. Dr. Wang holds a Doctor of Philosophy degree in Cell and Molecular Biology, a Master's degree in Cell Biophysics and a Bachelor's degree in Cell Biology. Dr. Wang has over 20 years of cancer research experience in academia and commercial organizations in the United States. His extensive cancer research experience includes therapeutic antibody discovery and development and transgenic mouse model development for cancer research. Prior to joining the Company in October 2023, Dr. Wang was a Senior Scientist at an animal health biotechnology company in the United States.

WONG Wun Lam, Peter, aged 61, is Chief Financial Officer, and is responsible for all matters relating to accounting and finance of the Company. He has been an Executive Committee Member of the Company since March 2022. Mr. Wong holds a Bachelor of Commerce degree with a major in accounting. He is also a graduate of an Executive Master of Business Administration programme. He has had wide and varied experience in all aspects of accounting and finance. In addition to spending over 10 years in a Netherlands-based electronics and telecommunications multinational, he has also worked for leading utility and logistics providers. Prior to joining the Company in September 2020, he was Executive Director and Group CFO of a leading environmental group listed on the Hong Kong Stock Exchange.

WONG Yau Lin, Pat, aged 59, is General Manager, Human Resources & Administration, of the Company. Ms. Wong holds a Master of Business Administration degree and has over 25 years of experience in human resources management. Before joining the Company in January 2023, she worked in various industries such as retail, manufacturing and aviation management in Hong Kong.

WU Pak To, Sunny, aged 64, is Chief Operating Officer, Global Operations of the Company, and is responsible for the profit contribution of the Company's commercial activities. He has been an Executive Committee Member of the Company since March 2022. Trained in accountancy, Mr. Wu holds Master of Business Administration and Master of Laws degrees. He has lived in New York, London, Sydney, Singapore and Shanghai, undertaking assignments for multinational corporations spanning different industries, including fast moving consumer home and personal care products, infant nutrition, multilevel marketing and professional services. He has held leadership roles in a full range of functions covering general management, finance, and operations. Prior to joining the Company in February 2021, he was Chief Financial Officer and Director of Operations, Asia, in a globally recognised engineering and design services firm.

YAN Wai Yin, Kirsty, aged 56, General Manager, Internal Audit, joined the Company in April 2010. She holds a Master of Business Administration degree, and a Bachelor of Arts degree in Accountancy. In addition to being a Certified Internal Auditor, Ms. Yan also holds the Certification in Risk Management Assurance by The Institute of Internal Auditors. She is also a Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants, and a Fellow of The Association of Chartered Certified Accountants. Ms. Yan has over 30 years of experience in auditing and finance. She has worked with a "big four" accounting firm and various listed corporations in different industries including book publishing, electronics, telecommunication as well as real estate.

YEUNG, Eirene, aged 65, the Company Secretary of the Company. She has been a member of the Sustainability Committee of the Company since December 2020. She has been with the CK Group since August 1994 and she joined the Company in January 2002. Ms. Yeung is also Executive Committee Member and Company Secretary, and General Manager of Company Secretarial Department of CK Asset Holdings Limited. She is also the Company Secretary of CK Infrastructure Holdings Limited. Ms. Yeung is a Non-executive Director of ESR Asset Management (Fortune) Limited, the manager of Fortune Real Estate Investment Trust. She is also the Alternate Director to Mr. Kam Hing Lam, the Deputy Chairman and Co-Managing Director of CK Infrastructure Holdings Limited. She is a solicitor of the High Court of the Hong Kong Special Administrative Region and a non-practising solicitor of the Senior Courts of England and Wales. She is also a fellow member of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute.

YU Chiu Mui Madge, Maggie, aged 54, is General Manager, Vital Care Hong Kong Limited. She holds a Bachelor of Arts degree in Hospitality Management and Degree of Executive Master of Business Administration. She is a seasoned commercial and general management professional in fast moving consumer goods, cosmetics & skin care, medical device and healthcare consumer products. She had worked for various multinational and local corporations prior to joining the Company in November 2023.

OVERSEAS

BARRINGTON-CASE, Angus, aged 51, is Chief Executive Officer of Regenal Investments Pty Limited. He is responsible for managing the Company's vineyard portfolio in Australia and New Zealand. Mr. Barrington-Case holds a Bachelor of Business (Property) degree. He is also a Certified Practising Property Valuer and Specialist Water Valuer with the Australian Property Institute, as well as a member of the Royal Institute of Chartered Surveyors (RICS) and the Australian Institute of Company Directors (AICD). He has substantial experience valuing agricultural and post farm gate infrastructure assets across Australia, having previously held positions with major property firms and wineries.

BRUEGGMAN, Patrick, aged 62, is the President and Chief Executive Officer of Vitaquest International LLC. He holds a Bachelor of Science degree in Chemistry, with a minor in Business Administration. Mr. Brueggman brings over 30 years of experience in the specialty chemical/ingredient industry, having spent his last 20 years in the pharmaceutical, food and personal care industries. Mr. Brueggman has rich multi-functional experience including commercial excellence, Six Sigma process focus, and innovation for growth.

HERRON, Mark, aged 59, is Chief Executive Officer of Australian Agribusiness (Holdings) Pty Ltd (“Australian Agribusiness”). He is responsible for the Company’s businesses serving customers in Australasia in agriculture, horticulture, golf and turf, pest management and home garden. An MBA graduate, Mr. Herron is also a Certified Practising Accountant (CPA) in Australia. Prior to joining Australian Agribusiness in early 2019 as Chief Financial Officer, Mr. Herron obtained substantial international business experience with multinational corporations, mainly in the fast moving consumer goods and manufacturing industries, based in Australia, the United Kingdom and the Middle East.

MCLEISH, Euan, aged 61, is Chief Executive Officer of Dominion Salt Ltd (“DSL”), overseeing the Group’s salt operations in New Zealand. Mr McLeish joined DSL in 2016. He holds a Master’s degree in Business Administration and a Certificate in Mechanical Engineering. He is a Fellow in Manufacturing Management, and also served as Marine Engineering Officer in the Royal New Zealand Navy. Prior to joining DSL, Mr McLeish worked for a major Australasian packaging company in a variety of sales, technical, operations and general management leadership roles.

NEWTON, Peter, aged 59, is Chief Executive Officer of the Cheetham Salt Group (“Cheetham”), which comprises the Group’s salt operations in Australia and Indonesia. He joined Cheetham in 2008 and has held a number of sales and operations position during his tenure. He holds a Master’s degree in Business Administration, a Bachelor’s degree in Agricultural Science, and is a Graduate Member of the Australian Institute of Company Directors. Prior to joining Cheetham, Mr. Newton worked for major Australian companies in a variety of sales, technical, operations and site leadership roles. He has extensive experience in the agricultural sector.

TANNA, Rob, aged 59, is Chief Executive Officer of Lipa Pharmaceuticals Ltd (“Lipa”) and is responsible for the Company’s health supplements and OTC pharmaceutical operations in Australia. Mr. Tanna joined Lipa as Chief Financial Officer in August 2019, and assumed the position of Chief Executive Officer in April 2020. He began his professional career with one of the leading auditing firms. Prior to joining the company, he was Chief Operating Officer of the Australian & New Zealand beverage unit in a multinational food and beverage conglomerate based in Japan, having previously spent over two decades in its fast moving consumer products subsidiary. He holds a Bachelor of Economics degree and is a Member of the Institute of Chartered Accountants in Australia.

THOMASSIN, Jean-Philippe, aged 54, is President and Chief Executive Officer of Santé Naturelle Adrien Gagnon Ltd. (“Santé Naturelle Adrien Gagnon”) and is responsible for the Company’s health supplements operation in Canada. He holds a Master of Business Administration and a Bachelor of Arts degree in Industrial Relations. Mr Thomassin has spent his career in the consumer products sector and has worked and resided in a number of international markets, such as France, Japan, China, Singapore and the Philippines, in addition to Canada. Prior to joining Santé Naturelle Adrien Gagnon in September 2023, he held senior leadership roles in multinational corporations.

The Directors have pleasure in presenting to shareholders their report together with the audited financial statements of the Group for the year ended 31 December 2025.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and the activities of its subsidiaries are research and development, manufacturing, commercialisation, marketing, sale of, and investment in, pharmaceuticals & diagnostics R&D, nutraceuticals and agriculture-related products and assets as well as investment in various financial and investment products.

BUSINESS REVIEW

A fair review of the Group’s businesses, and an indication of likely future developments in the Group’s businesses, are provided in the Business Review and Chairman’s Statement on pages 8 to 31 and pages 2 to 7 of this Annual Report respectively. An analysis of the Group’s performance using financial key performance indicators is set out in the Financial Summary on page 33 and Financial Review on pages 34 to 35. A description of the principal risks and uncertainties facing the Group can be found in the Risk Factors on pages 185 to 193. The above discussions form part of the Report of the Directors.

In 2025, the Group progressed from commitment to delivery by completing, together with CK Asset Holdings Limited, the acquisition of the pastoral lease and rights over 350,000 hectares of land in Australian agricultural land – more than three times the size of Hong Kong. Our nature-based carbon sequestration project on this land is registered with and approved by Australian Clean Energy Regulator. By restoring native vegetation and forests through sustainable land management, the project sequesters carbon and generates Australian Carbon Credit Units (ACCUs) that are tradable in the Australian carbon market, enabling organisations in Australia to offset their carbon footprints. Taken together, these outcomes mark an important milestone in the Group’s long-term strategy to drive measurable climate and environmental impact while creating enduring economic value.

The Group has strengthened its strategic response to climate change by enhancing transparency and building operational resilience in 2025. To guide the Group’s decarbonisation efforts, the Group has developed a low-carbon transition plan that sets out the key levers to reduce emissions across the value chain, including fuel substitution, resource efficiency, process upgrades, and a greener supply chain. In 2025, Cheetham completed the transformation of traditional gas dryers into more efficient fluid-bed dryers for the salt refinery at Price site to help lower LPG consumption and in turn reduce emissions. Furthermore, business units have also updated their environmental targets, including greenhouse gas (GHG) emissions reduction targets, for example, Dominion has established decarbonisation and electricity reduction targets in the short, medium and long term to support the delivery of the transition plan.

Building on the climate scenario analysis initiated last year, the Group assessed the potential quantitative impacts of climate-related physical and transition risks and opportunities related to water and technology transition under different scenarios over the short, medium and long term. These insights directly inform the Group’s strategies to enhance the resilience of our operations.

To underpin the transition plan, the Group has enhanced its Scope 3 emissions accounting and disclosed category-level emissions in the Sustainability Report, including the purchase of goods and services, capital goods, fuel and energy related activities, upstream and downstream transport and distribution, and downstream leasing assets. This reinforces the Group’s commitment to manage its environmental impact and align with the evolving expectations of regulators, investors, and customers.

Many of the Group's activities are subject to regulation by agencies such as the Food and Drug Administration (FDA) in the United States, the Therapeutic Goods Administration (TGA) in Australia and Health Canada. We maintain high awareness of, and comply with, the agencies' requirements; are cooperative with their requests for information and proactively assist them in on-site inspections. Further information about laws and regulations affecting the businesses of the Group can also be found in the Sustainability Report.

The Group endeavours to communicate openly and transparently with its key stakeholders including its employees, customers and suppliers, to gather their views on the issues that concern them the most. The Group uses stakeholders' input to understand shifting market needs, which in turn helps to inform the Group's decision-making in relation to its practices, initiatives and disclosures.

Attraction, retention and development of talent is essential for the Group's long-term development. The Group employs a merit-based remuneration strategy to promote its competitiveness. Regular assessments of compensation packages are conducted to ensure they remain competitive, leveraging relevant market data and addressing the specific demands of various roles. For instance, Australian Agribusiness and Cheetham each conduct regular remuneration reviews, leveraging internal benchmarking and third-party market data to ensure consistent, competitive compensation that appropriately recognises key talent.

The Group is dedicated to maintaining open communications with customers to better understand their needs and expectations. We regularly collect and summarise customer opinions and suggestions through various channels, conducting analyses and implementing corrective measures to enhance satisfaction. Comprehensive policies and procedures are in place across all operations to ensure a consistent approach to managing customer complaints. For instance, standard operating procedures for customers' complaints and claims are set up at Accensi, Cheetham, Lipa and Vitaquest to guide the receipt of complaints and processes for further investigation.

The Group is aware of the environmental and social impacts throughout the supply chain, and is committed to minimising such risks in collaboration with suppliers. As stated in the Group's Supplier Code of Conduct, all businesses in its supply chain are required to share the Group's commitment in terms of human rights, working conditions, occupational health and safety, non-discrimination, business ethics and environmental stewardship. ESG-related factors form an important part of the supplier evaluation process and carry due weighting in considering potential suppliers and contractors. Regular monitoring, audits and evaluations are carried out by the Group's businesses to assess the performance of their suppliers.

Discussion of the Group's environmental policies and performance, the Group's compliance with relevant laws and regulations that have a significant impact on the Group, and an account of the Group's relationships with key stakeholders are set out in the Sustainability Report, which will be published on the website of the Stock Exchange and the Company's website at www.ck-lifesciences.com for viewing and download.

RESULTS AND APPROPRIATIONS

Results of the Group for the year ended 31 December 2025 are set out in the consolidated income statement on page 61.

The Board of Directors does not recommend the payment of a final dividend.

GROUP FINANCIAL SUMMARY

Results, assets and liabilities of the Group for the last five years are summarised on page 33.

DIRECTORS

The Directors of the Company in office at the date of this report are listed on page 194 and their biographical information is set out on pages 36 to 39.

In accordance with the Company's Articles of Association, the Directors of the Company (including Non-executive Directors) shall be subject to retirement by rotation at each annual general meeting. Accordingly, Dr. Toh Kean Meng, Melvin, Mr. Peter Peace Tulloch, Mr. Kwan Kai Cheong and Mr. Donald Jeffrey Roberts will retire from office and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

Each of the Independent Non-executive Directors had made an annual confirmation of independence taking into account the factors referred to in Rule 3.13 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules"). The Company considered that all Independent Non-executive Directors meet the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent in accordance with the terms of the guidelines.

ARRANGEMENT TO PURCHASE SHARES OR DEBENTURES

At no time during the year was the Company, its subsidiary or fellow subsidiary a party to any arrangements which enabled any Director to acquire benefits by means of the acquisition of shares in or debentures of the Company or of any other body corporate.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save for otherwise disclosed under the section "Continuing Connected Transactions", there was no other transactions, arrangements or contracts of significance in relation to the businesses of the Company and its subsidiaries to which the Company or any of its subsidiary was a party and in which a Director of the Company or his/her connected entity had a material interest, whether directly or indirectly, subsisted at any time during the year 2025 and as at the date of this Annual Report.

DIRECTORS' SERVICE CONTRACTS

None of the Directors of the Company has a service contract with the Company which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

PERMITTED INDEMNITY PROVISION

The Company's Articles of Association provides that every Director shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities incurred or sustained by him/her as a Director in defending any proceedings, whether civil or criminal, in which judgment is given in his/her favour, or in which he/she is acquitted. A Directors Liability Insurance is in place to protect the Directors against potential costs and liabilities arising from claims brought against the Directors.

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2025, the interests or short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were notified to the Company and The Stock Exchange of Hong Kong Limited ("Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required, pursuant to the Model Code for Securities Transactions by Directors adopted by the Company ("Model Code"), to be notified to the Company and the Stock Exchange, were as follows:

Long positions in the shares of the Company

Name of Director	Capacity	Number of Ordinary Shares				Total	Approximate % of Shareholding
		Personal Interests	Family Interests	Corporate Interests	Other Interests		
Li Tzar Kuoi, Victor	Beneficial owner & interest of controlled corporations	2,250,000	-	2,835,759,715 (Note 1)	-	2,838,009,715	29.52%
Kam Hing Lam	Nominee under a Declaration of Trust	-	-	-	3,925,000 (Note 2)	3,925,000	0.04%
Ip Tak Chuen, Edmond	Beneficial owner	2,250,000	-	-	-	2,250,000	0.02%
Yu Ying Choi, Alan Abel	Beneficial owner	2,250,000	-	-	-	2,250,000	0.02%
Lance Richard Lee Yuen	Beneficial owner	2,300,000	-	-	-	2,300,000	0.02%
Peter Peace Tulloch	Beneficial owner	1,050,000	-	-	-	1,050,000	0.01%
Kwok Eva Lee	Beneficial owner	200,000	-	-	-	200,000	0.002%
Donald Jeffrey Roberts	Interests held jointly	-	-	-	816,000 (Note 3)	816,000	0.008%

Notes:

- Such 2,835,759,715 shares are held by two subsidiaries of Li Ka Shing Foundation Limited ("LKSF"). By virtue of the terms of the constituent documents of LKSF, Mr. Li Tzar Kuoi, Victor may be regarded as having the ability to exercise or control the exercise of one-third or more of the voting power at the general meetings of LKSF.
- Such 3,925,000 shares held by Mr. Kam Hing Lam are under a declaration of trust with his son as the beneficiary.
- Such 816,000 shares are jointly held by Mr. Donald Jeffrey Roberts and his wife.

Save as disclosed above, none of the Directors or chief executives of the Company had, as at 31 December 2025, any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be 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 they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS

So far as is known to any Director or chief executive of the Company, as at 31 December 2025, shareholders (other than Directors or chief executives 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 which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

(1) Long positions of substantial shareholders in the shares of the Company

Name	Capacity	Number of Ordinary Shares	Approximate % of Shareholding
Gold Rainbow (BVI) Limited	Beneficial owner	4,355,634,570	45.31%
Gotak (BVI) Limited	Interest of a controlled corporation	4,355,634,570 (Note i)	45.31%
Cheung Kong (Holdings) Limited	Interest of controlled corporations	4,355,634,570 (Note ii)	45.31%
CK Hutchison Holdings Limited	Interest of controlled corporations	4,355,634,570 (Note iii)	45.31%
Trueway International Limited	Beneficial owner	2,119,318,286	22.05%
Li Ka Shing Foundation Limited	Interest of controlled corporations	2,835,759,715 (Note iv)	29.50%
Li Ka-shing	Interest of controlled corporations	2,835,759,715 (Note v)	29.50%

(2) Long positions of other persons in the shares of the Company

Name	Capacity	Number of Ordinary Shares	Approximate % of Shareholding
Triluck Assets Limited	Beneficial owner	716,441,429	7.45%

Notes:

- i. This represents the same block of shares in the Company as shown against the name of Gold Rainbow (BVI) Limited ("Gold Rainbow") above. Since Gold Rainbow is wholly-owned by Gotak (BVI) Limited, Gotak (BVI) Limited is deemed to be interested in the same number of shares in which Gold Rainbow is interested under the SFO.
- ii. As Gotak (BVI) Limited is wholly-owned by Cheung Kong (Holdings) Limited ("CKH"), CKH is deemed to be interested in the same number of shares in which Gotak (BVI) Limited is deemed to be interested under the SFO.
- iii. As CKH is wholly-owned by CK Hutchison Holdings Limited ("CK Hutchison"), CK Hutchison is deemed to be interested in the same number of shares in which CKH is deemed to be interested under the SFO.
- iv. Trueway International Limited ("Trueway") and Triluck Assets Limited ("Triluck") are wholly-owned by LKSF and LKSF is deemed to be interested in a total of 2,835,759,715 shares under the SFO, being the aggregate of the shares in which Trueway and Triluck are interested as shown against the names Trueway and Triluck above.
- v. By virtue of the terms of the constituent documents of LKSF, Mr. Li Ka-shing may be regarded as having the ability to exercise or control the exercise of one-third or more of the voting power at the general meetings of LKSF. Mr. Li Ka-shing is deemed to be interested in the same number of shares in which LKSF is deemed to be interested as mentioned above under the SFO.

Save as disclosed above, as at 31 December 2025, the Company had not been notified by any persons (other than Directors or chief executives 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 which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

During the year, the interests of Directors in the businesses which compete or are likely to compete, either directly or indirectly, with the businesses of the Group (the "Competing Business") as required to be disclosed pursuant to the Listing Rules were as follows:

(1) Core business activities of the Group

- (i) Research and development, manufacturing, commercialisation, marketing, sale of, and investment in, pharmaceuticals & diagnostics R&D, nutraceuticals and agriculture-related products and assets; and
- (ii) Investment in various financial and investment products.

(2) Interests in Competing Business

Name of Director	Name of Company	Nature of Interest	Competing Business (Note 1)
Victor T K Li	CK Hutchison Holdings Limited	Chairman and Executive Director	(i) & (ii)
	CK Asset Holdings Limited	Chairman and Managing Director	(i)
	CK Infrastructure Holdings Limited	Chairman	(ii)
	Power Assets Holdings Limited	Non-executive Director	(ii)
Kam Hing Lam	CK Hutchison Holdings Limited	Deputy Managing Director	(i) & (ii)
	CK Asset Holdings Limited	Deputy Managing Director	(i)
	CK Infrastructure Holdings Limited	Deputy Chairman and Co-Managing Director (Note 2)	(ii)
Ip Tak Chuen, Edmond	CK Hutchison Holdings Limited	Deputy Managing Director	(i) & (ii)
	CK Asset Holdings Limited	Deputy Chairman	(i)
	CK Infrastructure Holdings Limited	Deputy Chairman	(ii)
Peter Peace Tulloch	Ittelocin Pty Ltd	Director	(i)

Notes:

1. Such businesses may be conducted through subsidiaries, associated companies or by way of other forms of investments.
2. Mr. Kam Hing Lam was the Group Managing Director of CK Infrastructure Holdings Limited before the re-designation to Deputy Chairman and Co-Managing Director took effect on 1 January 2026.

Save as disclosed above, none of the Directors is interested in any business apart from the Group's businesses which competes or is likely to compete, either directly or indirectly, with businesses of the Group.

CONTINUING CONNECTED TRANSACTIONS

The following transactions constituted continuing connected transactions of the Group during the year ended 31 December 2025 under the Listing Rules:

(a) Supply Agreement

The Existing Supply Agreement (as defined and more particularly described in the announcement of the Company dated 19 December 2023 (the “New Supply Announcement”)) had expired on 31 December 2023.

On 19 December 2023, the Company entered into a New CKHH Supply Agreement (as defined and more particularly described in the New Supply Announcement) with CK Hutchison Holdings Limited (“CKHH”). CKHH was interested in approximately 45.31% of the issued share capital of the Company as at 19 December 2023 and therefore is a substantial shareholder of the Company, and thus CKHH is a connected person of the Company under the Listing Rules. Accordingly, the entering into of the New CKHH Supply Agreement between the Company and CKHH constituted continuing connected transactions for the Company under Chapter 14A of the Listing Rules (hereinafter referred to as the “Continuing Connected Transactions I”). Mr. Victor T K Li, being a director of the Company, voluntarily abstained from voting on the board resolutions of the Company for approving the Continuing Connected Transactions I. Under the New CKHH Supply Agreement, (a) the Company agreed to continue to provide the Products (as defined in the New Supply Announcement) to the CKHH Group (as defined in the New Supply Announcement) for a term of three years commencing from 1 January 2024 to 31 December 2026; and (b) CKHH Group agreed to continue to purchase the Products from the Group for sale and distribution by the CKHH Group both locally and overseas on a non-exclusive basis. In connection with the supply of the Products by the Group to the CKHH Group, relevant members of the Group may make the Sales Related Payments (as defined in the New Supply Announcement) to relevant members of the CKHH Group, which are expected to include advertising and promotional fees and royalties, display rentals, upfront payments or premium and/or such other payments (including without limitation, payments for consultancy, management and/or merchandising services to be rendered by the CKHH Group to the Group).

The Continuing Connected Transactions I cannot exceed the relevant annual caps set out below:

Category of the Continuing Connected Transactions I	Annual caps (in HK\$)		
	For the year ended 31 December 2024	For the year ended 31 December 2025	For the year ending 31 December 2026
Transactions under or pursuant to the New CKHH Supply Agreement:			
(a) the amount receivable by the Group for the Products to be provided or to be agreed to be provided by the Group to the CKHH Group;	100,000,000	110,000,000	130,000,000
(b) the amount of the Sales Related Payments payable by the Group to the CKHH Group	23,000,000	25,300,000	30,000,000

For the year ended 31 December 2025, the amount receivable by the Group for the Products provided by the Group to the CKHH Group and the amount of the Sales Related Payments paid/payable by the Group to the CKHH Group pursuant to the New CKHH Supply Agreement amounted to HK\$43,351,000 and HK\$4,996,000 respectively. Details of the Continuing Connected Transactions I were disclosed in the New Supply Announcement.

(b) Management Agreement

The Existing Management Agreement (as defined and more particularly described in the announcement of the Company dated 16 December 2022 (the “New Management Announcement”)) had expired on 31 December 2022.

On 16 December 2022, Regenal Management Services Pty Limited (“RMSPL”), a wholly-owned subsidiary of the Company and Ittelocin Pty Ltd (“IPL”), a wholly-owned subsidiary of CK Asset Holdings Limited (“CKA”) entered into a new management agreement (the “New Management Agreement”) (as defined and more particularly described in the New Management Announcement). Given that Mr. Li Ka-shing, Mr. Victor T K Li (being a director of the Company) and the Trust (as defined in the New Management Announcement) have been deemed as a group of connected persons by the Stock Exchange, CKA may be regarded as a connected person of the Company under the Listing Rules. IPL, being a wholly-owned subsidiary of CKA, may also be regarded as a connected person of the Company under the Listing Rules, and the entering into of the New Management Agreement between RMSPL and IPL constituted continuing connected transactions for the Company under Chapter 14A of the Listing Rules (hereinafter referred to as the “Continuing Connected Transactions II”). Mr. Victor T K Li voluntarily abstained from voting on the board resolutions of the Company for approving the Continuing Connected Transactions II. Under the New Management Agreement, RMSPL agreed to provide or procure to provide general management services, property services, leasing services, acquisition and disposal services and capital expenditure and re-development services to IPL in respect of the Properties (as defined and more particularly described in the New Management Announcement) in Australia and New Zealand for a term commencing from 1 January 2023 and ending on the earlier of (i) the date on which the New Management Agreement is terminated by notice in accordance with its terms; or (ii) 31 December 2025.

The aggregate amount of fees receivable by RMSPL from IPL in respect of the Continuing Connected Transactions II cannot exceed the relevant annual caps set out below:

Continuing Connected Transactions II	Annual caps (in HK\$)		
	For the year ended 31 December 2023	For the year ended 31 December 2024	For the year ended 31 December 2025
The aggregate amount of fees receivable by RMSPL from IPL	15,000,000	20,000,000	25,000,000

For the year ended 31 December 2025, the aggregate amount of fees received/receivable by RMSPL from IPL pursuant to the New Management Agreement amounted to HK\$4,485,000. Details of the Continuing Connected Transactions II were disclosed in the New Management Announcement.

The Continuing Connected Transactions I and Continuing Connected Transactions II (collectively referred to as the “Continuing Connected Transactions”) have all been reviewed by the Independent Non-executive Directors of the Company. The Independent Non-executive Directors have confirmed that for the year 2025 the Continuing Connected Transactions were entered into (i) in the ordinary and usual course of business of the Group (except that the Continuing Connected Transactions II may not be considered as in the ordinary and usual course of business of the Company); (ii) on normal commercial terms or better; and (iii) according to the agreements governing them on terms that are fair and reasonable and in the interests of the Company and its shareholders as a whole.

Pursuant to Rule 14A.56 of the Listing Rules, the Company has engaged the auditor of the Company to report the Continuing Connected Transactions of the Group in accordance with the Hong Kong Standard on Assurance Engagements 3000 (Revised) “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” and with reference to Practice Note 740 “Auditor’s Letter on Continuing Connected Transactions under the Hong Kong Listing Rules” issued by the Hong Kong Institute of Certified Public Accountants. The auditor has reported to the Board and confirmed that for the year 2025 nothing has come to their attention that causes them to believe that the Continuing Connected Transactions (i) have not been approved by the Board; (ii) have exceeded the relevant caps; and (iii) the samples that the auditor selected for the Continuing Connected Transactions were not entered into, in all material respects, in accordance with the relevant agreements governing the transactions and were not in accordance with the Group’s pricing policies, if applicable.

OTHER CONTINUING CONNECTED TRANSACTIONS

On 19 December 2025, RMSPL and IPL entered into a new management agreement for a term of three years commencing from 1 January 2026 in relation to the appointment of RMSPL to provide the Services (as defined and for more particularly described in the Announcement of the Company dated 19 December 2025) to IPL in respect of the Properties (as defined and more particularly described in the announcement of the Company dated 19 December 2025) in Australia and New Zealand.

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the Group’s revenue from sales of goods or rendering of services attributable to the Group’s five largest customers was less than 30% and the Group’s purchases attributable to the Group’s five largest suppliers were less than 30% of the Group’s purchases.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company’s Articles of Association, or the laws of Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year ended 31 December 2025, 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 31 December 2025, the Company and its subsidiaries did not hold any treasury shares whether in the Clearing and Settlement System, or otherwise.

EQUITY-LINKED AGREEMENTS

The Company did not enter into any equity-linked agreements during the year ended 31 December 2025. There were no subsisting equity-linked agreements entered into by the Company as at 31 December 2025.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of any business of the Group were entered into or existed during the year.

SUFFICIENCY OF PUBLIC FLOAT

As at 31 December 2025, the minimum public float percentage threshold applicable to the Company is 25% of the Company’s total number of issued shares (excluding treasury shares), and it is confirmed that the Company has complied with the public float requirement pursuant to Rule 13.32B of the Listing Rules.

As at 31 December 2025, the public float of the Company was approximately 25.01945%. The composition of ownership of the issued shares in the Company listed on the Stock Exchange, and the Company’s share capital structure, as at 31 December 2025 are set out below:

Group of Shareholders	Number of issued shares held	Approximate % of shareholding
(a) Non-public shareholders		
(i) Substantial shareholders and their close associates		
CK Hutchison Holdings Limited	4,355,634,570 ^{Note 1}	45.31892%
Li Ka Shing Foundation Limited (“LKSF”)	2,835,759,715 ^{Note 1}	29.50513%
(ii) Directors and their close associates ^{Note 2}		
Li Tzar Kuoi, Victor	2,250,000 ^{Note 3}	0.02341%
Kam Hing Lam	3,925,000 ^{Note 1}	0.04084%
Ip Tak Chuen, Edmond	2,250,000	0.02341%
Yu Ying Choi, Alan Abel	2,250,000	0.02341%
Lance Richard Lee Yuen	2,300,000	0.02393%
Peter Peace Tulloch	1,050,000	0.01093%
Kwok Eva Lee	200,000	0.00208%
Donald Jeffrey Roberts	816,000 ^{Note 1}	0.00849%
(iii) Other persons excluded from the definition of “the public” ^{Note 4}	0	0%
(b) Public shareholders	2,404,637,115	25.01945%
Total number of issued shares	9,611,072,400	100%

Notes:

1. This includes the shares held by such shareholder or Director (as the case may be) or such shareholder's or Director's (as the case may be) close associates as disclosed pursuant to Part XV of the SFO.
2. For further details, please refer to the section headed "Directors' Interests and Short Positions in Shares, Underlying Shares and Debentures" of this annual report.
3. This includes the shares held by such Director as disclosed pursuant to Part XV of the SFO but excludes the shares held by his close associate, LKSF, as described above.
4. These "other persons" include (a) persons who are core connected persons of the Company, only because of such person's connection with the Company's subsidiaries or a close associate of any of them; and (b) those who are accustomed to take instructions from core connected person(s) of the Company.

The above statements are made on the basis of information publicly available to the Company or otherwise within the knowledge of the Directors as at the date of this annual report.

AUDIT COMMITTEE

The Group's annual report for the year ended 31 December 2025 has been reviewed by the audit committee of the Company ("Audit Committee"). Information on the work of Audit Committee and its composition are set out in the Corporate Governance Report on pages 162 to 167.

AUDITOR

The financial statements for the year have been audited by Messrs. Deloitte Touche Tohmatsu who will retire and offer themselves for re-appointment at the 2026 annual general meeting.

On behalf of the Board

Victor T K Li

Chairman

Hong Kong, 17 March 2026

Deloitte.

德勤

To The Shareholders of CK Life Sciences Int'l., (Holdings) Inc.
(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of CK Life Sciences Int'l., (Holdings) Inc. (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 61 to 148, which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") as issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Impairment assessment of goodwill	
<p>We identified the impairment assessment of goodwill as a key audit matter due to significance of the Group's goodwill in the context of the Group's consolidated financial statements, combined with the judgments involved in the management's impairment assessment of goodwill.</p> <p>As disclosed in note 17 to the consolidated financial statements, as at 31 December 2025, the carrying amount of goodwill (net of accumulated impairment losses) amounted to HK\$2,642,563,000 which represented approximately 22% of the Group's total assets. As disclosed in note 3(e)(iii) to the consolidated financial statements, a cash-generating unit to which goodwill has been allocated is assessed for impairment annually or more frequently if events or changes in circumstances indicate that the unit might be impaired.</p> <p>As set out in note 4 to the consolidated financial statements, the impairment assessment of goodwill is dependent on certain significant inputs and estimations that involve the management's judgments, including the calculation of value in use of each cash-generating unit to which goodwill has been allocated. This requires the Group to estimate the future cash flows expected to arise from each cash-generating unit and a suitable discount rate by referencing to market comparables in order to calculate its present value. Where the actual future cash flows are less than the expected future cash flows, impairment losses may arise.</p> <p>During the year ended 31 December 2025, the Group recognised impairment loss on goodwill amounting to HK\$147,792,000 and details of the management's process for goodwill impairment assessment are disclosed in note 17.</p>	<p>Our procedures in relation to the impairment assessment of goodwill with the involvement of component auditor included:</p> <ul style="list-style-type: none"> • Obtaining an understanding of the management's process and controls over the impairment assessment of goodwill; • Assessing the valuation methodology adopted by management in impairment assessment of goodwill in accordance with the requirements of the relevant HKFRS Accounting Standards; • Evaluating the historical accuracy of the cash flows projections from the respective cash-generating units to which the goodwill belongs by comparing them to the actual results in the current year and understanding the causes of any significant variances; and • Evaluating the reasonableness of key inputs to cash flows projections used by the management, including budgeted sales and gross margin, and involving our internal valuation experts to assess the reasonableness of the discount rates applied in calculating the value in use.

KEY AUDIT MATTERS (CONT'D)

Key audit matter	How our audit addressed the key audit matter
Valuation of investment properties	
<p>We identified the valuation of investment properties as a key audit matter as the determination of the fair value of investment properties is dependent on certain significant unobservable inputs that involve the management's judgments, including current market rents for similar properties in the same location and condition, and appropriate discount rates.</p> <p>All of the Group's investment properties are measured at fair value which were revalued by the directors of the Company by reference to the valuation performed by independent qualified professional valuers (the "Valuers"). Details of valuation techniques and key inputs used in the valuation are disclosed in notes 4 and 37(b) to the consolidated financial statements.</p> <p>As at 31 December 2025, the Group's investment properties carried at HK\$1,543,562,000, represented approximately 13% of the Group's total assets. As disclosed in note 6 to the consolidated financial statements, net unrealised loss on fair value changes of investment properties of HK\$197,660,000 was recognised in the consolidated income statement for the year.</p>	<p>Our procedures in relation to the valuation of investment properties with the involvement of component auditor included:</p> <ul style="list-style-type: none"> • Obtaining an understanding of the management's process and controls over the valuation of investment properties; • Evaluating the competence, capabilities and objectivity of the Valuers and verifying their qualifications; and • Assessing the appropriateness of the valuation techniques used by the Valuers; and involving our internal valuation experts to review the reasonableness of the key inputs of a selection of investment properties adopted by the management, including current market rents for similar properties in the same location and condition, and discount rates.

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

As part of an audit in accordance with HKSAAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

For the year ended 31 December 2025

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is WONG, Kuen (practising certificate number: P05742).

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong

17 March 2026

	Notes	2025 HK\$'000	2024 HK\$'000
Revenue	5	5,410,228	5,522,674
Cost of sales		(3,833,314)	(3,830,119)
		1,576,914	1,692,555
Other income, gains and losses	6	379,551	168,090
Staff costs	7	(705,668)	(655,399)
Depreciation		(83,396)	(89,206)
Amortisation of intangible assets		(2,465)	(2,506)
Other expenses	8	(916,412)	(867,980)
Finance costs	9	(266,894)	(337,184)
Share of results of joint ventures		359	148
Loss before taxation		(18,011)	(91,482)
Taxation	10	(170,436)	(35,072)
Loss for the year	11	(188,447)	(126,554)
Attributable to:			
Shareholders of the Company		(186,806)	(126,554)
Non-controlling interests of subsidiaries		(1,641)	–
		(188,447)	(126,554)
Loss per share	12		
– Basic		(1.94) cents	(1.32) cents

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2025

	2025 HK\$'000	2024 HK\$'000
Loss for the year	(188,447)	(126,554)
Other comprehensive income/(expenses)		
Item that will not be reclassified to profit or loss:		
Actuarial gain of defined benefit retirement plan	393	51
Gain on revaluation of property, plant and equipment	34,967	339
	35,360	390
Item that may be reclassified subsequently to profit or loss:		
Exchange differences arising from translation of foreign operations	279,231	(551,541)
Change in fair value of a hedging instrument designated in a cash flow hedge	(3,441)	–
	275,790	(551,541)
Other comprehensive income/(expenses) for the year	311,150	(551,151)
Total comprehensive income/(expenses) for the year	122,703	(677,705)
Attributable to:		
Shareholders of the Company	124,344	(677,705)
Non-controlling interests of subsidiaries	(1,641)	–
	122,703	(677,705)

Consolidated Statement of Financial Position

As at 31 December 2025

	Notes	2025 HK\$'000	2024 HK\$'000
Non-current assets			
Investment properties	14	1,543,562	1,581,730
Property, plant and equipment	15	2,297,907	2,098,832
Right-of-use assets	16	423,696	471,053
Intangible assets	17	3,333,653	3,419,054
Interests in joint ventures	18	11,072	6,303
Other financial assets	19	1,172,340	42,900
Loan receivable	20	–	128,700
Deferred taxation	27	47,548	75,094
		8,829,778	7,823,666
Current assets			
Other financial assets	19	–	17,242
Tax recoverable		5,525	4,044
Inventories	21	1,230,494	1,157,332
Receivables and prepayments	22	1,167,699	1,232,314
Bank balances and deposits	23	603,067	553,970
		3,006,785	2,964,902
Current liabilities			
Payables and accruals	24	(979,971)	(904,319)
Bank borrowings	25	(2,368,083)	(1,276,615)
Lease liabilities	26	(80,444)	(73,741)
Taxation		(39,467)	(58,633)
		(3,467,965)	(2,313,308)
Net current (liabilities)/assets		(461,180)	651,594
Total assets less current liabilities		8,368,598	8,475,260

Consolidated Statement of Financial Position (Cont'd)

As at 31 December 2025

	Notes	2025 HK\$'000	2024 HK\$'000
Non-current liabilities			
Other financial liabilities	19	(3,441)	–
Bank borrowings	25	(3,660,000)	(4,198,283)
Lease liabilities	26	(512,703)	(551,030)
Deferred taxation	27	(335,397)	(204,106)
Retirement benefit obligations	28	(10,973)	(10,293)
		(4,522,514)	(4,963,712)
Total net assets			
		3,846,084	3,511,548
Capital and reserves			
Share capital	29	961,107	961,107
Share premium and reserves		2,818,516	2,550,441
Equity attributable to shareholders of the Company			
Non-controlling interests of subsidiaries		66,461	–
Total equity			
		3,846,084	3,511,548

Victor T K Li

Director

17 March 2026

Kam Hing Lam

Director

Consolidated Statement of Changes in Equity

For the year ended 31 December 2025

	Attributable to shareholders of the Company										Total HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Investment at fair value through other comprehensive income reserve HK\$'000	Translation reserve HK\$'000	Asset revaluation reserve HK\$'000	Hedging reserve HK\$'000	Other reserves HK\$'000	Retained earnings HK\$'000	Sub-total HK\$'000	Attributable to non-controlling interests of subsidiaries HK\$'000	
As at 1 January 2024	961,107	3,109,546	(103,347)	(1,631,676)	59,298	–	(542,249)	2,336,574	4,189,253	–	4,189,253
Loss for the year	–	–	–	–	–	–	–	(126,554)	(126,554)	–	(126,554)
Exchange differences arising from translation of foreign operations	–	–	–	(551,541)	–	–	–	–	(551,541)	–	(551,541)
Actuarial gain of defined benefit retirement plan	–	–	–	–	–	–	–	51	51	–	51
Gain on revaluation of property, plant and equipment	–	–	–	–	339	–	–	–	339	–	339
Total comprehensive (expenses)/income for the year	–	–	–	(551,541)	339	–	–	(126,503)	(677,705)	–	(677,705)
As at 31 December 2024	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 year	–	–	–	–	–	–	–	(186,806)	(186,806)	(1,641)	(188,447)
Exchange differences arising from translation of foreign operations	–	–	–	279,231	–	–	–	–	279,231	–	279,231
Actuarial gain of defined benefit retirement plan	–	–	–	–	–	–	–	393	393	–	393
Gain on revaluation of property, plant and equipment	–	–	–	–	34,967	–	–	–	34,967	–	34,967
Change in fair value of cash flow hedge	–	–	–	–	–	(3,441)	–	–	(3,441)	–	(3,441)
Total comprehensive income/(expenses) for the year	–	–	–	279,231	34,967	(3,441)	–	(186,413)	124,344	(1,641)	122,703
Acquisition of a subsidiary	–	–	–	–	–	–	143,731	–	143,731	66,458	210,189
Capital injection by non-controlling interest of subsidiaries	–	–	–	–	–	–	–	–	–	1,644	1,644
Disposal of subsidiaries	–	–	–	–	–	–	53,650	(53,650)	–	–	–
As at 31 December 2025	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

Consolidated Statement of Cash Flows

For the year ended 31 December 2025

	2025 HK\$'000	2024 HK\$'000
Loss before taxation	(18,011)	(91,482)
Share of results of joint ventures	(359)	(148)
Finance costs	266,894	337,184
Depreciation	242,851	242,652
Net gain on financial assets at fair value through profit or loss	(658)	(5,399)
Net loss/(gain) on disposal of investment properties	214	(1,783)
Gain on disposal of intangible assets	–	(172,195)
Net loss/(gain) on disposal of property, plant and equipment	248	(28,720)
Interest income	(21,204)	(13,895)
Amortisation of intangible assets	2,465	2,506
Net unrealised loss on fair value changes of investment properties	197,660	105,598
Net impairment of property, plant and equipment	28,790	33,486
Net impairment/(reversal of impairment) of other intangible assets	27,272	(2,172)
Impairment of goodwill	147,792	–
Net impairment of trade receivables	497	5,484
Impairment of other receivables	3,753	5,000
Net (gain)/loss of lease modification adjustment	(121)	14
Gain on disposal of subsidiaries	(693,921)	–
Gain arising from sale and leaseback transactions	–	(42,133)
Write-down of inventories	96,798	29,188
Operating cash flows before working capital changes	280,960	403,185
Increase in inventories	(126,400)	(50,825)
Increase in receivables and prepayments	(31,883)	(86,895)
Increase in payables and accruals	163,188	105,284
Profits tax paid, net	(98,915)	(17,215)
Net cash from operating activities	186,950	353,534

Consolidated Statement of Cash Flows (Cont'd)

For the year ended 31 December 2025

	Note	2025 HK\$'000	2024 HK\$'000
Investing activities			
Purchases of investment properties		(82,259)	(60,647)
Purchases of property, plant and equipment		(244,984)	(196,529)
Additions to intangible assets		(2,946)	(2,941)
Proceeds from disposal of investment properties		29,184	–
Proceeds from disposal of intangible assets		5,297	197,356
Proceeds from disposal of property, plant and equipment		101,885	80,870
Proceeds from disposal of financial assets at fair value through profit or loss		17,900	–
Cash inflow arising from acquisition of a subsidiary		62,208	–
Net cash outflow arising from disposal of subsidiaries		(28,368)	–
Capital injection in a joint venture		(3,838)	–
Purchase of financial assets at fair value through other comprehensive income		(195,000)	–
Increase in loan receivable		(23,400)	(128,700)
Interest received		17,820	13,946
Net cash used in investing activities		(346,501)	(96,645)
Financing activities			
New bank borrowings raised		2,110,174	1,365,601
Repayment of bank borrowings		(1,573,508)	(1,300,000)
Repayment of lease liabilities – Principal portion		(80,209)	(72,105)
Repayment of lease liabilities – Interest portion		(27,884)	(25,602)
Capital injection by non-controlling interest of subsidiaries		1,644	–
Interest paid on bank borrowings		(237,542)	(309,869)
Net cash from/(used in) financing activities		192,675	(341,975)
Net increase/(decrease) in cash and cash equivalents		33,124	(85,086)
Cash and cash equivalents at beginning of the year		553,970	664,320
Effect of foreign exchange rate changes		15,973	(25,264)
Cash and cash equivalents at end of the year	23	603,067	553,970

Notes to the Consolidated Financial Statements

For the year ended 31 December 2025

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The addresses of its registered office and principal place of business are disclosed in the section headed "Corporate Information and Key Dates" of the Group's annual report.

The consolidated financial statements are presented in Hong Kong dollars, which is the same as the functional currency of the Company.

The Company acts as an investment holding company. Its subsidiaries are principally engaged in research and development, manufacturing, commercialisation, marketing and selling of health and agriculture-related products, as well as investment in a portfolio of vineyards, and various financial and investment products. Particulars regarding the principal subsidiaries are set out in Appendix I.

As at 31 December 2025, the Group's current liabilities exceeded its current assets by HK\$461,180,000. The Directors are of the opinion that, taking into account of the available banking facilities and internal financial resources of the Group, the Group has sufficient working capital for its present requirements within one year from the end of the reporting period. The Directors are confident that the bank borrowings can be refinanced based on the Group's healthy financial position and strength of its business prospects. Hence, the consolidated financial statements have been prepared on a going concern basis.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

In the current year, the Group has adopted, for the first time, amendments to an HKFRS Accounting Standard as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") which are effective in the current year.

The adoption of the amendments to an HKFRS Accounting Standard has no material impact on the consolidated financial statements of the Group for the current or prior accounting period.

The Group has not early applied the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective:

Amendments to HKFRS 9 and HKFRS 7	Amendment to the Classification and Measurement of Financial Instruments ²
Amendments to HKFRS 9 and HKFRS 7 Amendments to HKFRS 10 and HKAS 28	Contracts Referencing Nature-dependent Electricity ² Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11 ²
Amendments to HKAS 21 HKFRS 18	Translation to a Hyperinflationary Presentation Currency ³ Presentation and Disclosure in Financial Statements ³

¹ Effective for annual periods beginning on or after a date to be determined

² Effective for annual periods beginning on or after 1 January 2026

³ Effective for annual periods beginning on or after 1 January 2027

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS (CONT'D)

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 Presentation and Disclosure in Financial Statements ("HKFRS 18"), which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 Presentation of Financial Statements ("HKAS 1"). This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and HKFRS 7. Minor amendments to HKAS 7 Statement of Cash Flows and HKAS 33 Earnings per Share are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is not expected to have significant impact on the financial performance and position of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss.

Apart from the above, the Group is also in the process of assessing the impact of other HKFRS Accounting Standards, which are not yet effective, on the Group's consolidated financial statements. Up to the date of approval of financial statements, the Group anticipates the application of such amendments to HKFRS Accounting Standards will have no material impact on the Group.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards as issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis, except for certain properties and financial instruments, which are measured at revalued amounts or fair values, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 Share-based Payment ("HKFRS 2"), leasing transactions that are within the scope of HKFRS 16 Leases ("HKFRS 16"), and measurements that have some similarities to fair value but not fair value, such as net realisable value in HKAS 2 Inventories or value in use in HKAS 36 Impairment of Assets ("HKAS 36").

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

If the transaction price is fair value at initial recognition and a valuation technique that uses unobservable inputs will be used to measure fair value in subsequent periods, the valuation technique shall be calibrated so that at initial recognition the result of the valuation technique equals the transaction price.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

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

(a) Basis of consolidation

The consolidated financial statements of the Group incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(a) Basis of consolidation (cont'd)

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated income statement from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in existing subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries, including re-attribution of relevant reserves between the Group and the non-controlling interests according to the Group's and the non-controlling interests' proportionate interests. Any difference between the amount by which the non-controlling interests are adjusted, and the fair value of the consideration paid or received is recognised directly in equity under the heading of other reserves and attributed to the shareholders of the Company.

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary and non-controlling interests (if any) are derecognised. A gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill) and liabilities of the subsidiary attributable to the owners of the Company. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRS Accounting Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKFRS 9 Financial Instruments ("HKFRS 9") or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(b) Business combinations

A business is an integrated set of activities and assets which includes an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired processes are considered substantive if they are critical to the ability to continue producing outputs, including an organised workforce with the necessary skills, knowledge, or experience to perform the related processes or they significantly contribute to the ability to continue producing outputs and are considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing output.

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

The identifiable assets acquired and liabilities assumed must meet the definitions of an asset and a liability in the Conceptual Framework for Financial Reporting (the "Conceptual Framework") except for transactions and events within the scope of HKAS 37 Provisions, Contingent Liabilities and Contingent Assets ("HKAS 37") or HK(IFRIC)-Int 21 Levies ("HK(IFRIC)-Int 21"), in which the Group applies HKAS 37 or HK(IFRIC)-Int 21 instead of the Conceptual Framework to identify the liabilities it has assumed in a business combination. Contingent assets are not recognised.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 Income Taxes ("HKAS 12") and HKAS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or the replacement of an acquiree's share-based payment arrangements with share-based payment arrangements of the Group are measured in accordance with HKFRS 2 at the acquisition date;
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 Non-current Assets Held for Sale and Discontinued Operations ("HKFRS 5") are measured in accordance with that standard; and

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(b) Business combinations (cont'd)

- lease liabilities are recognised and measured at the present value of the remaining lease payments (as defined in HKFRS 16) as if the acquired leases were new leases at the acquisition date, except for leases for which (a) the lease term ends within 12 months of the acquisition date; or (b) the underlying asset is of low value. Right-of-use assets are recognised and measured at the same amount as the relevant lease liabilities, adjusted to reflect favourable or unfavourable terms of the lease when compared with market terms.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amounts of the identifiable assets acquired and the liabilities assumed as at the acquisition date. If, after re-assessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation are initially measured at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets or at fair value. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value.

Where the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments being made against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the measurement period (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured to fair value at subsequent reporting dates, with the corresponding gain or loss being recognised in profit or loss.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(b) Business combinations (cont'd)

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control), and the resulting gain or loss, if any, is recognised in profit or loss or other comprehensive income as appropriate. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income and measured under HKFRS 9 would be accounted for on the same basis as would be required if the Group had disposed directly of the previously held equity interest.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted retrospectively during the measurement period (see above), and additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

(c) Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

On initial recognition, investment properties, which include land, buildings and integral infrastructure, are measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at their fair values using the fair value model, adjusted to exclude any prepaid or accrued operating lease income. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use or no future economic benefits are expected from its disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the property is derecognised.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(d) Property, plant and equipment

Property, plant and equipment, other than freehold land, salt fields and construction in progress, are stated at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of items of property, plant and equipment other than freehold land, salt fields and construction in progress over their estimated useful lives, and after taking into account their estimated residual values, using the straight-line method, at the following basis:

Leasehold improvement	3 ² / ₃ % to 20%, or over the term of the lease, whichever is shorter
Buildings	2% to 10%, or over the term of the lease, whichever is shorter
Vines	Over 25 to 80 years
Laboratory instruments, plant and equipment	4% to 40%
Furniture, fixtures and other assets	6 ² / ₃ % to 70%

Freehold land is stated at cost less any subsequent accumulated impairment losses.

Salt fields carried at their revalued amounts, being the fair values at the date of revaluation less any subsequent accumulated impairment losses. The carrying amount of salt fields includes the carrying amount of the related lease liabilities where appropriate to avoid double counting. Salt fields are considered to have an indefinite useful life as the salt field operation is carried out on freehold lands or on leasehold lands, of which the leases may be renewed by the Group indefinitely.

The Group performs revaluations of the properties with sufficient regularity such that the carrying amount does not differ materially from that which would be determined using fair values at the reporting date. Any revaluation increase arising from the revaluation of salt fields is recognised in other comprehensive income and accumulated in the asset revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss, in which case the increase is credited to the profit or loss to the extent of the decrease previously charged. A decrease in net carrying amount arising from the revaluation of an asset is recognised in profit or loss to the extent that it exceeds the balance, if any, on the asset revaluation reserve relating to a previous revaluation of that asset. On the subsequent sale or retirement of a revalued asset, the attributable revaluation surplus is transferred to retained earnings.

Construction in progress includes property, plant and equipment in the course of construction for production or for its own use purposes. Construction in progress is carried at cost less any recognised impairment loss. Construction in progress is classified to the appropriate category of property, plant and equipment when completed and ready for intended use.

No depreciation is provided on freehold land, salt fields and construction in progress.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(d) *Property, plant and equipment (cont'd)*

If a property becomes an investment property because its use has changed as evidenced by end of owner-occupation, any difference between the carrying amount and the fair value of that item (including the relevant leasehold land classified as right-of-use assets) at the date of transfer is recognised in other comprehensive income and accumulated in asset revaluation reserve. On the subsequent sale or retirement of the property, the relevant revaluation reserve will be transferred directly to retained earnings.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising from the derecognition of the asset (calculated as the difference between the net disposal proceeds and carrying value of the item) is included in the profit or loss in the period in which the item is derecognised.

(e) *Intangible assets*

i. **Development costs**

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development activities is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Capitalised development costs are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation of development costs shall begin when the asset is available for use and will be charged to profit or loss on a straight-line basis over the estimated useful lives of the underlying products.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(e) *Intangible assets (cont'd)*

ii. **Patents**

On initial recognition, patents acquired separately and from business combinations are recognised at cost and at fair value respectively. After initial recognition, patents are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is provided on a straight-line basis over the estimated useful lives of the relevant products of 10 years.

iii. **Goodwill**

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or group of cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment annually or more frequently whenever there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit (or group of cash-generating units) is less than its carrying amount of the unit, the carrying amount of the cash-generating unit (or group of cash-generating units) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. The impairment loss is allocated first to reduce the carrying amount of any goodwill, and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit (or the group of cash-generating units). Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On subsequent disposal of the relevant cash-generating unit (or any of the cash-generating unit within group of cash-generating units in which the Group monitors goodwill), the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal.

iv. **Brand name and trademarks**

On initial recognition, brand name and trademarks acquired from business combinations are recognised at fair value at the acquisition date.

Brand name and trademarks are recognised at cost less any accumulated impairment losses. The cost is not amortised as the brand name and trademarks have indefinite useful life.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(e) Intangible assets (cont'd)

v. Water rights

Water rights provide the owner with right to use water for irrigation as long as the rights are held. Water rights that are able to be legally separated from properties and are able to be traded are recognised separately.

Water rights are recognised at cost less any accumulated impairment losses. The cost is not amortised as the water licences have indefinite useful lives.

Due to the water rights being used for the provision of permanent planting of crops (vines), these water rights are held to support the vines and not for regular trading purposes.

vi. Other intangible assets (including customer relationships and computer software)

On initial recognition, other intangible assets acquired from business combinations are recognised separately from goodwill and are initially recognised at fair value at the acquisition date. After initial recognition, other intangible assets are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is recognised on a straight-line basis over the estimated useful lives of the assets of 2 to 10 years.

vii. Impairment of intangible assets with indefinite useful lives

Brand name and trademarks and water rights with indefinite useful lives are not amortised but are tested for impairment annually, and whenever there is an indication that they may be impaired, by comparing their carrying amounts with their recoverable amounts. An impairment loss is recognised immediately for the amount by which the asset's carrying amount exceeds its recoverable amount. When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

viii. Derecognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(f) Impairment

At the end of the reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use assets and intangible assets (other than goodwill, development costs and intangible assets with indefinite useful lives) to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any). Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that they may be impaired.

The recoverable amount of property, plant and equipment, right-of-use assets and intangible assets is estimated individually. When it is not possible to estimate the recoverable amount of an asset individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. In addition, the Group assesses whether there is indication that corporate assets may be impaired. If such indication exists, corporate assets are also allocated to individual cash-generating units, when a reasonable and consistent basis of allocation can be identified, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset/cash-generating unit for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset/a cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset/cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount under another standard, in which case the impairment loss is treated as revaluation decrease under that standard.

Where an impairment loss subsequently reverses, the carrying amount of an asset/a cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset/cash-generating unit in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount under other standards, in which case the reversal of the impairment loss is treated as a revaluation increase under that standard.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(g) *Investments in an associate and a joint venture*

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates and joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is or the portion so classified is accounted for in accordance with HKFRS 5. Any retained portion of an investment in an associate or a joint venture that has not been classified as held for sale shall be accounted for using the equity method until disposal of the portion that is classified as held for sale takes place. If the Group has lost significant influence/joint control over the associates/joint ventures after the disposal takes place, the Group accounts for any retained interest in the associates/joint ventures in accordance with HKFRS 9. If the Group has retained significant influence/joint control over the associates/joint ventures after the disposal takes place, the Group continues to account for the remaining interest using equity method. The financial statements of associates and joint ventures used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, investments in associates or joint ventures are initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associates or joint ventures. Changes in net assets of the associates or joint ventures other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of investment over the Group's share of the net fair value of the identifiable assets and liabilities of an associate or a joint venture recognised at the date of acquisition is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(g) *Investments in an associate and a joint venture (cont'd)*

The Group assesses whether there is objective evidence that the investment in an associate or a joint venture may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment (or a portion thereof) is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset in accordance with HKFRS 9, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of the relevant interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) upon disposal/partial disposal of the relevant associate or joint venture.

When a group entity transacts with an associate or a joint venture of the Group (such as a sale or contribution of assets), profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

Changes in the Group's interests in associates and joint ventures

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportionate share of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When the Group increases its ownership interest in an associate or a joint venture but the Group continues to use the equity method, goodwill is recognised at acquisition date if there is excess of the consideration paid over the share of carrying amount of net assets attributable to the additional interests in associates or joint ventures acquired. Any excess of share of carrying amount of net assets attributable to the additional interests in associates or joint ventures acquired over the consideration paid are recognised in the profit or loss in the period in which the additional interest are acquired.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(h) Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15 Revenue from contracts with customers ("HKFRS 15"). Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

i. Classification of financial assets

Debt instruments

HKFRS 9 has three financial asset classification categories for investments in debt instruments:

- amortised cost;
- fair value through other comprehensive income ("FVTOCI"); and
- fair value through profit or loss ("FVTPL").

Classification is driven by the entity's business model for managing the debt instrument and the debt instrument's contractual cash flow characteristics.

The Group classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model with the objective of collecting the contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(h) Financial instruments (cont'd)

i. Classification of financial assets (cont'd)

Debt instruments (cont'd)

The Group classifies its financial assets as FVTOCI only if both of the following criteria are met:

- the objective of the Group's business model is to hold the asset to collect the contractual cash flows and to sell financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

Financial assets that do not meet the criteria for amortised cost or FVTOCI or designated at FVTOCI are measured at FVTPL.

Loan receivable, trade and other receivables, bank balances and deposits of the Group are classified as at amortised cost.

Equity investments

Investment in equity instruments are always measured at fair value. Equity instruments that are held for trading or not designated as measured at FVTOCI are measured at FVTPL.

The Group has made an irrevocable election at initial recognition to designate certain investments in equity instruments which are not held for trading to be measured at FVTOCI.

ii. Measurement of financial assets

Financial assets measured at amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a financial asset that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in consolidated income statement when the asset is derecognised or impaired. Interest income from these financial assets is recognised in profit or loss as other income, gains and losses using the effective interest method.

Equity investments classified as FVTOCI

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Equity investments that are elected by the Group's management to be classified as FVTOCI do not report impairment losses (and reversal of impairment losses) separately from other changes in fair value. Dividends from such investments continue to be recognised in profit or loss when the Group's right to receive payments is established.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(h) Financial instruments (cont'd)

ii. Measurement of financial assets (cont'd)

Financial assets at FVTPL

Changes in the fair value of financial assets at FVTPL are recognised in profit or loss as other income, gains and losses as applicable.

Dividend income is recognised when the right to receive payment is certain.

iii. Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables related to sales of goods and operating leases only, the Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9. Management considers trade receivables do not contain a significant financing component. Thus, the impairment provision recognised during the year was equal to the lifetime expected losses.

For all other financial assets measured at amortised cost that are considered to be of low credit risk (i.e. has a lower risk of default), it is assumed that no significant increase in credit risk has occurred since initial recognition. Thus, the impairment provision recognised during the year was limited to 12-month expected losses.

When there is information (developed internally or obtained from external sources) indicating that a debtor is unlikely to pay its creditors, including the Group, in full, the Group may consider the related receivables are generally not recoverable and constitute as a default.

A financial asset is regarded as credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the counterparty; or
- it is becoming probable that the counterparty will enter bankruptcy or other financial reorganisation.

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(h) Financial instruments (cont'd)

iii. Impairment of financial assets (cont'd)

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of expected credit losses reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the expected credit losses is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition. For a lease receivable, the cash flows used for determining the expected credit losses is consistent with the cash flows used in measuring the lease receivable in accordance with HKFRS 16.

iv. Classification and measurement of financial liabilities

Financial liabilities including bank borrowings and payables are measured at amortised cost using the effective interest method. Interest expense is recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

v. Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the consideration received and receivable is recognised in profit or loss. In contrast, on derecognition of an equity investment which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gains and losses recognised in other comprehensive income are transferred to retained earnings.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(h) Financial instruments (cont'd)

vi. Derivative financial instruments and hedging activities

Derivative financial instruments are utilised by the Group in the management of its interest rate exposures. Derivative financial instruments are recognised at fair value. At the end of each reporting period the fair value is remeasured. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss, except where the derivatives qualify for cash flow hedge accounting, in which case recognition of any resultant gain or loss depends on the nature of the item being hedged.

For the purpose of hedge accounting, hedges are classified as Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. At the inception of a hedging, the Group documents the economic relationship between hedging instruments and hedged items, including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking its hedge transactions.

The fair values of derivative financial instruments designated in hedge relationships are disclosed in note 37. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

Hedges that meet all the qualifying criteria for hedge accounting are accounted for, as described below:

Cash flow hedges

Where a derivative financial instrument is designated as a hedging instrument in a cash flow hedge, the effective portion of any gain or loss on the derivative financial instrument is recognised in other comprehensive income and accumulated separately in equity in the hedging reserve. The ineffective portion of any gain or loss is recognised immediately in profit or loss.

The amount accumulated in the hedging reserve is reclassified from equity to profit or loss in the same period or periods during which the hedged cash flows affect profit or loss (such as when a forecast sale occurs or interest expense is recognised).

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(h) Financial instruments (cont'd)

vi. Derivative financial instruments and hedging activities (cont'd)

Cash flow hedges (cont'd)

If a hedge no longer meets the criteria for hedge accounting (including when the hedging instrument expires or is sold, terminated or exercised), then hedge accounting is discontinued prospectively. When hedge accounting is discontinued, but the hedged forecast transaction is still expected to occur, the amount that has been accumulated in the hedging reserve remains in equity until the transaction occurs and it is recognised in accordance with the above policy. If the hedged transaction is no longer expected to take place, the amount that has been accumulated in the hedging reserve is reclassified from equity to profit or loss immediately.

(i) Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined using the weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Costs necessary to make the sale include incremental costs directly attributable to the sale and non-incremental costs which the Group must incur to make the sale.

(j) Revenue from contracts with customers

Revenue from the sale of goods is recognised when (or as) a performance obligation is satisfied, i.e. when "control" of the goods underlying the particular performance obligation is transferred to the customer, generally upon delivery of the goods. Revenue is recognised for sales with variable consideration which are considered highly probable that a significant reversal of the cumulative revenue recognised will not occur.

When the Group receives a deposit before the satisfaction of a performance obligation of the sales, this will give rise to contract liabilities at the start of a contract, until the revenue recognised on the relevant contract exceeds the amount of the deposit. Payments received in advance that are related to sales of goods not yet delivered are deferred and recognised as contract liabilities under "Payables and accruals" in the consolidated statement of financial position. Revenue is recognised at a point in time when goods are delivered to customers. All contracts of sales of goods have an original expected duration within one year. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(k) Leases

The Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception of the contract. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as lessee

Short-term leases and leases of low value assets

The Group applies the short-term lease recognition exemption to leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low value assets. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis or another systematic basis over the lease term.

Right-of-use assets

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Depreciation is recognised on a straight-line basis over the shorter of the asset's estimated useful life and the lease term.

The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(k) Leases (cont'd)

The Group as lessee (cont'd)

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise the option; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising an option to terminate the lease.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment;
- the lease payments change due to changes in index or rate in which case the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate; and
- a lease contract is modified and the lease modification is not accounted for as a separate lease (see below for the accounting policy for "lease modifications").

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(k) Leases (cont'd)

The Group as lessee (cont'd)

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset. When the modified contract contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the modified contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group as lessor

Lease agreements entered into with lessees over vineyard properties and wineries are considered to be operating leases given that the Group retains substantially all the risks and benefits of ownership of the leased assets.

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Under certain circumstances, incentives such as rent-free periods may be offered to tenants. Such an incentive is amortised over the term of the lease as a reduction in rental income on a straight-line basis.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(k) Leases (cont'd)

Sale and leaseback transaction

The Group applies the requirements of HKFRS 15 to assess whether sale and leaseback transaction constitutes a sale by the Group.

The Group as a seller-lessee

For a transfer that satisfies the requirements as a sale, the Group as a seller-lessee measures the right-of-use asset arising from the leaseback at the proportion of the previous carrying amount of the asset that relates to the right of use retained by the seller-lessee, and recognises any gain or loss that relates to the rights transferred to the buyer-lessor only. Right-of use asset and lease liability with fixed payments are subsequently measured in accordance with the general requirements under HKFRS 16. In measuring the lease liability, the Group determines "lease payments" or "revised lease payments" (including both lease payments that are fixed or variable) in a way that the Group would not recognise any amount of the gain or loss that relates to the right-of-use assets retained by the Group.

If the fair value of the consideration for the sale does not equal the fair value of the asset, or if the payments for the lease are not at market rates, the Group makes the following adjustments to measure the sale proceeds at fair value:

- any below-market terms is accounted for as a prepayment of lease payments; and
- any above-market terms is accounted for as additional financing provided by the buyer-lessor to the seller-lessee.

(l) Employee Retirement Benefits

The Group operates defined contribution and defined benefit retirement plans for its employees.

Payments to defined contribution retirement benefit plans and the Mandatory Provident Fund Scheme are charged as expense when employees have rendered service entitling them to the contributions.

The cost of providing retirement benefits under the Group's defined benefit retirement plan is determined using the projected unit credit method, with actuarial valuations being carried out annually.

Remeasurement, comprising actuarial gains and losses, is reflected immediately in the consolidated statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit obligation. The liability recognised in the consolidated statement of financial position in respect of defined benefit retirement plan is the present value of the defined benefit obligation at the end of the reporting period. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates determined by reference to market yields at the end of the reporting period based on government securities that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

Past and current service costs are charged to the consolidated income statement within staff costs.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(m) Foreign currencies

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong dollar, which is the Company's functional and presentation currency.

Transactions in foreign currencies are translated at the prevailing rates on the dates of the transactions. At the end of the reporting period, monetary assets and liabilities denominated in foreign currencies are retranslated at the prevailing rates at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on that date when the fair value was determined. When a fair value gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is also recognised in profit or loss. When a fair value gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is also recognised in other comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on loss of the Group's control over the foreign operation.

On consolidation, assets and liabilities of the Group's operations with a functional currency that is different from the presentation currency are translated into the presentation currency at the prevailing rates at the end of the reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during the period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation or a disposal involving loss of joint control over a joint venture that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the shareholders of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated exchange differences is reattributed to non-controlling interests and is not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of joint arrangements that do not result in the Group losing joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(m) Foreign currencies (cont'd)

Goodwill and fair value adjustments on identifiable assets acquired arising from the acquisition of a foreign operation on or after 1 January 2005 are treated as assets and liabilities of the foreign operation and retranslated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in the translation reserve.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation before 1 January 2005 are treated as non-monetary foreign currency items of the acquirer and reported using the historical cost prevailing at the date of acquisition.

(n) Taxation

Income tax expense represents the sum of current and deferred income tax expense.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before taxation as reported in the consolidated income statement because it excludes items of income and expense that are taxable or deductible in other years and it further excludes items of income and expense that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and interest in an associate and interest in a joint venture, except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

(n) Taxation (cont'd)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Current or deferred tax for the year is recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

In assessing any uncertainty over income tax treatments, the Group considers whether it is probable that the relevant tax authority will accept the uncertain tax treatment used, or proposed to be used by individual group entities in their income tax filings. If it is probable, the current and deferred taxes are determined consistently with the tax treatment in the income tax filings. If it is not probable that the relevant taxation authority will accept an uncertain tax treatment, the effect of each uncertainty is reflected by using either the most likely amount or the expected value.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the process of applying the Group's accounting policies described in note 3, the management has made judgement, estimates and assumptions concerning the future. The estimates and assumptions that have a significant impact on changes in value of the carrying amounts of significant assets and liabilities include investment properties, property, plant and equipment, goodwill, development costs, other financial assets, right-of-use assets, lease liabilities and deferred taxation.

Key sources of estimation uncertainty

The Group's investment properties, salt fields and other financial assets are stated at fair values by reference to valuations performed by independent professional valuers and internal valuation. These valuations were based on valuation techniques involving certain estimations and assumptions. Any changes to these estimations and assumptions would result in changes in the fair values of these assets and corresponding adjustments to the Group's profit or loss, investment at fair value through other comprehensive income reserve and asset revaluation reserve.

The Group's management determines the estimated useful lives and related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions and the practice in similar industry. Management will increase or decrease the depreciation charge where updated estimated useful lives of the property, plant and equipment are less or more than the previously estimated useful lives. Actual economic lives may differ from estimated useful lives. Periodic review could result in a change in depreciable lives and therefore depreciation expenses in the future periods.

Determining whether property, plant and equipment, right-of-use assets and goodwill have been impaired requires an estimation of the value in use of the assets or the cash-generating units to which the assets belong. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the assets or the cash-generating units and a suitable discount rate by referencing to market comparables in order to calculate the present value. Where the actual future cash flows are less than the expected future cash flows, impairment losses may arise.

Determining whether capitalised development cost is impaired requires an estimation of the recoverable amount through future commercial activity which requires the Group to estimate the future cash flows expected to arise from the developed products. Impairment losses may arise when actual cash flows are less than expected.

Details of the impairment test on goodwill and capitalised development costs are set out in note 17.

The Group applies judgment to determine the lease term for lease contracts in which it is a lessee that include renewal option. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable. Leases are considered no longer enforceable when the Group as the lessee and the relevant lessors both have the right to terminate the lease without permission from the other party with no more than an insignificant contractual penalty.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

Key sources of estimation uncertainty (cont'd)

Determining whether the Group is reasonably certain to exercise renewal options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognised. Re-assessment is performed upon the occurrence of either a significant event or a significant change in circumstances that is within the control of the lessee and that affects the assessment. When assessing reasonable certainty, the Group considers all relevant facts and circumstances including economic incentives/penalties for exercising or not exercising the options.

As at 31 December 2025, a deferred tax asset of HK\$47,548,000 (2024: HK\$75,094,000) has been recognised in the Group's consolidated statement of financial position. The realisability of the deferred tax asset mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future. In case where the actual future profits generated are less than expected, a material reversal of deferred tax assets may arise, which would be recognised in the profit or loss for the period in which such a reversal takes place.

Fair value measurements and valuation processes

The best evidence of fair value is current prices in an active market for properties in the same location and condition and subject to similar lease and other contracts. In the absence of such information, the Group considers information from a variety of sources, including (i) by reference to independent valuations; (ii) current prices in an active market for properties of a different nature, condition and location (or subject to different leases or other contracts), adjusted to reflect those differences; (iii) recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the dates of transactions that occurred at those prices; and (iv) discounted cash flow projections, based on reliable estimates of future cash flows, derived from the terms of any existing leases and other contracts, and (where possible) from external evidence such as current market rates for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of cash flows.

The principal assumptions for the Group's estimation of fair value of investment properties include those related to current market rents for similar properties in the same location and condition and appropriate discount rates.

In estimating the fair value of the properties, the highest and best use of the properties is generally their current use. Details of information about the valuation techniques, inputs and key assumptions used in the determination of the fair value of various assets are disclosed in note 37.

As at 31 December 2025, certain of the Group's other financial assets amounting to HK\$967,723,000 (2024: HK\$42,900,000) are measured at fair value with fair value being determined based on significant unobservable inputs using valuation techniques. Judgement and estimation are required in establishing the relevant valuation techniques and the relevant inputs thereof. Changes in assumptions relating to these factors could result in material adjustments to the fair value of these financial assets. See note 37(a) for further disclosures.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

Critical judgement in applying accounting policies

Control over Pharmagesic (Holdings) Inc. and its subsidiaries

On 7 October 2024, the Group entered into a share exchange agreement with Dogwood Therapeutics, Inc. ("Dogwood") (formerly known as Virios Therapeutics, Inc.), a Delaware corporation listed on the Nasdaq Stock Exchange, pursuant to which 100% equity interest in Pharmagesic (Holdings) Inc. ("Pharmagesic"), an indirect wholly-owned subsidiary of the Group, was exchanged for the 211,383 shares of common stock and 2,108,385 shares of non-voting convertible preferred stock of Dogwood (the "Share Exchange Agreement") (the "Share Exchange"). Pharmagesic owns 100% equity interest in Wex Pharmaceuticals, Inc. ("Wex"), which is principally engaged in research, development, manufacturing and commercialisation of innovative drug products to treat pain. Pharmagesic and Wex are collectively referred to as the "Wex Group". Upon the conversion of the Dogwood preferred stocks held by the Group, the Group would hold approximately 90.7% of the outstanding shares of common stock of Dogwood and would become the controlling shareholder of Dogwood thereafter (the "Conversion"). The Share Exchange and the Conversion are collectively referred to as the "Dogwood Transaction".

According to the Share Exchange Agreement, the conversion of the Dogwood preferred stock is subject to Dogwood's stockholders approval at the stockholders' meeting of Dogwood and satisfaction of the relevant requirements under the Nasdaq listing rules. To ensure the Group's control over the Wex Group in case the conversion of the Dogwood preferred stocks does not occur, the Group also has repurchase rights to substantial assets of the Wex Group under various scenarios including but not limited to the failure of obtaining Dogwood's stockholders approval for the conversion of the Dogwood preferred stock in exchange for the aggregate cash settlement amount that the Group is then entitled to receive upon a conversion of Dogwood preferred stocks.

In connection with the Dogwood Transaction, the Group entered into a loan agreement with Dogwood on the same date ("Loan Agreement"). The provision of loan to Dogwood is to be used primarily for the purpose of funding the research and development in Wex. Details of the loan receivable are set out in note 20. According to the Loan Agreement, a loan monitoring committee which consists of two representatives from the Group and one representative from Dogwood is established to oversee the compliance with the use of funds.

As at 31 December 2024, the Group held approximately 15.9% equity interest in the Wex Group indirectly through holding the Dogwood common stock. In assessing the Company's control over the Wex Group, the directors of the Company considered the Company's ongoing ability to direct the relevant activities of the Wex Group through the loan monitoring committee and considered the substance of the Dogwood Transaction in its entirety was not yet completed and concluded that the Group still maintains its control over the Wex Group. Hence, the Wex Group remains accounted for as wholly-owned subsidiaries of the Group and the Group continues consolidating the financial performance as well as financial position of the Wex Group for the year ended 31 December 2024. On the other hand, since the Dogwood Transaction was not yet completed as at 31 December 2024, the Dogwood common stock and preferred stock held by the Group would not be accounted for until the Group becomes the controlling shareholder of Dogwood once the Dogwood Transaction is completed.

Details of the Dogwood Transaction and Loan Agreement were disclosed in the Company's announcement dated 7 October 2024.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

Critical judgement in applying accounting policies (cont'd)

Control over Pharmagesic (Holdings) Inc. and its subsidiaries (cont'd)

On 21 November 2025, following the approval obtained from Dogwood's stockholders at the stockholders' meeting and satisfaction of the relevant requirements under the Nasdaq listing rules, the Group completed the conversion of its Dogwood preferred stock to common stock. Upon conversion, the Group held 24,664,971 shares of Dogwood common stock, representing approximately 83.0% equity interest on such date and hence became the controlling shareholder of Dogwood. Accordingly, as the Group has continued to consolidate the Wex Group before and after the Dogwood Transaction, the Group further consolidates Dogwood's remaining businesses, including its other drug development programmes ("Dogwood Ex-Wex Group") commencing on 21 November 2025. Details of the acquisition of a subsidiary is set out in note 34.

5. REVENUE

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:

	2025 HK\$'000	2024 HK\$'000
Sales of goods:		
Agriculture-related	1,886,708	1,906,977
Nutraceutical	3,371,935	3,451,588
Revenue from contracts with customers	5,258,643	5,358,565
Rental income (included in agriculture-related segment)	150,175	162,768
Investment income	1,410	1,341
	5,410,228	5,522,674

Rental income represents the operating lease income with fixed lease payments.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

6. OTHER INCOME, GAINS AND LOSSES

	2025 HK\$'000	2024 HK\$'000
Included in other income, gains and losses are:		
Interest income from bank deposits	17,647	13,530
Other interest income	3,557	365
Exchange gain/(loss)	1,289	(4,200)
Net unrealised loss on fair value changes of investment properties	(197,660)	(105,598)
Net impairment of property, plant and equipment	(28,790)	(33,486)
Net (impairment)/reversal of impairment of other intangible assets	(27,272)	2,172
Impairment of goodwill	(147,792)	–
Net impairment of trade receivables	(497)	(5,484)
Impairment of other receivables	(3,753)	(5,000)
Net (loss)/gain on disposal of investment properties	(214)	1,783
Gain on disposal of intangible assets	–	172,195
Net (loss)/gain on disposal of property, plant and equipment	(248)	28,720
Gain on disposal of subsidiaries	693,921	–
Gain arising from sale and leaseback transactions	–	42,133
Net gain on financial assets at fair value through profit or loss	658	5,399

7. STAFF COSTS

Staff costs which include salaries, bonuses, retirement benefit scheme contributions and recruitment costs for the year amounted to HK\$1,238.4 million (2024: HK\$1,237.6 million) of which HK\$532.7 million (2024: HK\$582.2 million) relating to direct labor costs were included in cost of sales.

8. OTHER EXPENSES

	2025 HK\$'000	2024 HK\$'000
Included in other expenses are:		
Auditor's remuneration	22,495	21,761
Clinical trial and laboratory expenses	194,416	160,811
Freight and delivery expenses	323,937	326,821
Information technology expenses	55,974	42,174
Insurance expenses	31,054	26,809
Professional, legal and consultancy expenses	58,226	66,575
Selling, promotion, advertising and related expenses	73,618	80,020

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

9. FINANCE COSTS

	2025 HK\$'000	2024 HK\$'000
Interest on:		
Bank borrowings	239,050	310,318
Lease liabilities	27,844	26,866
	266,894	337,184

10. TAXATION

	2025 HK\$'000	2024 HK\$'000
The tax expenses for the year represent:		
Current tax		
Hong Kong	–	–
Other jurisdictions	78,691	68,840
Over provision in prior years		
Hong Kong	–	–
Other jurisdictions	(3,136)	(4,374)
Deferred tax (Note 27)		
Hong Kong	–	–
Other jurisdictions	94,881	(29,394)
	170,436	35,072

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.

The Group is operating in certain jurisdictions where the Pillar Two Rules are enacted but not effective. However, as the Group's consolidated annual revenue is less than EUR750 million in at least two of the four fiscal years preceding the tested year, the management of the Group considered the Group is not liable to top-up tax under the Pillar Two Rules.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

10. TAXATION (CONT'D)

The tax expenses for the year can be reconciled to the loss before taxation as follows:

	2025 HK\$'000	2024 HK\$'000
Loss before taxation	(18,011)	(91,482)
Notional tax at tax rate of 16.5%	(2,972)	(15,095)
Tax effect of share of results of joint ventures	59	24
Tax effect of non-deductible expenses	90,612	92,163
Tax effect of non-taxable income	(29,135)	(62,774)
Tax effect of tax losses not recognised	65,411	35,886
Over provision in prior years	(3,136)	(4,374)
Effect of different tax rates of subsidiaries operating in other jurisdictions	49,241	17,091
Recognition of previously unrecognised tax losses	(7,398)	(17,917)
Others	7,754	(9,932)
Tax expenses	170,436	35,072

11. LOSS FOR THE YEAR

	2025 HK\$'000	2024 HK\$'000
Loss for the year has been arrived at after charging:		
Depreciation of:		
Property, plant and equipment		
– Owned assets	160,060	163,966
– Right-of-use assets		
– Land and buildings	69,852	65,935
– Machinery and equipment	8,577	8,189
– Furniture, fixtures and other assets	4,362	4,562
	242,851	242,652
Amounts included in production overheads	(159,455)	(153,446)
	83,396	89,206
Write-down of inventories (included in cost of sales)	96,798	29,188
and after crediting:		
Rental income from investment properties (included in revenue)	150,175	162,768
Dividend income from listed securities mandatorily measured at fair value through profit or loss (included in revenue)	1,410	1,341

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

12. LOSS PER SHARE

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

	2025 HK\$'000	2024 HK\$'000
Loss for the year attributable to shareholders of the Company		
Loss for calculating basic loss per share	(186,806)	(126,554)
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 years ended 31 December 2025 and 31 December 2024 were presented as there were no potential ordinary shares in issue.

13. DIVIDENDS

The Board of Directors has not recommended a final dividend for the year ended 31 December 2025 (2024: Nil).

14. INVESTMENT PROPERTIES

	2025 HK\$'000	2024 HK\$'000
Overseas freehold investment properties, at valuation		
As at 1 January	1,581,730	1,827,660
Additions	82,259	60,647
Disposals	(10,268)	(17,348)
Net decrease in fair value recognised in profit or loss	(197,660)	(105,598)
Exchange differences	87,501	(183,631)
As at 31 December	1,543,562	1,581,730

Details of the valuation processes and valuation techniques of investment properties are disclosed in notes 4 and 37(b).

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

15. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings HK\$'000	Vines HK\$'000	Salt fields HK\$'000	Construction in progress HK\$'000	Laboratory instruments, plant and equipment HK\$'000	Furniture, fixtures and other assets HK\$'000	Leasehold improvement HK\$'000	Total HK\$'000
Cost or valuation								
As at 1 January 2024	651,347	643,357	519,254	188,381	1,393,140	202,479	301,879	3,899,837
Additions	259	507	1,658	185,286	3,468	7,009	-	198,187
Reclassification	9,447	-	221	(134,434)	86,396	8,575	29,795	-
Disposals/write-off	(102,717)	(5,301)	(61)	-	(72,386)	(18,411)	(86)	(198,962)
Revaluation	-	-	471	-	-	-	-	471
Exchange difference	(45,604)	(62,535)	(49,595)	(18,937)	(92,533)	(6,208)	(6,590)	(282,002)
As at 31 December 2024	512,732	576,028	471,948	220,296	1,318,085	193,444	324,998	3,617,531
Additions	-	10,261	4,465	227,941	2,978	3,802	2	249,449
Reclassification	96,007	-	831	(300,765)	195,588	2,367	5,972	-
Disposals/write-off	(99)	(36,414)	-	-	(2,309)	(1,859)	-	(40,681)
Disposal of subsidiaries	-	-	-	-	(17,281)	(722)	(134)	(18,137)
Revaluation	-	-	49,912	-	-	-	-	49,912
Exchange difference	20,619	32,250	26,116	12,535	50,502	2,444	4,433	148,899
As at 31 December 2025	629,259	582,125	553,272	160,007	1,547,563	199,476	335,271	4,006,973
Comprising:								
Cost	629,259	582,125	-	160,007	1,547,563	199,476	335,271	3,453,701
Valuation	-	-	553,272	-	-	-	-	553,272
	629,259	582,125	553,272	160,007	1,547,563	199,476	335,271	4,006,973
Depreciation and impairment								
As at 1 January 2024	148,462	314,993	-	-	763,635	150,871	148,749	1,526,710
Provided for the year	15,080	18,481	-	-	97,058	16,675	16,672	163,966
Impairment loss	-	33,486	-	-	-	-	-	33,486
Eliminated upon disposals/write-off	(19,653)	(4,206)	-	-	(69,316)	(17,332)	(27)	(110,534)
Exchange difference	(8,163)	(31,288)	-	-	(47,743)	(4,273)	(3,462)	(94,929)
As at 31 December 2024	135,726	331,466	-	-	743,634	145,941	161,932	1,518,699
Provided for the year	15,240	16,854	-	-	97,619	15,041	15,306	160,060
Impairment loss	-	28,790	-	-	-	-	-	28,790
Eliminated upon disposals/write-off	-	(36,414)	-	-	(1,782)	(1,717)	-	(39,913)
Disposal of subsidiaries	-	-	-	-	(13,312)	(722)	(134)	(14,168)
Exchange difference	3,517	19,226	-	-	29,029	1,453	2,373	55,598
As at 31 December 2025	154,483	359,922	-	-	855,188	159,996	179,477	1,709,066
Carrying values								
As at 31 December 2025	474,776	222,203	553,272	160,007	692,375	39,480	155,794	2,297,907
As at 31 December 2024	377,006	244,562	471,948	220,296	574,451	47,503	163,066	2,098,832

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

15. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The carrying value of properties shown above comprises:

	2025 HK\$'000	2024 HK\$'000
Land and building:		
Hong Kong	54,758	57,305
Overseas	420,018	319,701
	474,776	377,006

Details of the valuation processes and valuation techniques of salt fields are disclosed in notes 4 and 37(b).

During the year ended 31 December 2025, the management conducted reviews on the recoverable amounts of property, plant and equipment. As a result, impairment losses of HK\$28,790,000 (2024: HK\$33,486,000) have been recognised in profit or loss to reduce the carrying amounts of vines to their recoverable amounts.

16. RIGHT-OF-USE ASSETS

	2025 HK\$'000	2024 HK\$'000
Land and buildings	400,041	440,895
Machinery and equipment	15,655	19,099
Furniture, fixtures and other assets	8,000	11,059
	423,696	471,053

The Group obtains right to control the use of various offices, plant sites, machinery, equipment and motor vehicles for a period of time through lease arrangements. Lease arrangements are negotiated on an individual basis and contain a wide range of different terms and conditions including lease payments and remaining lease terms ranging from 1 month to 22 years. The lease arrangements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. The leased assets may not be used as security for borrowing purposes.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

16. RIGHT-OF-USE ASSETS (CONT'D)

Additions to the right-of-use assets including adjustments made thereto resulting from a reassessment of the corresponding lease liabilities and extension of leases during the year ended 31 December 2025 totalled HK\$21,080,000 (2024: HK\$193,048,000). Included in the addition that arising from sale and leaseback transactions during the year ended 31 December 2024 amounted to HK\$61,155,000.

During the year ended 31 December 2025, total cash outflow for leases of HK\$108,093,000 (2024: HK\$97,707,000) was included in net cash used in financing activities.

During the year ended 31 December 2025, the expenses relating to short-term leases and low value assets leases amounted to HK\$5,406,000 (2024: HK\$4,728,000) and HK\$136,000 (2024: HK\$197,000), respectively. The total cash outflow for short-term leases and low value assets leases was included in net cash from operating activities.

In addition, the Group regularly entered into short-term leases for offices, equipment and motor vehicles. As at 31 December 2025 and 2024, the portfolio of short-term leases is similar to the portfolio of short-term leases to which the short-term lease expenses disclosed above.

As at 31 December 2024, the Group has entered into a new lease for office that has not yet commenced, with a non-cancellable period of 1 year excluding extension option, the total future undiscounted cash flows over the non-cancellable period amounted to approximately HK\$709,000.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

17. INTANGIBLE ASSETS

	Development costs HK\$'000	Patents HK\$'000	Goodwill HK\$'000	Brand name and trademarks HK\$'000	Customer relationships HK\$'000	Water rights HK\$'000	Other intangible assets HK\$'000	Total HK\$'000
Cost								
As at 1 January 2024	417,970	133	2,779,648	122,254	365,736	248,069	27,807	3,961,617
Additions	-	-	-	-	-	-	2,941	2,941
Disposals/write-off	-	-	-	-	-	(30,458)	-	(30,458)
Exchange difference	(17,761)	(12)	(75,433)	(11,403)	(16,182)	(20,866)	(2,636)	(144,293)
As at 31 December 2024	400,209	121	2,704,215	110,851	349,554	196,745	28,112	3,789,807
Additions	-	-	-	-	-	-	2,946	2,946
Acquisition of a subsidiary	190,148	-	38,302	-	-	-	-	228,450
Disposal of subsidiaries	(215,764)	-	-	-	-	-	-	(215,764)
Exchange difference	8,881	9	47,838	5,715	10,913	13,792	(863)	86,285
As at 31 December 2025	383,474	130	2,790,355	116,566	360,467	210,537	30,195	3,891,724
Amortisation and impairment								
As at 1 January 2024	465	133	-	-	365,736	3,994	18,578	388,906
Provided for the year	-	-	-	-	-	-	2,506	2,506
Reversal of impairment loss	-	-	-	-	-	(2,172)	-	(2,172)
Exchange difference	(41)	(12)	-	-	(16,182)	(367)	(1,885)	(18,487)
As at 31 December 2024	424	121	-	-	349,554	1,455	19,199	370,753
Provided for the year	-	-	-	-	-	-	2,465	2,465
Impairment loss	-	-	147,792	27,264	-	8	-	175,064
Exchange difference	20	9	-	-	10,913	103	(1,256)	9,789
As at 31 December 2025	444	130	147,792	27,264	360,467	1,566	20,408	558,071
Carrying values								
As at 31 December 2025	383,030	-	2,642,563	89,302	-	208,971	9,787	3,333,653
As at 31 December 2024	399,785	-	2,704,215	110,851	-	195,290	8,913	3,419,054

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

17. INTANGIBLE ASSETS (CONT'D)

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired.

For the purposes of impairment testing, goodwill and brand name and trademarks with indefinite useful lives have been allocated to seven individual cash generating units (CGUs), including three in the Nutraceutical segment, three in the agriculture-related segment and one in the Pharmaceuticals & Diagnostics R&D segment. The carrying amounts of goodwill and brand name and trademarks (net of accumulated impairment losses) as at 31 December 2024 allocated to these segments are as follows:

	Goodwill		Brand name and trademarks	
	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000
Nutraceutical	2,306,172	2,423,267	31,086	55,670
Agriculture-related	298,089	280,948	58,216	55,181
Pharmaceuticals & Diagnostics R&D	38,302	-	-	-
	2,642,563	2,704,215	89,302	110,851

During the year ended 31 December 2025, management of the Group has assessed the recoverable amounts of the Group's CGUs containing goodwill or brand name and trademarks with indefinite useful lives.

The recoverable amounts of the CGUs are determined from the value in use calculations. These calculations use cash flow projections based on 5-year period financial budgets approved by management, and discount rates of 8% to 26% (2024: 8.15% to 13.0%). The CGUs cash flows beyond budget period are extrapolated using steady growth rates. Other key assumptions for the value in use calculations related to the estimation of cash inflows/outflows have included budgeted sales and gross margin, and such estimation is based on the unit's past performance and management's expectations for market development.

During the year, the Group recognised impairment losses on goodwill and trademark amounting to HK\$147,792,000 and HK\$27,264,000 respectively. The impairment was primarily attributable to softer domestic economic growth and global headwinds, which led to lower revenue forecasts and a reduction in the recoverable amount of a relevant CGU in the nutraceutical segment. As a result, the carrying amounts exceeded the recoverable amounts of the relevant CGU. Both impairments were recognised only to the extent that the carrying amounts of the assets were reduced to the highest of their fair value less costs of disposal and value in use.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

17. INTANGIBLE ASSETS (CONT'D)

The Group's capitalised development costs relates to the Pharmaceuticals & Diagnostics R&D segment. The Group tests the impairment of capitalised development costs by assessing, where appropriate, the cash flows and profit projections, and the progress of the development activities of the relevant product groups. During the years ended 31 December 2025 and 2024, management of the Group determines that there is no impairment on the capitalised development costs.

During the year ended 31 December 2025, the management conducted reviews on the recoverable amounts of water rights entitlements. As a result, impairment loss of HK\$8,000 (2024: reversal of impairment losses of HK\$2,172,000) has been recognised in profit or loss to reduce (2024: increase) the carrying amount of intangible assets to their recoverable amounts.

Other intangible assets include computer software.

18. INTERESTS IN JOINT VENTURES

	2025 HK\$'000	2024 HK\$'000
Cost of investment in joint ventures, unlisted	10,083	6,245
Share of post-acquisition results, net of dividends received	3,873	3,514
Exchange reserve	(2,884)	(3,456)
Aggregate carrying amount	11,072	6,303
Group's share of results and total comprehensive income of joint ventures for the year	359	148

Particulars regarding the principal joint ventures are set out in Appendix II.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

19. OTHER FINANCIAL ASSETS/LIABILITIES

Other Financial Assets

	2025 HK\$'000	2024 HK\$'000
Financial assets at fair value through profit or loss:		
– Equity securities, listed in Hong Kong at quoted prices	–	17,242
– Unlisted investment in Investee A (Note 1)	42,900	42,900
– Unlisted investment in Investee B (Note 2)	924,823	–
	967,723	60,142
Financial assets at fair value through other comprehensive income:		
– Equity securities, in Investee B, listed in United States at quoted prices (Note 2)	9,617	–
– Unlisted investment in Investee B (Note 2)	195,000	–
	204,617	–
Carrying amount analysed for reporting purpose as:		
Current	–	17,242
Non-current	1,172,340	42,900

Note 1: The balance represents the Group's investment in certain convertible preference shares in an unlisted company (the "Investee A"), which is principally engaged in research, development and commercialisation of molecular diagnostics for the early detection of cancer. Under the terms of the preference shares, the holders have (i) liquidation preference to receive distribution in priority to the holders of ordinary shares in the event of liquidation; and (ii) the conversion right to convert the preference shares into ordinary shares of the Investee A. Upon the conversion of all issued preference shares of Investee A held by the Group and other investors, the Group will hold approximately 18.33% of the total issued share capital of the Investee A. Pursuant to the shareholders' agreement entered by the Group, the Group is entitled to appoint one director of the Investee A and has tag-along rights in certain cases of share transfer.

Although the Group is considered to have significant influence over the Investee A on the ground that the Group has power to appoint one out of five directors of the Investee A, equity method is not applicable for the purpose of HKAS 28 "Investments in Associates" as the rights and obligations of the ownership over the Investee A are different from that of the ordinary shareholders. Accordingly, the investment in such preference shares is measured at FVTPL under HKFRS 9.

Note 2: As referred to in Note 35, on 8 October 2025, the Group disposed of 100% equity interest in ABCJ (as defined in note 35) at a consideration of US\$125 million which was settled by the issuance of 83,285 shares of common stock and 1,152,9568 shares of non-voting convertible preferred stock by TransCode (as defined in note 35). In addition, the Group also purchased 223,7337 shares of non-voting convertible preferred stock issued by TransCode at a consideration of approximately US\$25 million. Given that the Group is not involved in the operational or financial decision making in the relevant activities of TransCode, it is considered that the Group do not possess any significant influence over TransCode accordingly.

In respect of the common stock and the non-voting convertible preferred stock with an aggregate value of HK\$204,617,000, the Group made an irrevocable election at initial recognition to designate these investments at FVTOCI. The remaining non voting convertible preferred stock amounting to HK\$924,823,000 was recognised and measured at FVTPL.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

19. OTHER FINANCIAL ASSETS/LIABILITIES (CONT'D)

Other Financial Liabilities

	2025 HK\$'000	2024 HK\$'000
Derivatives that are designated and effective as hedging instruments carried at fair value:		
– Cash flow hedge – Interest rate swap	(3,441)	–
Carrying amount analysed for reporting purpose as:		
Non-current	(3,441)	–

On 31 December 2025, the Group has entered into an interest rate swap to manage its exposure to interest rate movements on its bank borrowings by swapping a portion of bank borrowings from floating rate to fixed rates. The notional principal amount of the interest rate swap contract amounted to HK\$736,000,000 with maturity date in year 2028.

The above interest rate swap is designated as cashflow hedge which is determined as highly effective as the interest rate swap contract has the same critical terms as the hedged items including notional amounts, maturity dates and payment dates. Accordingly, any gain or loss on the interest rate swap is recognised in other comprehensive income and accumulated separately in the hedge reserve.

20. LOAN RECEIVABLE

	2025 HK\$'000	2024 HK\$'000
Loan receivable (note)	–	128,700

Note: Pursuant to a loan agreement entered by the Group with Dogwood on 7 October 2024, the Group agreed to make a loan to Dogwood in the aggregate principal amount of US\$19,500,000, of which US\$16,500,000 has been provided by the year ended 31 December 2024 and the remaining US\$3,000,000 has been provided in February 2025. The loan is bearing interest with reference to the Term Secured Overnight Financing Rate plus a margin of 2% per annum and it is repayable on 7 October 2027. The provision of loan to Dogwood is to be used primarily for the purpose of funding the R&D operation in Wex.

On 12 March 2025, the Group and Dogwood entered into a debt exchange and cancellation agreement (the "Debt Exchange Agreement") pursuant to which it was agreed that aggregate principal amount of US\$19,500,000 and all accrued interest through the date of the Debt Exchange Agreement would be deemed repaid by Dogwood and the obligation of Dogwood to be satisfied in full and cancelled by the exchange of 284.2638 shares of non-voting convertible preferred stock issued by Dogwood and was reclassified as unlisted investment in Dogwood (the "Loan Conversion"). Details of the Loan Conversion were disclosed in the Company's announcement dated 12 March 2025.

Subsequently on 21 November 2025, the Group completed the conversion of all its preferred stock of Dogwood into common stock and became the controlling shareholder of Dogwood. Details of which are set out in note 34.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

21. INVENTORIES

	2025 HK\$'000	2024 HK\$'000
Raw materials	646,115	531,725
Work in progress	307,702	362,562
Finished goods	276,677	263,045
	1,230,494	1,157,332

The cost of inventories recognised as an expense during the year was HK\$3,833,314,000 (2024: HK\$3,830,119,000).

22. RECEIVABLES AND PREPAYMENTS

	2025 HK\$'000	2024 HK\$'000
Trade receivables related to:		
– Sales of goods	986,268	930,858
– Operating leases	219	2,332
	986,487	933,190
Less: provision for impairment	(19,690)	(28,381)
	966,797	904,809
Prepayments and deposits	169,986	139,420
Other receivables	30,916	188,085
	1,167,699	1,232,314

As at 31 December 2025, 31 December 2024 and 1 January 2024, trade receivables from contracts with customers amounted to HK\$966,578,000, HK\$902,477,000 and HK\$887,895,000 respectively.

The Group has a policy of allowing a credit period of 0 to 90 days to its customers.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

22. RECEIVABLES AND PREPAYMENTS (CONT'D)

The following is an analysis of trade receivables by age, presented based on invoice dates:

	2025 HK\$'000	2024 HK\$'000
0-90 days	900,771	861,565
Over 90 days	66,026	43,244
	966,797	904,809

Trade receivables that were past due related to a number of independent customers that have good trade records with the Group. Based on past experience, the management believes that there has not been a significant increase in credit risk and the balances are still considered recoverable and not in default. The Group does not hold any collateral over these balances.

The movements in lifetime expected credit losses recognised for trade receivables under the simplified approach are as follows:

	2025 HK\$'000	2024 HK\$'000
As at 1 January	28,381	24,715
Impairment loss recognised	15,575	13,372
Amounts recovered during the year	(15,078)	(7,888)
Uncollectible amounts written off	(9,732)	(1,301)
Exchange difference	544	(517)
As at 31 December	19,690	28,381

The Directors consider that the carrying amounts of trade and other receivables approximate their fair values.

As at 31 December 2024, included in other receivables was a receivable amounting to HK\$101,365,000 from a third party in relation to the remaining consideration to be settled for the disposal of property, plant and equipment and sales and leaseback transaction, and was secured over the property, plant and equipment sold. During the year ended 31 December 2025, the receivable was fully settled in May 2025.

23. BANK BALANCES AND DEPOSITS

Bank balances and deposits carry an average interest rate of 2.74% (2024: 2.40%) per annum.

The Directors consider that the carrying amounts of bank balances and deposits approximate their fair values.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

24. PAYABLES AND ACCRUALS

	2025 HK\$'000	2024 HK\$'000
Trade payables	373,039	332,161
Accrued charges	416,184	428,371
Other payables	190,748	143,787
	979,971	904,319

The following is an analysis of trade payables by age, presented based on invoice dates:

	2025 HK\$'000	2024 HK\$'000
0-90 days	351,795	326,123
Over 90 days	21,244	6,038
	373,039	332,161

The Directors consider that the carrying amounts of trade and other payables approximate their fair values.

Included in the other payables are contract liabilities of HK\$26,755,000, HK\$27,270,000 and HK\$22,192,000 relate to the advance consideration received from customers as at 31 December 2025, 31 December 2024 and 1 January 2024, respectively. Contract liabilities are recognised as revenue when the Group transfers the goods to the customers and therefore satisfies its performance obligation. In addition, included in the accrued charges are staff costs of HK\$174,142,000 (2024: HK\$181,687,000).

The following table shows the revenue recognised in the current reporting period related to carried-forward contract liabilities:

	2025 HK\$'000	2024 HK\$'000
Revenue recognised that was included in the contract liability balance at the beginning of the year	27,270	22,192

The Group's contracts are generally with an original expected duration of one year or less, as permitted under HKFRS 15, the transaction price allocated to the unsatisfied contracts is not disclosed.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

25. BANK BORROWINGS

	2025 HK\$'000	2024 HK\$'000
Bank loans	5,934,371	5,422,283
Bank loans under supplier finance arrangements	93,712	52,615
	6,028,083	5,474,898
Bank loans repayable (including supplier finance arrangements)		
Within 1 year	2,368,083	1,276,615
Over 1 year but within 2 years	1,700,000	3,048,283
Over 2 years but within 5 years	1,960,000	1,150,000
	6,028,083	5,474,898
Analysed as:		
Secured	194,371	112,283
Unsecured	5,833,712	5,362,615
	6,028,083	5,474,898
Carrying amount analysed for reporting purpose as:		
Current	2,368,083	1,276,615
Non-current	3,660,000	4,198,283

The carrying amounts of the Group's loans are denominated in the following currencies:

	2025 HK\$'000	2024 HK\$'000
Australian dollars	288,083	164,898
Hong Kong dollars	5,740,000	5,310,000
	6,028,083	5,474,898

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

25. BANK BORROWINGS (CONT'D)

A subsidiary of the Company in Australia has entered into supplier finance arrangements with a bank. Under these arrangements, the bank pays suppliers the amounts owed by the Group on the original due dates. The Group's obligations to suppliers are legally extinguished on settlement by the bank. The Group then settles with the bank 180 days after settlement by the banks with interest reference to Bank Bill Swap Bid Rate plus a specified rate per annum. These arrangements have extended the payment terms, which extended beyond the original due dates of respective invoices. Information of the Group's supplier finance arrangements is set out in note 39.

Derivative financial instrument is utilised by the Group in the management of its interest rate exposures. The Group has entered into interest rate swap agreements to swap certain portion of floating interest rate borrowings to fixed interest rate borrowings to mainly mitigate interest rate exposures. At 31 December 2025, the notional amount of the outstanding interest rate swap agreements amounted to HK\$736 million (2024: Nil).

As at 31 December 2025, the bank loans are arranged at floating rates with an effective interest rate of 4.10% (2024: 5.70%) per annum.

The Directors consider that the carrying amounts of the bank borrowings approximate their fair values.

26. LEASE LIABILITIES

	2025 HK\$'000	2024 HK\$'000
Lease liabilities payable		
Within 1 year	80,444	73,741
Over 1 year but within 2 years	79,466	68,343
Over 2 years but within 5 years	185,045	229,501
Over 5 years *	248,192	253,186
	593,147	624,771
Carrying amount analysed for reporting purpose as:		
Current	80,444	73,741
Non-current	512,703	551,030

* The balance includes lease payments with perpetuity lease term amounted to HK\$91,069,000 (2024: HK\$80,849,000).

The Group has extension options in a number of leases for offices, plant sites and machinery. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

26. LEASE LIABILITIES (CONT'D)

In addition, the Group reassesses whether it is reasonably certain to exercise an extension option upon the occurrence of either a significant event or a significant change in circumstances that is within the control of the lessee. During the year ended 31 December 2025, net additional lease liabilities with aggregate amounts of HK\$542,000 (2024: HK\$38,513,000) were recognised for certain leases of offices and plant sites.

The potential exposures to these future lease payments for extension options in which the Group is not reasonably certain to exercise are summarised below:

	Lease liabilities with extension options recognised		Potential future lease payments not included in lease liabilities (undiscounted)	
	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000
Land and buildings	414,447	483,797	793,491	821,345

27. DEFERRED TAXATION

The major deferred tax liabilities/(assets) recognised by the Group and movements during the year are as follows:

	Accelerated tax depreciation HK\$'000	Intangible assets HK\$'000	Tax losses HK\$'000	Right-of-use Assets HK\$'000	Lease liabilities HK\$'000	Revaluation of property, plant and equipment HK\$'000	Others HK\$'000	Total HK\$'000
The Group								
As at 1 January 2024	254,017	424,246	(355,918)	106,549	(119,606)	22,890	(151,647)	180,531
(Credit)/charge to profit or loss	(14,512)	26,100	36,248	29,884	(37,445)	-	(69,669)	(29,394)
Charge to other comprehensive income	-	-	-	-	-	132	-	132
Exchange difference	(21,825)	(1,839)	2,149	(8,478)	9,243	(2,256)	749	(22,257)
As at 31 December 2024	217,680	448,507	(317,521)	127,955	(147,808)	20,766	(220,567)	129,012
(Credit)/charge to profit or loss	(51,910)	(9,137)	158,800	2,671	(5,818)	-	275	94,881
Acquisition of a subsidiary	-	39,931	-	-	-	-	-	39,931
Charge to other comprehensive income	-	-	-	-	-	14,945	-	14,945
Exchange difference	10,689	953	(961)	6,401	(7,217)	1,144	(1,929)	9,080
As at 31 December 2025	176,459	480,254	(159,682)	137,027	(160,843)	36,855	(222,221)	287,849

Other deferred taxation mainly comprises deductible temporary differences arising from certain intercompany interest charges and certain accruals.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

27. DEFERRED TAXATION (CONT'D)

The following is the analysis of the deferred tax balances included in the consolidated statement of financial position:

	2025 HK\$'000	2024 HK\$'000
Deferred tax liabilities	335,397	204,106
Deferred tax assets	(47,548)	(75,094)
	287,849	129,012

At the end of the reporting period, the total unutilised tax losses and tax credits amounted to approximately HK\$4,506,888,000 (2024: HK\$4,832,655,000). A deferred tax asset has been recognised in respect of such losses and credits of HK\$747,134,000 (2024: HK\$1,423,435,000). No deferred tax asset has been recognised in respect of the remaining HK\$3,759,754,000 (2024: HK\$3,409,220,000) as it is not possible to predict the trend of future profits to determine the amount of available tax losses and credits to be utilised.

An analysis of the expiry dates of the tax losses and tax credits not recognised is as follows:

	2025 HK\$'000	2024 HK\$'000
Within 1 to 5 years	-	-
Over 5 years	332,868	203,399
No expiry date	3,426,886	3,205,821
	3,759,754	3,409,220

28. RETIREMENT PLANS

The principal employee retirement schemes operated by the Group are defined contribution schemes. For Hong Kong employees, contributions are made by either employer only or by both employer and employees at rates ranging from approximately 5% to 10% on employees' salary. For overseas employees, contributions are made by employer at rates ranging from 2% to 12% on employees' salary.

The Group's cost in respect of defined contribution plans for the year was HK\$66,788,000 (2024: HK\$65,663,000) and forfeited contribution during the year of HK\$1,865,000 (2024: HK\$859,000) was used to reduce the Group's contribution in the year.

Apart from those mentioned above, certain subsidiaries of the Company in Indonesia are subject to defined benefit retirement plans under local labour law. The plans are unfunded without any plan assets and covering eligible employees of its subsidiaries in Indonesia.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

28. RETIREMENT PLANS (CONT'D)

Actuarial valuation of the defined benefit plans was carried out at 31 December 2025 and 31 December 2024 by Budi Ramdani and Amran Nangasan, respectively, Fellows of the Society of Actuaries of Indonesia, of Kantor Konsultan Aktuaria Budi Ramdani and Kantor Konsultan Aktuaria Tubagus Syafril & Amran Nangasan, respectively, to determine the pension obligation that was required to be disclosed and accounted for in the consolidated financial statements in accordance with HKAS 19 "Employee Benefits". The present value of the defined benefit obligations, the related current service cost and past service cost, if any, were measured using the Projected Unit Credit Method. Discount rates and expected rate of salary increase used for the purpose of the actuarial valuation were ranging from 6.45% to 6.64% (2024: 6.99% to 7.03%) and 10.0% (2024: 10.0%), respectively.

Movements in net defined benefit obligations are as follows:

	2025 HK\$'000	2024 HK\$'000
The Group		
As at 1 January	10,293	9,701
Net charge to the consolidated income statement		
Past service cost, including loss on curtailments	1,373	–
Current service cost	1,724	1,599
	3,097	1,599
Net credit to other comprehensive income		
Remeasurement gain:		
Actuarial loss/(gain) arising from change in financial assumption	329	(43)
Actuarial gain arising from experience adjustment	(722)	(8)
	(393)	(51)
Benefits paid	(1,710)	(325)
Exchange difference	(314)	(631)
As at 31 December	10,973	10,293

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

28. RETIREMENT PLANS (CONT'D)

The below analysis shows how the defined benefit obligations as at 31 December 2025 and 31 December 2024 would have increased/(decreased) as a result of 1 per cent change in the significant actuarial assumptions.

	Increase in 1%		Decrease in 1%	
	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000
Discount rate	(713)	(668)	805	756
Expected rate of salary increase	727	686	(660)	(621)

The above sensitivity analysis is based on the assumption that changes in actuarial assumptions are not correlated and therefore it does not take into account the correlations between the actuarial assumptions.

The defined benefit retirement plans expose the Group to actuarial risks, such as interest rate risk, longevity risk and salary risk.

29. SHARE CAPITAL

	Number of shares of HK\$0.1 each '000	Nominal value HK\$'000
Authorised	15,000,000	1,500,000
Issued and fully paid:		
As at 1 January 2024, 31 December 2024 and 31 December 2025	9,611,073	961,107

30. PLEDGE OF ASSETS

Bank borrowings of HK\$194,371,000 (2024: HK\$112,283,000) are secured by mortgages over the property, plant and equipment, investment properties and intangible assets of subsidiaries with an aggregate carrying value of HK\$679,591,000 (2024: HK\$695,495,000) as at 31 December 2025.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

31. OPERATING LEASE ARRANGEMENTS

The Group as lessor

The total future minimum lease income receivables as lessor by the Group under non-cancellable operating leases in respect of vineyards with term ranging from 5 to 20 years were as follows:

	2025 HK\$'000	2024 HK\$'000
Within 1 year	132,621	138,790
Over 1 year but within 2 years	123,280	135,643
Over 2 years but within 3 years	115,897	129,404
Over 3 years but within 4 years	91,271	124,312
Over 4 years but within 5 years	71,731	101,148
Over 5 years	331,088	397,529
	865,888	1,026,826

32. CAPITAL COMMITMENT

In addition to the capital commitment set out elsewhere in the notes to the consolidated financial statements, the Group has the following capital commitment as at the end of the reporting period:

	2025 HK\$'000	2024 HK\$'000
Capital commitment in respect of the acquisition of plant and equipment, and maintenance of vineyards		
– contracted but not provided for	4,350	3,760
– authorised but not contracted for	47,021	60,626

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

33. DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS

(a) *Directors' emoluments*

Directors' emoluments paid or payable to the Company's Directors (comprise payments in connection with the management of the affairs of the Company and its subsidiaries and for their services as Directors) were as follows:

Name of Director	Fees HK\$'000	Basic salaries and allowances HK\$'000	Bonuses HK\$'000	Retirement benefit scheme contributions HK\$'000	Total emoluments 2025 HK\$'000	Total emoluments 2024 HK\$'000
Executive Directors:						
Victor T K Li	125	–	–	–	125	125
Kam Hing Lam	75	–	3,250	–	3,325	3,075
Ip Tak Chuen, Edmond	100	–	1,000	–	1,100	1,100
Yu Ying Choi, Alan Abel	75	8,953	2,150	858	12,036	15,263
Lance Richard Lee Yuen *	75	11,429	2,520	1,008	15,032	6,878
Toh Kean Meng, Melvin	75	4,991	1,222	489	6,777	6,438
Non-executive Director:						
Peter Peace Tulloch	75	–	–	–	75	75
Independent Non-executive Directors:						
Kwok Eva Lee	120	–	–	–	120	100
Kwan Kai Cheong	155	–	–	–	155	155
Paul Joseph Tighe	205	–	–	–	205	205
Donald Jeffrey Roberts	205	–	–	–	205	205
	1,285	25,373	10,142	2,355	39,155	33,619

* Mr. Lance Richard Lee Yuen was appointed as Executive Director of the Company with effect from 20 September 2024.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

33. DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS (CONT'D)

(a) Directors' emoluments (cont'd)

The Directors' fees included an amount of HK\$75,000 (2024: HK\$75,000) for each Director and an additional amount of HK\$80,000 (2024: HK\$80,000), HK\$25,000 (2024: HK\$25,000), HK\$25,000 (2024: 25,000) and HK\$25,000 (2024: HK\$25,000) for members of the audit committee, remuneration committee, nomination committee and sustainability committee (collectively the "Board Committees") respectively. All Directors' fees would be calculated in proportion to the length of services of the Directors during the year.

The remuneration of Directors is determined by the remuneration committee having regard to the performance of individuals and market trends.

None of the Directors waived any emoluments in the years ended 31 December 2025 and 31 December 2024. During the year ended 31 December 2024, HK\$2,825,000 were paid/payable by the Group to the Directors as inducement to join or upon joining the Group or as compensation for loss of office.

(b) Five highest paid individuals

Of the five individuals with the highest emoluments, three (2024: three) of them are Directors whose emoluments are disclosed in note (a) above. The emoluments of the remaining two (2024: two) are as follows:

	2025 HK\$'000	2024 HK\$'000
Salary and other benefits	9,707	9,285
Bonus	6,458	6,691
Retirement benefits scheme contributions	82	81
	16,247	16,057

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

33. DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS (CONT'D)

(b) Five highest paid individuals (cont'd)

Their emoluments were within the following bands:

	2025 Number of employees	2024 Number of employees
HK\$5,500,001 to HK\$6,000,000	–	1
HK\$6,500,001 to HK\$7,000,000	1	–
HK\$9,500,001 to HK\$10,000,000	1	–
HK\$10,500,001 to HK\$11,000,000	–	1
	2	2

No incentive was paid/payable by the Group to the above individuals as inducements to join, or upon joining the Group, or as compensation for loss of office.

34. ACQUISITION OF A SUBSIDIARY

Acquisition of Dogwood Ex-Wex Group (as defined in note 4)

Assets acquired and liabilities recognised at the date of acquisition:

	HK\$'000
Intangible assets	190,148
Receivables and prepayments	131,160
Bank balances and deposits	62,208
Payables and accruals	(16,267)
Deferred taxation	(39,931)
	327,318

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

34. ACQUISITION OF A SUBSIDIARY (CONT'D)

Acquisition of Dogwood Ex-Wex Group (as defined in note 4) (cont'd)

Goodwill arising from acquisition:

	HK\$'000
Consideration transferred satisfied by:	
Unlisted investments in Dogwood, at fair value	155,431
Fair value of non-controlling interest in the Wex Group	154,545
Plus: Net assets attributable to non-controlling interests in Dogwood Ex-Wex Group	55,644
Less: Recognised amount of net assets acquired	(327,318)
	38,302
Net cash inflow arising from acquisition:	
Cash and cash equivalents acquired	62,208

As disclosed in Note 4, the Group completed the conversion of its Dogwood preferred stock to common stock on 21 November 2025. Upon conversion, the Group held approximately 83.0% equity interest on such date and hence became the controlling shareholder of Dogwood. Accordingly, as the Group has continued to consolidate the Wex Group since the Dogwood Transaction, the Group further consolidates the Dogwood Ex-Wex Group commencing on 21 November 2025. This has been accounted for using the acquisition method of accounting.

Non-controlling interests comprise (i) the 17% non-controlling interests in Dogwood Ex-Wex Group which was measured by reference to the proportionate share of the recognised amount of net assets at the acquisition date; and (ii) the carrying amount of the 17% non-controlling interest in the Wex Group.

Goodwill arose on the acquisition of Dogwood Ex-Wex Group mainly due to its anticipated benefits from accelerating the development of drug products through the addition of Dogwood Ex-Wex Group's technical capabilities and expertise in drug development and product commercialisation. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. None of the goodwill arising on these acquisitions is expected to be deductible for tax purposes.

The fair value of receivables and prepayments at the date of acquisition amounted to HK\$131,160,000, which approximate their gross contractual amounts and were not expected to be uncollectible based on the best estimation at the acquisition date.

Had the acquisition of Dogwood Ex-Wex Group been completed on 1 January 2025, loss for the year of the Group would have been approximately HK\$285,750,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2025, nor is it intended to be a projection of future results.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

35. DISPOSAL OF SUBSIDIARIES

On 8 October 2025, the Group entered into a membership interest purchase agreement (the "Membership Interest Purchase Agreement") with TransCode Therapeutics, Inc. ("TransCode"), a Delaware corporation listed on the Nasdaq Stock Exchange, for the disposal of 100% equity interest in ABCJ, LLC ("ABCJ"), an indirect wholly-owned subsidiary of the Group, at a consideration of US\$125,000,000 (equivalent to approximate HK\$975,000,000) as contracted which was settled by the issuance of 83,285 shares of common stock and 1,152.9568 shares of non-voting convertible preferred stock by TransCode. ABCJ owns 100% equity interest in Polynoma LLC ("Polynoma"), which is principally engaged in research, development, manufacturing and commercialisation of drug products to treat melanoma. Details of the transaction was disclosed in the Company's announcement dated 8 October 2025.

Analysis of assets and liabilities over which control was lost:

	HK\$'000
Property, plant and equipment	3,969
Intangible assets – Development cost	215,764
Receivables and repayments	893
Bank balances and deposits	17
Payables and other liabilities	(8,475)
	212,168
Gain on disposal:	
Consideration received	934,440
Net assets disposed of	(212,168)
Transaction cost of disposal	(28,351)
	693,921
Net cash outflow arising on disposal:	
Bank balances and deposits disposed of	(17)
Transaction cost of disposal	(28,351)
	(28,368)

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

35. DISPOSAL OF SUBSIDIARIES (CONT'D)

In addition to the consideration received, the Group is entitled to receive milestone payments according to the Membership Interest Purchase Agreement. These milestone payments are subject to the fulfilment of different levels of achievement by or on behalf of TransCode with respect to Polynoma's drug products. As the achievement of these milestones were uncertain at the date of disposal, no contingent consideration was recognised accordingly.

In connection with the disposal, the Group entered into an investment agreement with TransCode on the same date ("Investment Agreement") for the purchase of 223,7337 shares of non-voting convertible preferred stock issued by TransCode, at a consideration of approximately US\$25,000,000 (equivalent to approximate HK\$195,000,000) which has been settled by cash by the end of reporting period. The Investment will be mainly used for the purpose of supporting the continuous development of the Transcode's therapeutic pipeline and Polynoma's lead therapeutic candidate, seviprotimut-L. Details of the Investment Agreement was disclosed in the Company's announcement dated 8 October 2025.

36. RISK MANAGEMENT

Capital Risk Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group's management actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholder returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities.

The Group monitors capital on the basis of the net debt to net total capital ratio. This ratio is calculated as the Group's net borrowings divided by the aggregate of the Group's total equity and net borrowings. For this purpose, the Group defines net borrowings as bank borrowings less cash, bank balances and time deposits. As at 31 December 2025, the net debt to net total capital ratio of the Group is approximately 58.52% (2024: 58.36%).

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

36. RISK MANAGEMENT (CONT'D)

Financial Risk Management

The Group's activities expose itself to different kinds of financial risks. The management has been monitoring these risk exposures to ensure appropriate measures are implemented in a timely and effective manner so as to mitigate or reduce such risks.

(a) Credit risk

The Group is exposed to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. It arises primarily from the Group's loan receivable, trade and other receivables. Impairment provisions are made under expected credit loss model at the end of the reporting period.

The Group's maximum exposure to credit risk in the event of failures of the counterparties to perform their obligations as at 31 December 2025 in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the consolidated statement of financial position after deducting any impairment allowance.

In respect of the Group's trade and other receivables, in order to minimise credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period based on the debtor's historical settlement records and management's past experience to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the Directors of the Company consider that the Group's credit risk is significantly reduced. Further disclosure in respect of the Group's exposure to credit risk arising from trade and other receivables is set out in note 22.

Regarding to the trade and other receivables, the Group considers the probability of default upon initial recognition. Subsequently, the Group, on an ongoing basis, assesses whether there has been a significant increase in credit risk throughout each reporting period. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available. Forward-looking information considered includes debtor's credit rating and its business, financial or economic conditions which are expected to cause a significant decrease in debtor's ability to meet its obligation.

The credit risk on liquid funds and time deposits is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

36. RISK MANAGEMENT (CONT'D)

Financial Risk Management (cont'd)

(a) Credit risk (cont'd)

The Group has no significant concentration of credit risk, with exposure spread over a number of counterparties and customers.

Except for the financial guarantees given by the Company for certain bank facilities of its subsidiaries, the Group does not provide any other guarantees which would expose the Group or the Company to credit risk.

(b) Liquidity risk

Liquidity risk is the risk that funds will not be available to meet liabilities as they fall due, and it results from amount and maturity mismatches of assets and liabilities.

The Group employs projected cash flow analysis to manage liquidity risk by forecasting the amount of cash required and monitoring the working capital of the Group to ensure that all liabilities due and known funding requirements could be met.

The Group entered into supplier finance arrangement to provide the Group with extended payment terms. The facility for borrowings under supplier finance arrangement is entered into for a period of 1 year. As at 31 December 2025, the Group has available unutilised facility for such supplier finance arrangement of HK\$61,988,000 (2024: HK\$92,885,000). Only small portion of the Group's borrowings is subject to supplier finance arrangements. Therefore, the management does not consider the supplier finance arrangement result in significant liquidity risk of the Group. Details of the arrangements are set out in note 25.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

36. RISK MANAGEMENT (CONT'D)

Financial Risk Management (cont'd)

(b) Liquidity risk (cont'd)

The non-derivative financial liabilities of the Group as at the end of the reporting period are analysed into relevant maturity buckets based on their contractual maturity dates in the tables below:

	Trade and other payables HK\$'000	Bank borrowings HK\$'000 (note i)	Lease liabilities HK\$'000 (note ii)	Total HK\$'000
Year 2025				
Carrying amount	563,787	6,028,083	593,147	7,185,017
Total contractual undiscounted cash flow				
Within 1 year or on demand	563,787	2,568,319	106,043	3,238,149
Over 1 year but within 2 years	–	1,831,296	101,754	1,933,050
Over 2 years but within 5 years	–	2,003,538	230,289	2,233,827
Over 5 years	–	–	221,388	221,388
	563,787	6,403,153	659,474	7,626,414
Year 2024				
Carrying amount	475,948	5,474,898	624,771	6,575,617
Total contractual undiscounted cash flow				
Within 1 year or on demand	475,948	1,533,824	101,575	2,111,347
Over 1 year but within 2 years	–	3,195,952	90,591	3,286,543
Over 2 years but within 5 years	–	1,199,523	281,759	1,481,282
Over 5 years	–	–	239,721	239,721
	475,948	5,929,299	713,646	7,118,893

Notes:

- The undiscounted cash flow is projected based on the terms and balances as at 31 December 2025 and 31 December 2024 respectively without taking into account of future changes of the terms and balances. Interest rates applied for interest portion are estimated using contractual rates or, if floating, based on current interest rates as at the respective end of reporting period. These estimates are calculated assuming the effect of hedging transactions and interest rates with respect to variable rate financial liabilities remain constant and there is no change in the aggregate principal amount of financial liabilities other than repayment at scheduled maturity as reflected in the table.
- For salt field related leases, the undiscounted cash flow presented in the table above reflects the contractual lease payments payable under the non-cancellable period of the relevant leases only.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

36. RISK MANAGEMENT (CONT'D)

Financial Risk Management (cont'd)

(b) Liquidity risk (cont'd)

The following table details the Group's liquidity analysis for its derivative financial instrument. The table has been drawn up based on the undiscounted contractual net cash (inflows) and outflows on derivative instrument that settle on a net basis. When the amount payable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves existing at the end of the reporting period.

The derivative financial liabilities of the Group as at the end of the reporting period are analysed into relevant maturity buckets based on their contractual settlement dates in the table below:

Derivative – net settlement

	Cash flow hedge-Interest rate swap HK\$'000
Year 2025	
Carrying amount	3,441
Total contractual undiscounted cash flow	
Within 1 year or on demand	244
Over 1 year but within 2 years	2,548
Over 2 years but within 5 years	1,247
	4,039
Year 2024	
Carrying amount	–
Total contractual undiscounted cash flow	
Within 1 year or on demand	–
Over 1 year but within 2 years	–
Over 2 years but within 5 years	–
	–

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

36. RISK MANAGEMENT (CONT'D)

Financial Risk Management (cont'd)

(b) Liquidity risk (cont'd)

As at 31 December 2025, the Group's current liabilities exceeded its current assets by HK\$461,180,000. The Group's current liabilities as at 31 December 2025 included bank borrowings of HK\$2,368,083,000 that are repayable within one year from the end of the reporting period. As at 31 December 2025, the Group's unutilised banking facilities amounted to approximately HK\$654,000,000. The Directors are confident that the above bank borrowings can be refinanced based on the Group's healthy financial position and strength of its business prospects.

Taking into account of the internally generated funds of the Group, the available banking facilities and the factors described above, the Directors of the Company are of the opinion that, the Group has sufficient working capital for its present requirements for the next twelve months from 31 December 2025.

(c) Interest rate risks

There are two types of interest rate risk – fair value interest rate risk ("FVIR Risk") and cash flow interest rate risk ("CFIR Risk"). FVIR Risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates; and CFIR Risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities at fixed rates expose the Group to FVIR Risk while financial assets and liabilities at variable rates expose the Group to CFIR Risk.

The Group's exposure to changes in interest rates is mainly attributable to its bank deposits and interest-bearing borrowings.

As most of the Group's interest-bearing financial assets (mainly bank deposits) are based on floating rates with short interest rate reset periods, no material FVIR Risk is expected. The amounts of interest income from the abovementioned financial assets are mainly dependent on the availability of idle funds of the Group instead of interest rate and it is the Group's policy to obtain a favorable return by shifting the idle funds between the bank deposits and investments. Details of the Group's bank balances and deposits have been disclosed in note 23.

In respect of interest-bearing financial liabilities, the Group's interest rate risk arises primarily from its bank borrowings. Most of them are based on market rates and are therefore exposed to CFIR Risk. When considered appropriate, the Group uses derivatives such as interest rate swaps to manage its interest rate exposure. The Group has entered into an interest rate agreement with bank to swap certain portion of its floating interest rate borrowings to fixed interest rate borrowings. The interest rate derivative is designated as cashflow hedge and this hedge is considered highly effective. Details of the Group's bank borrowings and swap have been disclosed in notes 19 and 25.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

36. RISK MANAGEMENT (CONT'D)

Financial Risk Management (cont'd)

(c) Interest rate risks (cont'd)

As at 31 December 2025, if the interest rates on the Group's floating-rate borrowings had been 50 basis points ("bps") higher/lower than the actual interest rates at year end with all other variables held constant, loss before taxation for the year would have been HK\$26,460,000 higher/lower (2024: loss before taxation HK\$27,374,000 higher/lower), mainly as a result of higher/lower interest expense on such borrowings. The 50 bps increase/decrease represents the management's assessment of a reasonably possible change in interest rates over the period until the end of next annual reporting period. The above sensitivity analysis is based on the Group's total floating-rate borrowings of HK\$6,028,083,000 as at 31 December 2025 (2024: HK\$5,474,898,000) without considering the increases/decreases of the borrowings during the year.

As at 31 December 2025, if the interest rates on the Group's interest rate swap had been 50 basis points ("bps") higher/lower than the actual interest rates at year end with all other variables held constant, total equity would increase/decrease by HK\$10,392,000 (2024: Nil) due to the change in fair value of derivative financial instrument. The 50 bps increase/decrease represents the management's assessment of a reasonably possible change in interest rates over the period until the end of next annual reporting period. The above sensitivity analysis is based on the Group's interest rate swap of HK\$736,000,000 as at 31 December 2025 (2024: Nil) without considering the increases/decreases of the swap during the year.

(d) Currency risk

Currency risk is the risk that the value of financial instruments denominated in foreign currencies will fluctuate because of changes in foreign exchange rates. Apart from certain intra-group balances denominated in foreign currencies, the Group has minimal exposure to foreign currency risk as most of the financial assets and liabilities held by the Group's overseas subsidiaries are denominated in the respective functional currency of such subsidiaries. The management always monitors foreign exchange exposure closely in order to keep the currency risk at a reasonable level.

(e) Other price risk

The Group is exposed to securities price changes arising from its listed equity investments designated at fair value through other comprehensive income which are held for long term strategic purpose (note 19). In addition, the Group is also exposed to equity price risk through its investment in certain unlisted investments at fair value through profit or loss and other comprehensive income (note 19).

If the price of the listed equity investments had been 5% higher/lower, the Group's loss before taxation would be decreased/increased by HK\$481,000 (2024: Nil) as a result of changes in their fair values.

The 5% increase/decrease represents the management's assessment of a reasonably possible change in share prices over the period until the end of next annual reporting period.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

37. FAIR VALUE MEASUREMENTS

(a) Financial instruments measured at fair value on a recurring basis

Some of the Group's financial assets and liability are measured at fair value at the end of each reporting period. The following details give information about how the fair values of these financial assets are determined (in particular, the valuation techniques and inputs used).

	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
Year 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)
Year 2024				
Financial assets at fair value through profit or loss				
Equity securities – listed in Hong Kong	17,242	–	–	17,242
Unlisted investment	–	–	42,900	42,900
	17,242	–	42,900	60,142

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

37. FAIR VALUE MEASUREMENTS (CONT'D)

(a) Financial instruments measured at fair value on a recurring basis (cont'd)

During the years ended 31 December 2025 and 31 December 2024, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3.

	2025 HK\$'000	2024 HK\$'000	Valuation techniques	Significant unobservable inputs	Relationship between unobservable inputs and fair value
Equity securities – listed in United States	9,617	–	Quoted bid prices in an active market	N/A	N/A
Equity securities – listed in Hong Kong	–	17,242	Quoted bid prices in an active market	N/A	N/A
Cash flow hedges – Interest rate swap	(3,441)	–	Market approach – reference to quoted price provided by a financial institution	N/A	N/A
Unlisted investments at FVTOCI	195,000	–	Market value of recent investment transactions	N/A	N/A
Unlisted investments at FVTPL	924,823	–	Income approach and residual valuation method	Discount rate	Increase/decrease in discount rate will result in decrease/increase in their fair value
Unlisted investments at FVTPL	42,900	42,900	Income approach	Discount rate	Increase/decrease in discount rate will result in decrease/increase in their fair value

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

37. FAIR VALUE MEASUREMENTS (CONT'D)

(b) Non-financial assets measured at fair value on a recurring basis

	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
Year 2025				
Investment properties	–	–	1,543,562	1,543,562
Property, plant and equipment				
Salt fields	–	–	553,272	553,272
Year 2024				
Investment properties	–	–	1,581,730	1,581,730
Property, plant and equipment				
Salt fields	–	–	471,948	471,948

During the years ended 31 December 2025 and 31 December 2024, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

37. FAIR VALUE MEASUREMENTS (CONT'D)

(b) Non-financial assets measured at fair value on a recurring basis (cont'd)

Information about Level 3 fair value measurements

The following table gives information about how the fair value of the Group's major properties carried at fair value as at 31 December 2025 and 31 December 2024 is determined (in particular, the valuation techniques and inputs used), as well as the fair value hierarchy into which the fair value measurements are categorised based on the degree to which the inputs to the fair value measurements is observable.

Valuation techniques	Significant unobservable inputs	Relationship between unobservable inputs and fair value
Investment properties	Income approach	Discount rates ranging from 6.0% to 8.5% (2024: 6.75% to 8.5%); and Market rent per hectare using direct market comparables and taking into account of physical, tenancy or market characteristics related to that property, ranging from HK\$15,881 to HK\$91,742 (2024: HK\$16,781 to HK\$90,196).
		Increase/decrease in discount rate will result in decrease/increase in their fair value. Increase/decrease in the market rent per hectare will result in increase/decrease in their fair value.
Salt fields	Income approach	Discount rates ranging from 10.9% to 14.0% (2024: 10.5% to 13.5%); and Growth rates.
		Increase/decrease in discount rate will result in decrease/increase in their fair value. Increase/decrease in the growth rate will result in increase/decrease in their fair value.

Income approach is the valuation technique which includes the use of discounted cash flow method. It discounts future cash flows to a single current amount. The fair value measurement is determined on the basis of the value indicated by current market expectations about those future amounts.

Details of movement in investment properties are disclosed in note 14. Fair value adjustments and exchange adjustments of investment properties are recognised in the line item "Other income, gains and losses" on the face of consolidated income statement and "Exchange differences arising from translation of foreign operations" on the face of consolidated statement of comprehensive income, respectively.

Details of movement in salt fields are disclosed in note 15.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

38. SEGMENT INFORMATION

The Group's reportable segments and other information required under HKFRS 8 are summarised as follows:

(a) Reportable segment information

	Agriculture-related		Nutraceutical		Pharmaceuticals & Diagnostics R&D		Unallocated		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment revenue	2,036,883	2,069,745	3,371,935	3,451,588	-	-	1,410	1,341	5,410,228	5,522,674
Segment results	25,326	302,576	(50,850)	292,508	373,311	(254,084)	-	-	347,787	341,000
Unallocated other income, gains or losses									4,977	(1,177)
Corporate expenses									(103,881)	(94,121)
Finance costs									(266,894)	(337,184)
Loss before taxation									(18,011)	(91,482)
Taxation									(170,436)	(35,072)
Loss for the year									(188,447)	(126,554)
Other information										
Interest income	6,320	4,723	3,742	5,137	6,035	393	5,107	3,642	21,204	13,895
Amortisation of intangible assets	(1,002)	(1,120)	(1,463)	(1,386)	-	-	-	-	(2,465)	(2,506)
Depreciation	(121,171)	(119,066)	(111,754)	(112,673)	(3,294)	(4,163)	(6,632)	(6,750)	(242,851)	(242,652)
Net reversal of impairment/(impairment) of trade receivables	347	(3,014)	(844)	(2,470)	-	-	-	-	(497)	(5,484)
Impairment of other receivables	-	-	(3,753)	(5,000)	-	-	-	-	(3,753)	(5,000)
Net (loss)/gain on disposal of investment properties	(214)	1,783	-	-	-	-	-	-	(214)	1,783
Gain on disposal of intangible assets	-	172,195	-	-	-	-	-	-	-	172,195
Net (loss)/gain on disposal of property, plant and equipment	(19)	29,003	(207)	(358)	(21)	-	(1)	75	(248)	28,720
Gain arising from sale and leaseback transactions	-	728	-	41,405	-	-	-	-	-	42,133
Net unrealised loss on fair value changes of investment properties	(197,660)	(105,598)	-	-	-	-	-	-	(197,660)	(105,598)
Net impairment of property, plant and equipment	(28,790)	(33,486)	-	-	-	-	-	-	(28,790)	(33,486)
Net (impairment)/reversal of impairment of other intangible assets	(8)	2,172	(27,264)	-	-	-	-	-	(27,272)	2,172
Impairment of goodwill	-	-	(147,792)	-	-	-	-	-	(147,792)	-
Gain on disposal of subsidiaries	-	-	-	-	693,921	-	-	-	693,921	-

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

38. SEGMENT INFORMATION (CONT'D)

(b) Geographical information

Revenue is analysed by the Group's sales by geographical market while the carrying amount of non-current assets is analysed by the geographical area in which the assets are located.

	Revenue (note i)		Non-current assets (note ii)	
	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000
Asia Pacific	2,789,263	2,813,144	4,552,589	4,359,585
North America	2,619,555	2,708,189	3,057,301	3,217,387
	5,408,818	5,521,333	7,609,890	7,576,972

Notes:

- Revenue excluding investment income generated from financial instruments.
- Non-current assets excluding deferred tax assets, other financial assets and loan receivable.

The major countries where the group companies domiciled include China (including Hong Kong), Australia, New Zealand, USA and Canada.

The Group does not have any material sales (excluding investment income generated from financial instruments) to countries other than those in which the Group companies are domiciled. There are no material non-current assets (excluding deferred tax assets, other financial assets and loan receivable) which are located in countries other than those in which the Group companies are domiciled.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

39. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Reconciliation of Liabilities arising from Financing Activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Bank borrowings HK\$'000	Bank and other interest payable (included in payables and accruals) HK\$'000	Lease liabilities HK\$'000	Total HK\$'000
As at 1 January 2024	5,422,947	1,497	508,161	5,932,605
Financing cash flow	65,601	(309,869)	(97,707)	(341,975)
Finance cost recognised	–	310,318	26,866	337,184
New leases entered and reassessment of lease liabilities	–	–	214,511	214,511
Foreign exchange movement	(13,650)	(133)	(27,060)	(40,843)
At 31 December 2024	5,474,898	1,813	624,771	6,101,482
Financing cash flow	536,666	(237,542)	(108,093)	191,031
Finance cost recognised	–	239,050	27,844	266,894
New leases entered and reassessment of lease liabilities	–	–	23,341	23,341
Foreign exchange movement	16,519	153	25,284	41,956
At 31 December 2025	6,028,083	3,474	593,147	6,624,704

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

39. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

(b) Information of Supplier Finance Arrangements

	2025 HK\$'000	2024 HK\$'000
Carrying amount of the financial liabilities that are subject to supplier finance arrangements		
Presented as part of "Borrowings"	93,712	52,615
– of which suppliers have already received payment from the finance provider	93,712	52,615
	2025 Days	2024 Days
Range of payment due dates		
For liabilities presented as part of "Borrowings":		
– Liabilities that are part of supplier finance arrangements	210 to 225 days	210 to 225 days
– Comparable trade payables that are not part of supplier finance arrangements	30 days to 45 days	30 days to 45 days

Changes in liabilities that are subject to supplier finance arrangements are primarily attributable to additions resulting from purchases of goods and services and subsequent cash settlements. During the year, borrowings under supplier finance arrangement of HK\$183,298,000 (2024: HK\$55,001,000) represent the payments to the suppliers by the relevant bank directly.

40. RELATED PARTY TRANSACTIONS

In addition to the transactions and balances set out elsewhere in the notes to the consolidated financial statements, the Group entered into the following significant transaction with related parties during the year:

- The Group made sales of HK\$43,351,000 (2024: HK\$28,324,000) to CK Hutchison Holdings Limited, a substantial shareholder of the Company, and its subsidiaries.

The above transaction with CK Hutchison Holdings Limited and its subsidiaries, which constitutes continuing connected transaction as defined under the Listing Rules, details are set out under the paragraph "Continuing Connected Transactions" in the Report of Directors.

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

41. INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period includes:

	2025 HK\$'000	2024 HK\$'000
Non-current asset		
Investments in subsidiaries	2,523,843	2,523,843
Current assets		
Receivables and prepayments	1,572	1,634
Amounts due from subsidiaries	2,642,330	2,642,330
Bank balances and deposits	90	82
	2,643,992	2,644,046
Current liabilities		
Payables and accruals	(2,944)	(2,359)
Amounts due to subsidiaries	(1,753,997)	(1,715,042)
	(1,756,941)	(1,717,401)
Net current assets	887,051	926,645
Net assets	3,410,894	3,450,488
Share capital and reserves		
Share capital (Note 29)	961,107	961,107
Share premium and reserves	2,449,787	2,489,381
Total equity	3,410,894	3,450,488

Notes to the Consolidated Financial Statements (Cont'd)

For the year ended 31 December 2025

41. INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONT'D)

The movements in share premium and reserves are as follows:

	2025 HK\$'000	2024 HK\$'000
As at 1 January	2,489,381	2,528,041
Results for the year	(39,594)	(38,660)
As at 31 December	2,449,787	2,489,381

42. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements set out on pages 61 to 148 were approved and authorised for issue by the Board of Directors on 17 March 2026.

Principal Subsidiaries

APPENDIX I

The Directors are of the opinion that a complete list of the particulars of all the subsidiaries will be of excessive length and as such, the following list contains only those principal subsidiaries. They are all indirect subsidiaries.

Unless otherwise stated, the principal areas of operations of the companies below were the same as the place of incorporation.

Name	Place of incorporation	Issued ordinary share capital	Effective percentage held by the Company indirectly		Principal activities
			2025	2024	
Accensi Pty Ltd	Australia	A\$100	100	100	Manufacturing of plant protection products and soluble fertilisers
Amgrow Pty Ltd	Australia	A\$1	100	100	Blending and distribution of fertilisers, manufacturing and distribution of horticultural products for the home gardening market, distribution of pesticides, and distribution of turf management products and provision of related services
Aspiring Best Limited *	British Virgin Islands	US\$1	100	100	Financing
ATR Packing Services Pty Ltd	Australia	A\$100	100	100	Providing packing services
ATR Property Investments Pty Ltd	Australia	A\$100	100	100	Holding land and building
Belvino Investments Pty Limited	Australia	A\$1,000	100	100	Investment in vineyards
Bofanti Limited *	British Virgin Islands	US\$1	100	100	Investment in financial instruments
Cattleya Investment Limited *	British Virgin Islands	US\$1	100	100	Financing
Cheetham Salt Limited	Australia	A\$150,405,540	100	100	Production, refining and distribution of salt products

Principal Subsidiaries (Cont'd)

APPENDIX I (CONT'D)

Name	Place of incorporation	Issued ordinary share capital	Effective percentage held by the Company indirectly		Principal activities
			2025	2024	
CK Life Sciences Development Limited	Hong Kong	HK\$2	100	100	Research and development
CK Life Sciences Int'l, Inc. *	British Virgin Islands	US\$1	100	100	Products commercialisation
CK Life Sciences Limited	Hong Kong	HK\$10,000,000	100	100	Applied research, production, product development and commercialisation
Dogwood Therapeutics, Inc ^	USA	US\$2,974	82.9	N/A	Developing novel non-opioid therapeutics for the management of pain and peripheral neuropathy
Dominion Salt Limited	New Zealand	NZ\$1,800,000	100	100	Production and distribution of salt products
Echilada Limited *	British Virgin Islands	US\$1	100	100	Financing
Equipment Solutions Pty Ltd	Australia	A\$100	100	100	Distribution of professional turf management machinery and equipment
Firstar Ventures Limited *	British Virgin Islands	US\$1	100	100	Financing
Globe Australia Pty Ltd	Australia	A\$9	100	100	Distribution of professional pest products
Joint Kingdom Development Limited	Hong Kong	HK\$1	100	100	Trading for fertilisers and related products
Joyful World Global Limited *	British Virgin Islands	US\$1	100	100	Financing

Principal Subsidiaries (Cont'd)

APPENDIX I (CONT'D)

Name	Place of incorporation	Issued ordinary share capital	Effective percentage held by the Company indirectly		Principal activities
			2025	2024	
Joris Investments Limited *	British Virgin Islands	US\$1	100	100	Investment in financial instruments
Jovial Dynasty Limited *	British Virgin Islands	US\$1	100	100	Financing
Lipa Pharmaceuticals Ltd	Australia	A\$17,943,472.62	100	100	Contract manufacturing of complementary healthcare medicines and production of non-sterile prescription and over-the-counter medicines
Meridian Vision Limited *	British Virgin Islands	US\$1	100	100	Financing
NutriSmart Australia Pty Ltd	Australia	A\$1	100	100	Supplier of raw materials in nutritional health, pharmaceutical, cosmetics, personal care and food segments
Polynoma LLC #	USA	N/A	N/A	100	Research, development, manufacturing and commercialisation of drug products to treat Melanoma
QWIL Investments (NZ) Pty Limited	New Zealand	NZ\$1	100	100	Investment in vineyards
QWIL Investments Pty Ltd	Australia	A\$100	100	100	Investment in vineyards
Regenal Management Services Pty Limited	Australia	A\$100	100	100	Providing asset management services
Santé Naturelle A.G. Ltée	Canada	C\$4,716,310	100	100	Manufacturing, wholesaling, retailing and distribution of nutraceutical products

Principal Subsidiaries (Cont'd)

APPENDIX I (CONT'D)

Name	Place of incorporation	Issued ordinary share capital	Effective percentage held by the Company indirectly		Principal activities
			2025	2024	
Sequencio Therapeutics Company Limited	Hong Kong	HK\$1	100	–	Research and development
Treasure Ring Limited*	British Virgin Islands	US\$1	100	100	Financing
UTR Investments Pty Limited	Australia	A\$100	100	100	Holding land and building
Vital Care Hong Kong Limited	Hong Kong	HK\$2	100	100	Trading of biotechnology products and nutritional supplements
Vital Production Limited	Hong Kong	HK\$2	100	100	Holding license of biotechnology products and nutritional supplements
Vitaquest International Holdings LLC ^Δ	USA	N/A	100	100	Supply and manufacturing of nutritional supplements

All of the above subsidiaries are limited liability entities. None of the subsidiaries had issued any debt.

* The principal place of operation was in Asia.

^Δ Vitaquest International Holdings LLC did not have any issued or registered capital. However, the Company held 100% (2024: 100%) interest in their common voting rights respectively.

[^] Pursuant to a share exchange agreement entered by the Group on 7 October 2024, 100% equity interest in Pharmagesic was exchanged for the issuance of certain common stock and preferred stock by Dogwood. Subsequently on 21 November 2025, the Group completed the conversion of its preferred stock in Dogwood into common stock. As a result, the Group held approximately 83.0% of the issued common shares of Dogwood and became the controlling shareholder of Dogwood. Further details were set out in note 4 and 34.

Polynoma LLC was disposed of during the year ended 31 December 2025. Details of which were set out in note 35.

Principal Joint Ventures

APPENDIX II

Name	Effective percentage of capital held by the Company indirectly		Principal activities	Place of operation
	2025	2024		
Western Salt Refinery Pty Ltd	50	50	Production and distribution of salt products	Australia
Regenagri Pty Ltd	20	20	Investment Holding	Australia

APPENDIX III

Description	Location	Existing Land Use	Land Title
Australia			
Bussorah Vineyard	Padthaway, South Australia	Vineyard	Freehold
Chalice Vineyard	Rosa Glen, Western Australia	Vineyard	Freehold
Dalmeny Vineyard	Padthaway, South Australia	Vineyard	Freehold
Gale Road Vineyard	Gale Road, Western Australia	Vineyard	Freehold
Jubilee Park Vineyard	Yamba, South Australia	Vineyard	Freehold
Katnook Vineyard	Coonawarra, South Australia	Vineyard	Freehold
Kenley Vineyard	Kenley, Victoria	Vineyard	Freehold
Lionels Vineyard	Kaloorup, Western Australia	Vineyard	Freehold
Miamba Vineyard	Lyndoch, South Australia	Vineyard	Freehold
Nangiloc Colignan Farms	Colignan, New South Wales	Vineyard	Freehold
Old Land Vineyard	Anniebrook, Western Australia	Vineyard	Freehold
Paringi Vineyard	Paringi, New South Wales	Vineyard	Freehold
Qualco East Vineyard	Qualco, South Australia	Vineyard	Freehold
Qualco West Vineyard	Qualco, South Australia	Vineyard	Freehold
Robinvale Vineyard	Robinvale, Victoria	Vineyard	Freehold
Rowe Road Vineyard	Witchcliffe, Western Australia	Vineyard	Freehold
Station & Kirkgate Vineyard	Coonawarra, South Australia	Vineyard	Freehold
Wilga Road Vineyard	Whitton, New South Wales	Vineyard	Freehold
New Zealand			
Claim Vineyard	Bendigo, Central Otago	Vineyard	Freehold
Crownthorpe Vineyard	Matapiro, Hawkes Bay	Vineyard	Freehold
Deans Vineyard	Broomfield, Waipara	Vineyard	Freehold
Home Vineyard	Amberley, Waipara	Vineyard	Freehold
Mound Vineyard	Amberley, Waipara	Vineyard	Freehold
Northbank Vineyard	Onamalutu, Marlborough	Vineyard	Freehold
Rarangi Vineyard	Rarangi, Marlborough	Vineyard	Freehold
Woolshed Vineyard	Renwick, Marlborough	Vineyard	Freehold

The Board of Directors (the “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 (the “Group”). The Company acknowledges that 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 (the “CG Code”) as set out in Appendix C1 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) throughout the year ended 31 December 2025.

SUSTAINABLE BUSINESS MODEL

Purpose, Values, Strategy and Culture

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. The Long Term Development Strategy section at page 32 of this Annual Report discusses the Company’s purpose, values, strategy and culture.

Sustainable Dividend Policy

The Board is committed to maintaining an optimal capital structure. This is pursued to deliver returns to shareholders and ensure that adequate capital resources are available for business growth and investment opportunities. Subject to business conditions and market opportunities, the Company aims to deliver a sustainable dividend that is in line with the earnings improvements and long-term growth of the Company. The Board makes all dividend decisions in accordance with those principles which are provided in the Company’s dividend policy.

THE BOARD

Roles of the Board

Accountable to the shareholders under the leadership of the Chairman of the Board (the “Chairman”), the Board leads, directs and supervises the Company’s affairs to enable the long-term success of the Company. The Board is responsible for shaping and monitoring the corporate culture, setting long-term strategic objectives, policies and directions of the Company with appropriate focus on values creation and risk management. The Board evaluates the Group’s operating, financial and sustainability performance and oversees the executive management of the Company with the support of various standing committees, and ensures the Company maintains effective communication with shareholders and appropriate engagement with other key stakeholders. The Board ensures appropriate and adequate reporting in annual reports, including financial statements, Environment, Social and Governance (“ESG”), disclosure of Board’s practices and other corporate policies. The Board is accountable for its actions or inactions, and where appropriate, the Board takes the shareholders’ and stakeholders’ view into account in its decisions. The Board ensures adequacy of resources, staff qualifications and experience, especially for the Company’s accounting, internal audit and financial reporting functions.

Under the leadership of the Chief Executive Officer, the Company's management is responsible for the day-to-day operations of the Group.

The Company has arranged and maintained appropriate and adequate directors and officers liability insurance coverage for its Directors and officers since its listing on the Stock Exchange.

Board Composition

As at 31 December 2025 and as at the date of this Annual Report, the Board consists of eleven Directors, comprising six Executive Directors (including the Chairman, the President, the Senior Vice President and Chief Investment Officer, the Deputy Chairman, the Vice President and Chief Executive Officer and the Vice President and Chief Scientific Officer), one Non-executive Director and four Independent Non-executive Directors. Details of the composition of the Board are set out on page 194 of this Annual Report.

Throughout the year ended 31 December 2025 and up to the date of this Annual Report, more than one-third of the Board are Independent Non-executive Directors and more than one of them have appropriate professional qualifications, or accounting or related financial management expertise. Independent Non-executive Directors have been identified in all corporate communications that disclosed the names of Directors.

A formal letter setting out the key terms and conditions of the Board appointment was issued to each Director. During the year ended 31 December 2025 and thereafter until the date of this Annual Report, there were no changes to the composition of the Board.

The Board, through and by the Nomination Committee, reviews the Board's structure, size and composition at least annually to ensure that the Board has a balance of expertise, skills, experience and diversity of perspectives appropriate to the requirements of the business of the Group and a balanced composition of Executive and Non-executive Directors.

The Company maintains, on the websites of the Company and the Hong Kong Exchanges and Clearing Limited ("HKEX"), an updated list of Directors identifying their respective roles and functions and whether they are Independent Non-executive Directors. The Directors' biographical information and the relationships among the Directors are set out on pages 36 to 39 of this Annual Report and on the website of the Company.

Chairman and Chief Executive Officer

During the year and up to the date of this Annual Report, the positions of Chairman and Chief Executive Officer are held by separate individuals. The Chairman determines the broad strategic direction of the Group in consultation with the Board and is responsible for the high-level oversight of management. The Chief Executive Officer, with the support of the Executive Directors, is responsible for the strategic planning of different business functions and the day-to-day management and operation of the Group.

The Chairman provides leadership for the Board and ensures effective performance of the duties of the Board and that all key and appropriate issues are discussed in a timely manner. With the support of other Executive Directors and the Company Secretary, the Chairman sets the agenda for each Board meeting taking into account, where appropriate, matters proposed by the other Directors for inclusion in the agenda, and ensures that all Directors receive adequate and accurate information, and are properly briefed on issues arising at Board meetings, on a timely manner.

The Chairman solicits opinions from the Directors and encourages for Directors' active contribution to the Board's affairs, and takes the lead to ensure that the Board acts in the best interest of the Company. The Chairman promotes a culture of openness and a constructive relationship between Executive and Non-executive Directors, and invites Directors with different views to voice their concerns. The Chairman allows sufficient time for discussion of issues and ensures that Board decisions fairly reflect Board consensus. Led by the Chairman, the Board and the management of the Company have taken appropriate steps (including the communication channels as described in section headed "Shareholders Communication Policy and Stakeholder Engagement Policy") to facilitate effective communication with shareholders and engagement with other stakeholders, and have put in place good corporate governance practices and procedures. The Company does not consider it is necessary to appoint a lead independent non-executive director, given the sound stakeholder engagement and effective communication channels maintained by the Company.

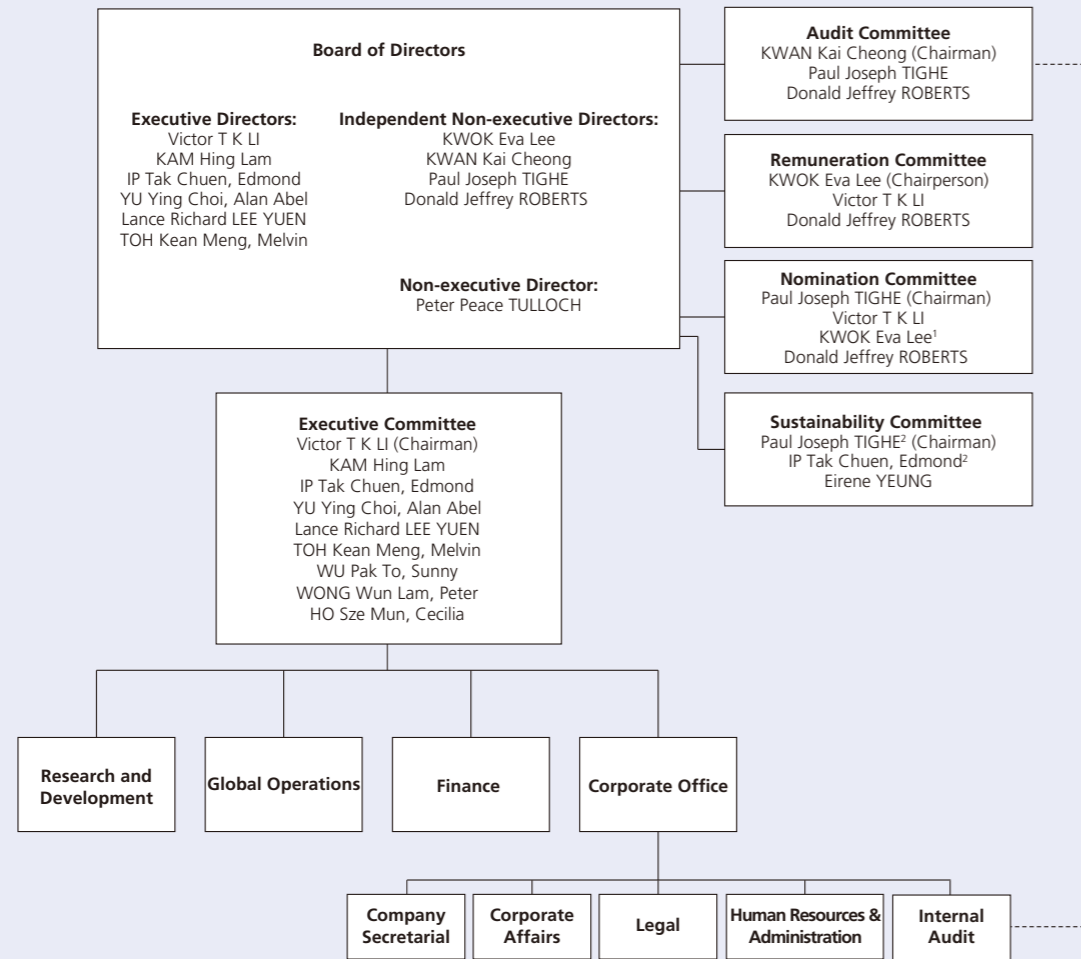
The Chairman leads the Board in fostering the Group's corporate culture in alignment with its purpose, values and strategy set by the Board, to reinforce the Group's vision and pursuit of success.

Executive Directors and the Executive Committee

Executive Directors are in charge of different business units and functional divisions in accordance with their respective areas of expertise. The management of the Company reports acquisitions or disposals of, or investments in, businesses or projects, and other matters as considered appropriate, back to the Board, and obtains the Board's prior approval before entering into any commitments on behalf of the Company. Where appropriate, disclosure is made and/or circulars are issued to obtain shareholders' approval in accordance with the requirements of the applicable rules and regulations.

The Executive Committee is one of the five Board Committees established with specific terms of reference. (Details of the other Board Committees are provided below in this Report.) The Executive Committee is chaired by the Chairman of the Company, and comprises all Executive Directors and three key personnel of the Company. The Executive Committee meets regularly to discuss and make decisions on matters relating to the management and operations of the Company, and to assess and make recommendations to the Board on acquisitions or disposals of, or investments in, businesses or projects. The Executive Committee is provided with sufficient resources to discharge its duties, and a Director as a member of the Executive Committee may seek independent professional advice, through the Company Secretary and at the Company's expense, in appropriate circumstances.

A Management Structure Chart of the Company is set out below:



Notes:

- Mrs. Kwok Eva Lee was appointed as a member of the Nomination Committee of the Company with effect from the conclusion of the Board meeting held on 18 March 2025.
- Mr. Ip Tak Chuen, Edmond has retired as chairman and remains a member of the Sustainability Committee of the Company, and Mr. Paul Joseph Tighe, another member of the Sustainability Committee, has been appointed as chairman of the Sustainability Committee of the Company, with effect from 1 November 2025.

Board Process

The Board meets regularly and at least four times a year at approximately quarterly intervals. Regular Board meetings in a particular year are scheduled towards the end of the immediately preceding year to give all Directors adequate time to plan their schedules. Notice of at least 14 days is given of a regular Board meeting, together with a draft agenda for review and comments. The prior notice gives all Directors an opportunity to include matters in the agenda. The agenda accompanying a full set of papers of a regular Board meeting are circulated not less than three days before the intended date of the meeting, with a view to enabling the Directors to make informed decisions on matters to be considered at the meeting. The Directors are given as much prior notice as is reasonable and practical under the circumstances of ad hoc Board meetings in addition to regular Board meetings.

The Directors are provided with adequate, complete and reliable information in a timely manner to enable them to make informed decisions. All Directors are entitled to have access to Board papers and related materials. Directors make enquiries when they require further information. Communication between the Directors on the one hand and the Company Secretary acting as the co-ordinator for business units of the Group on the other, is a dynamic and interactive process. This approach ensures that any queries or requests for clarifications from the Directors are dealt with and further supporting information is provided if appropriate. The Company Secretary and the Chief Financial Officer attend all regular Board meetings to advise on corporate governance, statutory compliance and accounting and tax related financial matters, as appropriate. A Director may seek independent professional advice at the Company's expense in accordance with the Company's Guidelines for Directors Seeking Independent Professional Advice should such advice be considered necessary by the Director.

Each Director is required to declare his/her interest in accordance with the Company's articles of association (the "Articles"). All material matters to be considered by the Board, in which a substantial shareholder or a Director has a conflict of interest, are dealt with in accordance with the applicable rules and regulations and, where appropriate, by an independent board committee to be set up in accordance with the Listing Rules.

Corporate Governance Report (Cont'd)

During the year ended 31 December 2025, the Company held four regular Board meetings (in March, May, August and November of 2025). An annual general meeting of the Company was held on 22 May 2025. The attendance record is set out below:

Members of the Board	Attendance at Board Meeting(s) Held	Attendance at General Meeting(s) Held ¹
Executive Directors		
Victor T K LI (<i>Chairman</i>)	4/4	1/1
KAM Hing Lam (<i>President</i>)	4/4	1/1
IP Tak Chuen, Edmond (<i>Senior Vice President and Chief Investment Officer</i>)	4/4	1/1
YU Ying Choi, Alan Abel (<i>Deputy Chairman</i>)	4/4	1/1
Lance Richard LEE YUEN (<i>Vice President and Chief Executive Officer</i>)	4/4	1/1
TOH Kean Meng, Melvin (<i>Vice President and Chief Scientific Officer</i>)	4/4	1/1
Non-executive Director		
Peter Peace TULLOCH	4/4	1/1
Independent Non-executive Directors		
KWOK Eva Lee	4/4	1/1
KWAN Kai Cheong	4/4	1/1
Paul Joseph TIGHE	4/4	1/1
Donald Jeffrey ROBERTS	4/4	1/1

Note:

1 All Directors attended via video conferencing.

The Directors have the option to attend Board meetings in person, by phone or through means of electronic communication or by their respective alternate directors (if applicable) or proxies, in accordance with the Articles. None of the Directors attended meetings through his/her proxy during the year of 2025. An updated and consolidated version of the Company's Memorandum and Articles of Association (both English and Chinese versions) are available on the websites of the Company and HKEX.

The Directors also considered and approved affairs and matters of the Company by way of written resolutions during the year ended 31 December 2025 with the support of relevant information and explanatory materials necessary and sufficient for the Directors to make informed decisions. All Directors (including the Independent Non-executive Directors) have been given the opportunity to consider, query and comment on such matters before granting approval. In addition, the management of the Company also provides the Directors with monthly updates and other information in order to enable the Directors to keep abreast of the business affairs of the Group and be involved in scrutinizing the Group's performance in achieving the Group's corporate goals and objectives.

Corporate Governance Report (Cont'd)

During the year ended 31 December 2025, in addition to full Board meetings, the Chairman held two meetings with the Independent Non-executive Directors without the presence of other Directors (in May and November of 2025). The attendance record is set out below:

	Attendance at Meeting(s) Held
Chairman	
Victor T K LI	2/2
Independent Non-executive Directors	
KWOK Eva Lee	2/2
KWAN Kai Cheong	2/2
Paul Joseph TIGHE	2/2
Donald Jeffrey ROBERTS	2/2

Board Independence

As at 31 December 2025 and as at the date of this Annual Report, four out of the eleven members of the Board are Independent Non-executive Directors accounting for 36.4% of the Board. Separation of the roles of the Chairman and the Chief Executive Officer ensures there is a balance of power and authority. The Audit Committee, the Nomination Committee, the Remuneration Committee and the Sustainability Committee are chaired by Independent Non-executive Directors. The Audit Committee comprises Independent Non-executive Directors only. Independent Non-executive Directors comprise a majority of each of the Nomination Committee and the Remuneration Committee. The Sustainability Committee is comprised of three members including an Independent Non-executive Director.

The Independent Non-executive Directors exercise their independent judgement on issues of strategy, policy, performance, accountability, resources, key appointments and standards of conduct of the Company. The Independent Non-executive Directors help review the Board's major decisions, the Company's financial and operational performance and monitor performance reporting on a regular basis. During the year ended 31 December 2025, through their participation at the Company's annual general meeting, Board and Board Committee meetings and perusal of reports by and having dialogues with the management, the Independent Non-executive Directors attended to affairs relating to internal audit and controls, corporate governance, directors' appointments, acquisitions and divestments, accounting and financial matters, regulatory compliance, and strategic and sustainability policies of the Company.

The independence of the Independent Non-executive Directors is assessed according to the relevant requirements under the Listing Rules. Each Independent Non-executive Director is reminded to inform the Company and the Stock Exchange as soon as practicable if there is any change that may affect his/her independence. Each Independent Non-executive Director has provided the Company with an annual confirmation of independence taking into account the factors referred to in Rule 3.13 of the Listing Rules. Independent Non-executive Directors receive fixed fees for their appointments as members of the Board and additional fees for sitting on each Board Committee. None of such fees are based on the performance of the Group. None of the Independent Non-executive Directors are financially dependent on the Group.

The Board considers that a Director's independence is a question of fact and that cross-directorships do not necessarily result in significant links with other directors or compromise the independence of an Independent Non-executive Director. Instead, the experience of serving other listed boards broadens a Director's perspective and enriches a Director's contributions to Board discussions. The Independent Non-executive Directors are skilled and experienced professionals with high esteem and integrity, who possess expertise in their specific fields, and financial independence. The Independent Non-executive Directors are able to provide independent and constructive views with respect to the Company's matters and challenges to the management and other Directors as circumstances require. The Board is of the view that all Independent Non-executive Directors of the Company meet the independence guidelines set out in Rule 3.13 of the Listing Rules.

The following paragraphs provide a summary of the mechanism maintained by the Company to ensure independent views and input are available to the Board.

The Company recognises that a balanced composition secures strong independence on the Board and the Board Committees. Pursuant to the Company's Board Diversity Policy and Director Nomination Policy, the Board, through the Nomination Committee, reviews and assesses the profile of a candidate for directorship with a view to achieving a balance of skill set, experience, expertise and diversity of perspectives appropriate for the strategies of the Company. To maintain the desired independence, the Company assesses the independence of the Independence Non-executive Directors periodically on the Board in accordance with the requirements of the Listing Rules.

The Chairman encourages Directors with different views to voice their concerns to promote diversity of thought and independence of judgement. The management of the Company provides the Directors with all relevant documents and information in a timely manner, with a view to enabling the Directors to discharge their duties, understand key issues, exercise independent judgement, contribute to discussions and make informed decisions. To facilitate these objectives, the Directors are entitled to seek further information from the management on the matters to be discussed at meetings of the Board or Board Committees, and/or to seek assistance from the Company Secretary who will be co-ordinating between the Directors and the management to deal with any queries from the Directors, or seek assistance from external professional advisers at the Company's expense.

In addition, the two meetings held every year between the Chairman and Independent Non-executive Directors without the presence of the other Directors provide an exclusive platform for Independent Non-executive Directors to raise concerns, exchange views and discuss issues about the Company or its business, such as corporate governance enhancement, efficiency of the Board and any other matters they may wish to discuss without the presence of the Executive Directors and the management.

The Company considers board performance evaluation as an essential tool for assessing Board effectiveness. The Board conducted an internal board and committees performance evaluation for 2025 with assistance from the Company Secretary and authorised officers. Each Director participated in evaluation by completing a questionnaire to provide individual ratings and comments across a range of topics and identify areas for enhancement (if any). The evaluation parameters included, amongst others, board composition and expertise, board processes, board accountability and leadership, and continuous development. The findings of the evaluation were aggregated and presented to the Nomination Committee and the Board respectively in March 2026. The results show that the Directors consider the composition of the Board and Board Committees is appropriate, and they are satisfied with the performance of the Board and Board Committees.

Commitment, Induction and Professional Development

The Directors disclosed to the Company at the time of appointment their other significant commitments, such as the number and nature of offices held in public companies or organisations. Each Director has provided the Company with an annual confirmation that he/she has given sufficient time and attention to the affairs of the Company and has disclosed to the Company in a time manner changes, if any, in the number and nature of offices he/she held in public companies or organisations and his/her other significant external time commitments, for the year ended 31 December 2025. The Company considers that there has been satisfactory attendance of the Directors at the Company's general meeting, Board meetings, Board Committee meetings and, with respect to the Independent Non-executive Directors, the meetings between the Chairman and the Independent Non-executive Directors during the year ended 31 December 2025. Executive Directors have hands-on knowledge and expertise in the areas and operations of which they are in charge. Appropriate attention to the affairs of the Company is measured in terms of time as well as the quality of such attention, the ability of the Directors to contribute with reference to their areas of knowledge, skills and expertise and the ability to bring global perspectives to the Company. The Independent Non-executive Directors have consistently demonstrated their commitment to being fully engaged with the Company's affairs both inside and outside the boardroom, and their ability to devote sufficient time to the Board. The Company considers that the Independent Non-executive Directors have made a positive contribution to the development of the Group's strategy and policies through independent, constructive and informed comments.

Shortly before the appointment takes effect, a prospective Director receives a comprehensive induction package comprising a policy handbook containing the Company's corporate governance and sustainability policies and procedures, as well as a guidance book, compiled and reviewed by the Company's external legal advisers, providing an overview of directors' duties and obligations under the Listing Rules and other relevant legal and regulatory requirements. The Company instructs its external legal advisers to give a briefing session to take a prospective Director through all the directors' duties and responsibilities under the applicable laws and regulations, and other requirements under the Listing Rules that are applicable to him/her as a Director, before the appointment is effective. Senior executives and responsible officers provide newly appointed Directors with orientation briefings on the roles of a member of the Board and Board Committees and on the Group's structure, business outlook and strategy, financial reporting and accounting practice, risk management and governance framework. The Company Secretary and authorised officers liaise proactively with newly appointed Directors before and after their appointments to facilitate their discharge of duties and responsibilities as Directors of the Company.

All Directors are required to participate in continuous professional development ("CPD"). The Company has a long history of organising and providing Directors with tailored CPD training, at the cost of the Company, to enable the Directors to develop and refresh their knowledge and skills on the roles, functions and duties of a listed company director and discharge their duties and responsibilities for the benefit of the Company. Since the listing of its shares on the Stock Exchange, the Company has been organising in-house seminars on an annual basis for the Directors together with directors of other companies of the entire CK Group. The Company Secretary and the authorised officers of the Company also assist the Directors, on an individual basis, from time to time upon request in handling any regulatory, compliance or governance issues that the Directors may come across in the performance of their duties and responsibilities.

Throughout the year ended 31 December 2025, the Directors have participated in CPD to keep abreast of the latest developments in areas including laws and regulations, the Listing Rules, governance and sustainability practices, directors' duties, risk management and internal controls, and industry-specific and innovative changes in the markets in which the Group operates.

During the year ended 31 December 2025, the Directors attended CPD training organised by the Company and other CPD training attended to by respective directors on their own initiatives. The CPD training includes but not limited to the following topics:

- (a) the roles, functions and responsibilities of the Board, its committees and its Directors, and Board effectiveness;
- (b) the Company's obligations and Directors' duties under Hong Kong law and the Listing Rules, and key legal and regulatory developments (including Listing Rules updates) relevant to the discharge of such obligations and duties;
- (c) corporate governance and ESG matters (including developments on sustainability or climate-related risks and opportunities relevant to the Company);
- (d) risk management and internal controls; and
- (e) updates on industry-specific developments, business trends and strategies relevant to the Company.

Members of the Board of Directors	Mode of CPD training received in 2025			Approximate number of CPD hours completed in 2025
	Internal training ⁽ⁱ⁾ – hours completed and topics covered	External training ⁽ⁱⁱ⁾ – hours completed and topics covered	Self-Study ⁽ⁱⁱⁱ⁾ – hours completed and topics covered	
Executive Directors				
Victor T K LI (Chairman)	–	–	15.5 (a) to (e)	15.5
KAM Hing Lam (President)	–	–	13 (a) to (e)	13
IP Tak Chuen, Edmond (Senior Vice President and Chief Investment Officer)	–	–	14 (a) to (e)	14
YU Ying Choi, Alan Abel (Deputy Chairman)	3 (a) to (e)	16.5 (a) to (c) & (e)	6.5 (a) to (e)	26
Lance Richard LEE YUEN (Vice President and Chief Executive Officer)	3 (a) to (e)	–	14.5 (a) to (e)	17.5
TOH Kean Meng, Melvin (Vice President and Chief Scientific Officer)	–	5 (a),(b)	7.5 (a) to (e)	12.5
Non-executive Director				
Peter Peace TULLOCH	3 (a) to (e)	–	5 (a) to (d)	8

Members of the Board of Directors	Mode of CPD training received in 2025			Approximate number of CPD hours completed in 2025
	Internal training ⁽ⁱ⁾ – hours completed and topics covered	External training ⁽ⁱⁱ⁾ – hours completed and topics covered	Self-Study ⁽ⁱⁱⁱ⁾ – hours completed and topics covered	
Independent Non-executive Directors				
KWOK Eva Lee	3 (a) to (e)	–	6.5 (a) to (e)	9.5
KWAN Kai Cheong	3 (a) to (e)	5.5 (a) to (d)	22.5 (a) to (d)	31
Paul Joseph TIGHE	2 (a) to (e)	–	14.5 (a) to (e)	16.5
Donald Jeffrey ROBERTS	3 (a) to (e)	13.5 (c) to (e)	12.5 (a) to (e)	29

Notes:

- (i) "Internal training" includes live CPD training or equivalent sessions organised by CK Group, with professional guest speakers, attended by a Director in person or via real-time video conferencing tools.
- (ii) "External training" includes live CPD training or equivalent sessions organised by professional organisations, regulators, governmental authorities, industry associations or other qualified or well-recognised bodies, attended by a Director in person or via real-time video conferencing tools.
- (iii) "Self-study" includes reading published materials and attending pre-recorded or self-pacing on-line training which does not provide opportunities for real-time interactions.

The Directors have provided the Company with their CPD training records for the year ended 31 December 2025. The training records are maintained by the Company Secretary and are made available for regular review by the Audit Committee and Nomination Committee.

Compliance with the Model Code

The Company has adopted a code of conduct regarding directors' securities transactions on terms no less exacting than the required standards set out in the "Model Code for Securities Transactions by Directors of Listed Issuers" under Appendix C3 to the Listing Rules (the "Model Code"). The Company will review and revise its code of conduct regarding directors' securities transactions to reflect any amendments to Appendix C3 to the Listing Rules from time to time.

All Directors have confirmed that they have complied with the required standards set out in the Model Code regarding their dealings in securities of the Company during the year ended 31 December 2025.

The Board has established written guidelines no less exacting than the Model Code for relevant employees in respect of their dealings in the Company's securities. The Company has adopted a policy on handling of confidential information, information disclosure and securities dealing, applicable to the Group's employees when they are in possession of confidential or inside information in relation to the Group. The policy satisfies the requirements under Part XIVA of the Securities and Futures Ordinance. The policy is available on the Company's intranet and disseminated to the employees.

Board Committees

Five Board Committees, namely Audit Committee, Remuneration Committee, Nomination Committee, Sustainability Committee and Executive Committee, have been established with specific terms of reference. Details of these Board Committees are further provided in this Report. The memberships and terms of reference of the Board Committees are made available on the websites of the Company and/or HKEX. Board Committees are required to report to the Board on their decisions and recommendations at Board meetings.

The table below provides membership information of these committees on which the Directors served during the year ended 31 December 2025 and as at the date of this Annual Report:

Directors	Board Committee	Audit Committee	Remuneration Committee	Nomination Committee	Sustainability Committee*	Executive Committee*
Executive Directors						
Victor T K LI		–	M	M	–	C
KAM Hing Lam		–	–	–	–	M
IP Tak Chuen, Edmond ¹		–	–	–	M	M
YU Ying Choi, Alan Abel		–	–	–	–	M
Lance Richard LEE YUEN		–	–	–	–	M
TOH Kean Meng, Melvin		–	–	–	–	M
Non-executive Director						
Peter Peace TULLOCH		–	–	–	–	–
Independent Non-executive Directors						
KWOK Eva Lee ²		–	C	M	–	–
KWAN Kai Cheong		C	–	–	–	–
Paul Joseph TIGHE ¹		M	–	C	C	–
Donald Jeffrey ROBERTS		M	M	M	–	–

Notes:

- * Also comprises other key personnel
- C Chairperson of the relevant Board committees
- M Member of the relevant Board committees
- 1 Mr. Ip Tak Chuen, Edmond has retired as chairman and remains a member of the Sustainability Committee of the Company, and Mr. Paul Joseph Tighe, another member of the Sustainability Committee, has been appointed as chairman of the Sustainability Committee of the Company, with effect from 1 November 2025.
- 2 Mrs. Kwok Eva Lee was appointed as a member of the Nomination Committee of the Company with effect from the conclusion of Board meeting held on 18 March 2025.

COMPANY SECRETARY

Reporting to the Chairman, the Company Secretary advises the Board on corporate governance and other regulatory compliance matters. The Company Secretary assists the Board with the development and maintenance of a sound and effective corporate governance framework, including robust risk management and internal control systems to reinforce regulatory compliance and good corporate governance practices. The Company Secretary further assists the Board in fostering a strong compliance culture to meet regulatory and shareholder expectations.

The Company Secretary is responsible for keeping the Board abreast of developments in the law, rules and regulations that may affect the Company's business and operations. The Company Secretary also assists the Board in monitoring the Company's compliance with Board procedures and the requirements under the Listing Rules and other applicable law, rules and regulations. From time to time, the Company Secretary organises induction and regular training, and prepares briefing materials for Directors and the management of the Company, to provide them with continuous training on regulatory developments or specific topics of relevance to the business of the Company.

The Company Secretary provides compliance advice to the Board and management in the Company's decision making process, and works closely with the Board, in particular the Executive Directors, and the management in the formulation and implementation of the Company's policies and procedures which reflect the values underlying the Company's corporate culture developed over the years in support of the application of the strategy to achieve the Company's purpose. The Company Secretary assists the Board and the Board Committees in aligning the desired corporate culture with the Company's purpose, values and strategy.

As part of the Company's efforts to maintain effective and meaningful engagement with stakeholders, the Company Secretary, in collaboration with the Executive Directors and the management of the Company, acts as a crucial conduit of communications within the Board, between the Board and the management, between the Board and the Company's business units and departments, and between the Company and its shareholders and other stakeholders. In doing so, the Company Secretary facilitates a good channel of communication between the Company and its shareholders, and also assists and works with the Board and the management in responding to inquiries from the regulators in a timely manner. All Directors have access to the advice and services of the Company Secretary in order to ensure that Board procedures, and all applicable law, rules and regulations, are complied with.

The Company Secretary and the authorised officers prepare written resolutions and minutes and keeps records of substantive matters discussed and decisions resolved at all Board and Board Committee meetings. Minutes of all meetings of the Board and Board Committees record in sufficient detail the matters considered and decisions reached by the Board or Board Committees. Draft and final versions of the minutes are sent to all Directors or Board Committee members as appropriate for comments and for their records within a reasonable time after each Board or Board Committee meeting. Such minutes and resolutions are available for inspection by Directors or Board Committee members upon request.

The Company Secretary of the Company has been appointed since the listing of the Company. The appointment and dismissal of the Company Secretary is subject to the Board's approval. The Company Secretary has confirmed that she has complied with all the required qualifications, experience and training requirements under the Listing Rules as at 31 December 2025.

ACCOUNTABILITY AND AUDIT

Financial Reporting

Directors are provided with a review of the Group’s major business activities and key financial information on a quarterly basis. Monthly updates are provided to all members of the Board, for the purpose of providing a balanced and understandable assessment of the Company’s financial and operating performance, position and prospects in sufficient detail to enable the Board as a whole and each Director to discharge their duties. Sufficient explanation and information is provided to the Board to enable Directors to make an informed assessment of the financial and other information put before the Board for approval.

The Directors acknowledge in writing on an annual basis their responsibility for preparing the financial statements of the Group. With the assistance of the Company’s Finance Department which is under the supervision of the Chief Financial Officer being a professional accountant, the Directors ensure the financial statements of the Group are prepared in accordance with the statutory requirements and applicable accounting standards, and published in a timely manner. Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubts upon the Company’s ability to continue as a going concern. The statement by the auditor of the Company regarding its reporting responsibilities on the Consolidated Financial Statements of the Group is provided in the Independent Auditor’s Report on pages 55 to 60.

The Board presents a clear, balanced and understandable assessment of the Group’s performance and financial position in the Group’s annual and interim reports and other financial disclosures required by the Listing Rules, and in other reports to the regulators or information disclosed under applicable statutory requirements. The Board is aware of and updated with the requirements under the applicable rules and regulations about timely disclosure of information or matters regarding the Company and will authorise the publication of such announcements as and when the occasion arises. The Company Secretary and the authorised officers together with the Finance Department work closely and in consultation with professional advisers to review the materiality and sensitivity of transactions and proposed transactions and advise the Board accordingly.

The Company issues half-yearly financial results within two months after the end of the relevant period, and annual financial results within three months after the end of the relevant year. The Board confirms that all dividend decisions have been made in accordance with the Company’s dividend policy. All significant transactions and inside information are announced and disclosed in accordance with the Listing Rules during the year. The shareholders of the Company are therefore able to assess the performance, financial position and prospects of the Company.

Given regular Board meetings are held quarterly to review major business and financial information, the Company does not consider it necessary, nor is it in the interests of the Company and its shareholders, to issue quarterly financial results. This would incur costs disproportionate to any additional benefits to the shareholders.

Audit Committee

The Audit Committee comprises three members, all of whom are Independent Non-executive Directors, with more than one of the members possessing appropriate professional qualifications, or accounting or related financial management expertise. No members of the Audit Committee are former partners of the existing auditing firm of the Company who have ceased to be partners of such firm or ceased to have financial interest in such firm for less than two years.

The Audit Committee is chaired by Mr. Kwan Kai Cheong with Mr. Paul Joseph Tighe and Mr. Donald Jeffrey Roberts as members. The Audit Committee held four meetings in March, May, August and November of 2025. The Company’s external auditor was invited to attend the meetings held in March, August and November of 2025. During the year ended 31 December 2025, the Audit Committee held two private sessions with the external auditor and internal auditor respectively without the presence of management. Attendance record of the members of the Audit Committee in 2025 is as follows:

Members of the Audit Committee	Attendance at Audit Committee Meetings Held
KWAN Kai Cheong (<i>Chairman of the Audit Committee</i>)	4/4
Paul Joseph TIGHE	4/4
Donald Jeffrey ROBERTS	4/4

Minutes of the Audit Committee meetings are kept by the Company Secretary. Draft minutes of the meetings of the Audit Committee are circulated to members within a reasonable time after each meeting for their review and comments and the signed minutes are shared with the members for reference.

The terms of reference of the Audit Committee are updated from time to time in accordance with the provisions set out in the CG Code and are made available on the websites of the Company and HKEX. The Board revised the terms of reference of the Audit Committee in May 2025 in accordance with the provisions of the CG Code. Under the Audit Committee’s terms of reference, the role of the Audit Committee is to assist the Board in fulfilling its duties through the review and supervision of the Company’s financial reporting, risk management and internal control systems and to take on any other responsibility as may be delegated by the Board from time to time. Apart from its responsibility to oversee the Group’s financial reporting, risk management and internal control systems, the Audit Committee also monitors the integrity of the Group’s financial information, oversees the Company’s relationship with the external auditor of the Company, reviews policies and arrangements (such as whistleblowing procedures) that the Group’s employees may use, in confidence and anonymity, to raise concerns about possible improprieties, adopts and maintains proper arrangements for fair and independent investigations and follow-up actions, and performs corporate governance functions delegated by the Board. The Audit Committee is provided with sufficient resources to perform its duties. The Company Secretary arranges independent professional advice for the Audit Committee at the expense of the Company should the seeking of such advice be considered necessary by the Audit Committee.

Corporate Governance Report (Cont'd)

In 2025, the Audit Committee discharged its duties and responsibilities under the terms of reference and the CG Code. The following is a summary of the works of the Audit Committee during 2025:

1. Reviewed the financial reports for 2024 annual results and 2025 interim results, and unaudited financial results for the first quarter and the third quarter of 2025;
2. Reviewed the findings and recommendations of the Internal Audit Department of the Company on the work of various business units and divisions/departments and updates on remedial actions, as appropriate;
3. Reviewed the effectiveness of the risk management and internal control systems;
4. Reviewed the external auditor's audit planning report and audit findings;
5. Reviewed the external auditor's remuneration;
6. Reviewed the risks of different business units and analysis thereof provided by the relevant business units and the Internal Audit Department;
7. Reviewed the control mechanisms for such risks and advised on the action plans for improvement of the situations;
8. Reviewed the arrangements (such as whistleblowing procedures) employees can use, in confidence and anonymity, to raise concerns about possible improprieties in financial reporting, internal control or other matters;
9. Reviewed the following internal policies and corporate governance practices:

Corporate Governance Policies:

- (a) Anti-Fraud and Anti-Bribery Policy;
- (b) Anti-Money Laundering Policy;
- (c) Board Diversity Policy;
- (d) Competition Compliance Policy;
- (e) Director Nomination Policy;
- (f) Employee Code of Conduct;
- (g) Information Security Policy;
- (h) Media, Public Engagement and Donation Policy;
- (i) Model Code for Securities Transactions by Directors;

Corporate Governance Report (Cont'd)

- (j) Policy on Appointment of Third Party Representatives;
- (k) Policy on Handling of Confidential Information, Information Disclosure, and Securities Dealing;
- (l) Privacy Policy and Personal Information Collection Statement;
- (m) Sanctions Compliance Policy;
- (n) Shareholders Communication Policy;
- (o) Whistleblowing Policy – Procedures for Reporting Possible Improprieties; and

Sustainability Policies:

- (p) Anti-Harassment Policy;
- (q) Biodiversity Policy;
- (r) Corporate Social Responsibility Policy;
- (s) Environmental Policy;
- (t) Health and Safety Policy;
- (u) Human Rights Policy;
- (v) Modern Slavery & Human Trafficking Statement;
- (w) Supplier Code of Conduct;
- (x) Workforce Diversity Policy; and

10. Reviewed revisions of the following Corporate Governance Policies:

- (a) Anti-Fraud and Anti-Bribery Policy;
- (b) Employee Code of Conduct;
- (c) Information Security Policy;
- (d) Policy on Handling of Confidential Information, Information Disclosure, and Securities Dealing; and
- (e) Whistleblowing Policy – Procedures for Reporting Possible Improprieties.

At the meeting of the Audit Committee held in March 2026, the Audit Committee:

1. Noted, after due and careful consideration of reports from the management and the internal and external auditors, that no suspected fraud or irregularities, significant internal control deficiencies, or significant suspected infringement of laws, rules, or regulations had been found, and concluded that the risk management and internal control systems were adequate and effective;
2. Reviewed the Group's 2025 consolidated financial statements, including the accounting principles and practices adopted by the Group, in conjunction with the Company's external auditor. After review and discussions with the management, internal and external auditors, the Audit Committee endorsed the accounting treatment adopted by the Company, and the Audit Committee had to the best of its ability assured itself that the disclosure of the financial information in the Annual Report 2025 complied with the applicable accounting standards and Appendix D2 to the Listing Rules. The Audit Committee therefore resolved to recommend for the Board's approval the consolidated financial statements for the year ended 31 December 2025;
3. Noted the fees for (i) audit services and (ii) non-audit services (comprising tax compliance and advisory services) provided by the external auditor of the Company for the year ended 31 December 2025 amounted to HK\$22,800,168 and HK\$5,449,590 respectively; and, in this respect, received confirmation from Messrs. Deloitte Touche Tohmatsu ("Deloitte"), the Company's external auditor, that Deloitte is independent in accordance with The Code of Ethics for Professional Accountants issued by The Hong Kong Institute of Certified Public Accountants;
4. Resolved to recommend to the Board the re-appointment of Deloitte as the Company's external auditor for 2026 and that the related resolution be put forth for shareholders' consideration and approval at the 2026 annual general meeting;
5. Reviewed the Annual Report 2025; and
6. Reviewed and confirmed satisfaction of the following corporate governance functions, as delegated by the Board and provided in the terms of reference of the Audit Committee:
 - (a) Develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
 - (b) Review and monitor the training and continuous professional development of Directors and senior management;
 - (c) Review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
 - (d) Develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and
 - (e) Review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

The Whistleblowing Policy is in place for employees and those who deal with the Group (e.g. customers and suppliers) to raise concerns, in confidence and anonymity, with the Audit Committee about possible improprieties in matters of financial reporting, internal control or other matters relating to the Group. The Audit Committee reviewed the implementation and effectiveness of the Whistleblowing Policy and considered that the Policy was adequate and effective. Such procedures are included in the Company's Human Resources Manual and available on the Company's website.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board oversees the Group's overall risk management and internal control systems, through the Audit Committee, which has conducted an annual review of the effectiveness of the risk management and internal control systems of the Company and its subsidiaries and considers them adequate and effective. The review covers all material controls, including financial, operational and compliance controls that have been in place. The Board is not aware of any significant areas of concern which may affect the shareholders. The Board is satisfied that the Group has fully complied with the code provisions on risk management and internal control as set forth in the CG Code.

The Board has overall responsibility for maintaining appropriate and effective risk management and internal control systems for the Group. The Group's risk management and internal control systems include a defined management structure with limits of authority, are designed to help identify and manage risks and internal control weaknesses at the Group for the achievement of business objectives, safeguard assets against unauthorised use or disposition, preventing and detecting fraud, misconduct and loss, ensuring the maintenance of proper accounting records for the provision of reliable financial information for internal use or for publication, and ensure compliance with relevant legislation and regulations. The systems are designed to provide reasonable, but not absolute, assurance against material misstatement or loss and to manage rather than eliminate risks of failure in operational systems and the achievement of the Group's objectives.

Organisational structure

An organisational structure with operating policies and procedures, lines of responsibility and delegated authority has been established.

Authority and Control

The relevant Executive Directors and Senior management are delegated with respective levels of authority with regard to key corporate strategy and policy and contractual commitments.

Budgetary Control and Financial Reporting

Budgets are prepared and are subject to the approval of the Executive Directors prior to being adopted. There are procedures for the appraisal, review and approval of major capital and recurrent expenditures. Results of operations against budgets are reported regularly to the Executive Directors.

Proper controls are in place for the recording of complete, accurate and timely accounting and management information. Regular reviews and audits are carried out to ensure that the preparation of financial statements is carried out in accordance with generally accepted accounting principles, the Group's accounting policies and applicable laws and regulations.

Internal Audit

The Internal Audit Department reviews and assesses the adequacy and effectiveness of the Group's risk management and internal control systems over risk management processes, financial, operational and compliance issues and information systems security. It provides an independent appraisal of the Group's financial and operational activities, and makes constructive recommendations to the relevant management for necessary actions. The results of risk management and internal audit reviews as well as corresponding risk mitigation controls and remedial actions taken are reported to the Senior management and Audit Committee periodically. The annual work plan of the Internal Audit Department focuses on those areas of the Group's activities with significant perceived risks and the plan is reviewed and endorsed by the Audit Committee.

The Board, through the Audit Committee and with the appraisal performed by the Internal Audit Department, reviewed the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting, internal audit and financial reporting functions as well as those relating to the company's ESG performance and reporting at the Board meeting held in March 2026 and noted that the Company has been in compliance with the Code Provision for the year 2025.

The Board, through the Audit Committee, reviews annually the effectiveness of risk management and internal control systems of the Company and its subsidiaries, such review considers:

- the changes in the significant risks (including ESG risks) since the last review, and the Company's ability to respond to changes in its business and the external environment;
- the management's ongoing monitoring of risks (including ESG risks) and the system of internal control, and the work of the internal audit function;
- the communication of the monitoring results to the Board that enables it to build up a cumulative assessment of the state of control in the Company and the effectiveness of the risk management;
- any incidence of significant control failings or weaknesses identified and the extent to which they have caused unforeseeable outcomes or contingencies that had or might have material impact on the Company's financial performance or condition, and any remedial steps taken or proposed to address such control failings or weaknesses; and
- the effectiveness of the Company's processes relating to financial reporting and Listing Rules compliance.

The Group's overall risk management process is overseen by the Board through the Audit Committee as an element of solid corporate governance. The Group has put in place an Enterprise Risk Management framework which is consistent with the COSO (Committee of Sponsoring Organisations of the Treadway Commission) framework. This framework facilitates a systematic approach to the management of risks within the Group, coupled with a strong internal control environment, enabling the Group to effectively manage the risks that it faces, be they strategic, financial, operational or compliance.

"Top down and bottom up" approach on identifying, evaluating and managing significant risks faced by the Group is adopted to populate the Group risk register for reporting to Audit Committee. Under this "top-down and bottom-up" approach, it involves input from each key operating business unit as well as discussion and reviews by the Senior management. More specifically, on a half-yearly basis, each key operating business unit is required to formally identify and assess the risks, and have them recorded in the form of a risk register. Mitigation measures and plans are also registered to facilitate review and tracking of progress. Senior management executes a robust and holistic top-down review of all the significant risks that the Group faces.

Risk management and internal control features are embedded within the Group's operations and functional areas and the Group's risk management and internal control systems are practised on a day-to-day basis and carried out at all levels of the Group.

The Group's governance structure, comprising the Board, Audit Committee, Senior management, Management of key operating business units and Internal Audit Department has been established with defined roles and responsibilities to enhance the Board's ability to exercise proper oversight. Under this structure, the Board has overall responsibility for the Group's risk management and internal control systems. Audit Committee assists the Board to ensure appropriate and effective risk management and internal control systems have been maintained and to oversee the management in the design, implementation and monitoring of these systems. Senior management and Management of key operating business units are primarily responsible for the design, implementation and monitoring of risk management and internal control systems. The Internal Audit Department supports the Audit Committee in reviewing the adequacy and effectiveness of these systems.

There is ongoing dialogue between the Senior management and the Management of key operating business units about current and emerging risks, their possible impact and mitigation measures. These measures include instituting additional controls and safeguards, and deploying appropriate insurance instruments to transfer or minimise the financial impact or risks.

The Board acknowledges that it is its responsibility to ensure that the Group establishes and maintains appropriate and effective risk management and internal control systems. Such systems are designed to manage rather than eliminate risks of failure to achieve business objectives, and can only provide reasonable, but not absolute, assurance against material misstatement or loss.

In relation to the Group's "top-down and bottom-up" risk review process, every six months, Management of key operating business units is required to submit their own risk register to Senior Management for aggregation. These risk registers identify all material risks, rated risk levels based on the Group's risk rating criteria and summarised mitigation controls implemented. Through filtering and prioritisation processes, a group risk register is compiled on a half yearly basis, which forms part of the Risk Management Report submitted to the Audit Committee for review, monitoring and assessment of the adequacy and effectiveness of the Group's risk management system.

Also, significant risks are being continuously monitored, reviewed and reassessed by Senior Management through regular management meetings, the review of monthly management reports and escalation of material risk issues. The Group's key risks, which could affect the Group's financial condition or results of operations so that they differ materially from expected or historical results, can be found in the "Risk Factors" section of this Annual Report.

With regard to the internal control systems of the Group, Management of key operating business units conducts an internal control self-assessment half-yearly and submit relevant control self-assessment questionnaires and confirmation to Senior management to confirm that appropriate internal control policies and procedures have been established and properly complied with.

Risk-based audits are carried out by the Internal Audit Department over the Group's subsidiaries to provide reasonable assurance that adequate controls are in place and operating and necessary improvement measures are implemented. Audit findings and risk concerns are raised to responsible management for rectification with significant items being formally reported to the Audit Committee every half year for assessment of the adequacy and effectiveness of the Group's risk management and internal control systems.

Regarding the procedures and internal controls for handling inside information, the Group:

- is well aware of its statutory and regulatory obligations to announce any inside information;
- makes reference to the "Guidelines on Disclosure of Inside Information" issued by the Securities and Future Commission in June 2012;
- has implemented policies and procedures which strictly prohibit the unauthorised use of confidential information and insider trading, and has communicated this to all staff; and
- requires that only Directors and delegated officers can act as the Group's spokesperson and respond to external enquiries about the Group's affairs.

Legal and Regulatory Compliance

The Group is committed to maintaining high standards of business integrity, honesty and transparency in all its business dealings. In addition to the risk management and internal control measures discussed above, the Company has adopted, and regularly reviews, its comprehensive set of corporate governance policies and sustainability policies, which provide frameworks and directions at the Group level on corporate governance and sustainability-related matters. Business units and operating subsidiaries also develop additional implementation policies and practices that better suit their specific business and operating circumstances.

The Group adopts a "zero tolerance" approach to bribery, corruption and fraud of any kind. Relevant Corporate Governance Policies (e.g. the Anti-Fraud and Anti-Bribery Policy, Anti-Money Laundering Policy, the Employee Code of Conduct and the Whistleblowing Policy, etc.) are in place and available to employees for their attention and adherence for promotion and support of the anti-corruption laws and regulations. In addition to the specific requirements included in the contracts with suppliers for compliance with local laws and regulations, the Supplier Code of Conduct requests that the appointed suppliers maintain the ethical standards which align with the compliance requirements and practices as provided therein. Seminars and workshops are held from time to time with the assistance of regulators, legal professionals and other experts to provide employees with training on the latest development of the legal and regulatory requirements in relation to anti-corruption and other legal compliance issues. 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.

The Group is subject to the Listing Rules, the Codes on Takeovers and Mergers and Shares Buy-backs, the Securities and Futures Ordinance, the Companies Ordinance, the Cayman Islands Companies Act and other applicable law, rules and regulations. The Group is committed to conducting its businesses in compliance with the applicable local and international law, rules and regulations. During the year of 2025, the Board is not aware of any legal or regulatory non-compliance by the Directors or employees of the Group which might have significant impact on the Group.

NOMINATION OF DIRECTORS

Nomination Committee

A majority of the members of the Company's Nomination Committee are Independent Non-executive Directors, with at least one member of a different gender. 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.

The terms of reference of the Nomination Committee follow closely the requirements of the CG Code and are made available on the websites of the Company and HKEX. The Board revised the terms of reference of the Nomination Committee in May 2025 in accordance with the provisions of the CG Code. The principal responsibilities of the Nomination Committee are:

- i. to review the structure, size and composition (including the skills, knowledge, experience and diversity profile) of the Board at least annually, assist the Board in maintaining a Board skills matrix, and make recommendation on any proposed changes to the Board to complement the Board to achieve the Group corporate strategy as well as promote shareholder value;
- ii. to identify suitable director candidates and select or make recommendation to the Board on the selection of individuals to be nominated as Directors;
- iii. to assess the independence of Independent Non-executive Directors having regard to the criteria under the Listing Rules;
- iv. to make recommendation to the Board on the appointment or re-appointment of Directors and succession planning for Directors;
- v. to review and assess each Director's time commitment and contribution to the Board as well as the Director's ability to discharge his/her responsibilities effectively, taking in account the factors as required by the Listing Rules;
- vi. to support the regular evaluation of the performance of the Board; and
- vii. to review the Director Nomination Policy and the Board Diversity Policy of the Company periodically and make recommendation on any proposed revisions to the Board.

A meeting of the Nomination Committee was held in March 2025. Attendance record of the members of the Nomination Committee in 2025 is as follows:

Members of the Nomination Committee	Attendance at Nomination Committee Meeting(s) Held
Paul Joseph TIGHE (<i>Chairman of the Nomination Committee</i>)	1/1
Victor T K LI	1/1
Donald Jeffrey ROBERTS	1/1
KWOK Eva Lee*	N/A

* Mrs. Kwok Eva Lee was appointed as a member of Nomination Committee with effect from the conclusion of the Board meeting held on 18 March 2025. No further meeting was held in 2025 after her appointment.

The following is a summary of the work of the Nomination Committee during 2025:

1. Reviewed the structure, size, diversity profile and skills matrix of the Board and the needs of the Board, and make recommendation to the Board on any proposed changes;
2. Assessed the independence of the Independent Non-executive Directors having regard to the criteria under the Listing Rules;
3. Made recommendation to the Board on the re-election of Directors at the 2025 annual general meeting;
4. Reviewed and assessed each Director's time commitment and contribution to the Board as well as the Director's ability to discharge his/her responsibilities effectively, taking into account professional qualifications and work experience, existing directorships in Hong Kong listed issuers and other significant external time commitments of such director and other factors or circumstances relevant to the director's character, integrity, independence and experience; and
5. Reviewed the implementation and effectiveness of the Director Nomination Policy and the Board Diversity Policy and made recommendations on any proposed revision to the Board, where applicable.

In March 2026, the Nomination Committee has assessed each Director's time commitment and contribution to the Board, as well as the Director's ability to discharge his/her responsibilities effectively, taking into account professional qualifications and work experience, existing directorships in Hong Kong listed issuers and other significant external time commitments of that Director and other factors, and considering Board performance evaluation results, CPD training records, Board and Board Committee attendance records and other circumstances relevant to that Director's character, integrity, independence and experience. The Nomination Committee is satisfied with the overall performance of the Board and is of the view that each Director discharges the responsibilities effectively and that the Directors' skills, expertise and qualifications as showed in the Board skills matrix are aligned with the Company's business needs and strategic goals.

The Nomination Committee is provided with sufficient resources to perform its duties. The Nomination Committee is empowered by the Board to seek information they require from the management of the Company in order to perform their duties and to have access to independent professional advice at the Company's expense, through the Company Secretary, where necessary.

Nomination Procedures and Board Diversity

The Board recognises the importance of Board refreshment, which brings in new perspectives and ideas to the Board and the Group. The Nomination Committee is responsible for a regular review of the Board composition and succession planning for Directors and makes recommendations on changes to the Board, taking the Company's corporate strategy and shareholders' value into account.

The Nomination Committee, with delegated responsibility, establishes the policy and procedures for nomination of directors, and determines the process and criteria to select and recommend candidates for directorship. The nomination process has been, and will continue to be, conducted in accordance with the Director Nomination Policy and the Board Diversity Policy. Such policies are available on the website of the Company. The Board, through and by the Nomination Committee, reviews from time to time (and at least annually) these policies and monitors their implementation to ensure continued effectiveness and compliance with regulatory requirements and good corporate governance practices.

The Company's Director Nomination Policy sets out the approach and procedures the Board adopts for the nomination and selection of suitable director candidates, including the appointment of additional Directors, replacement of Directors and re-election of Directors.

1. The Nomination Committee, from time to time, identifies, assesses, selects and nominates suitable director candidates to the Board for it to consider for appointment. In the determination of the suitability of a candidate, the Nomination Committee considers the potential contributions a candidate can bring to the Board in terms of qualifications, skills, expertise, experience, independence, age, culture, ethnicity and gender diversity, and in particular considers whether and how the candidate's attributes may be complementary to the Board as a whole, and the candidate's commitment, motivation, integrity and such other factors that it may consider appropriate for a position on the Board. The Board takes into consideration the benefits of a diversified Board when selecting Board candidates. The ultimate responsibility for the selection and appointment of Directors rests with the Board as a whole.
2. If the Nomination Committee determines that an additional or replacement Director is required, it will deploy multiple channels for identifying suitable director candidates. Where a retiring Director, being eligible, offers himself/herself for re-election, the Nomination Committee will, if appropriate, make a recommendation to the Board for its consideration, for such retiring Director to stand for re-election at a general meeting. A circular containing the requisite information on such retiring Director will be sent to shareholders prior to a general meeting in accordance with the Listing Rules. Shareholders of the Company may nominate a person to stand for election as a Director at a general meeting in accordance with the Articles and applicable laws and regulations. The procedures for such proposal are available on the website of the Company.

As at 31 December, 2025, the Board comprises six Executive Directors, a Non-executive Director and four Independent Non-executive Directors. A skills matrix setting out details of the mix of skills of the Board is provided below:

Name	Structure and Size						Committee					Skills and Expertise								
	Age	Years on Board	Last re-elected ¹	Gender	Ethnicity	Designation	Audit	Remuneration	Nomination	Sustainability*	Executive*	Executive Leadership and Strategy	Relevant Market Experience	Accounting, Risk Management & Internal Control	Financial / Asset Management	Sustainability	Public Administration / Legal / Regulatory & Compliance	Pharmaceutical & Diagnostics Research & Development	Nutraceutical Business	Agriculture-related Business
Victor T K Li	61	23.5	2025 AGM	M	C	ED		•	•	•	•	•	•	•	•	•	•	•	•	•
Kam Hing Lam	79	24.5	2025 AGM	M	C	ED					•	•	•	•	•	•	•	•	•	•
Ip Tak Chuen, Edmond	73	24.5	2024 AGM	M	C	ED				•	•	•	•	•	•	•	•	•	•	•
Yu Ying Choi, Alan Abel	70	23.5	2025 AGM	M	C	ED				•	•	•	•	•	•	•	•	•	•	•
Lance Richard Lee Yuen	60	1	2025 AGM	M	C	ED				•	•	•	•	•	•	•	•	•	•	•
Toh Kean Meng, Melvin	59	7	2023 AGM	M	C	ED				•	•	•	•	•	•	•	•	•	•	•
Peter Peace Tulloch	82	23.5	2024 AGM	M	O	NED					•	•	•	•	•	•	•	•	•	•
Kwok Eva Lee	84	23.5	2024 AGM	F	O	INED		•	•		•	•	•	•	•	•	•	•	•	•
Kwan Kai Cheong	76	10.5	2023 AGM	M	C	INED	•				•	•	•	•	•	•	•	•	•	•
Paul Joseph Tighe	69	6.5	2025 AGM	M	O	INED	•	•	•		•	•	•	•	•	•	•	•	•	•
Donald Jeffrey Roberts	74	5.5	2024 AGM	M	O	INED	•	•	•		•	•	•	•	•	•	•	•	•	•

F: Female
M: Male
C: Chinese
O: Non-Chinese
ED: Executive Director
NED: Non-executive Director
INED: Independent Non-executive Director

* also comprises other key personnel

- All Directors (including Non-executive Director and Independent Non-executive Directors) are subject to retirement by rotation at least once every three years in accordance with the Articles and the Listing Rules. Some Directors may retire before the scheduled retirement by rotation date, depending on the size of the Board.

The Board has an appropriate mix of skills, experience and diversity of perspectives appropriate to the requirement of the Company's business and relevant to the Company's purpose, values, strategies and corporate culture.

As provided in the Company's Board Diversity Policy, the Board takes the following approach to achieving diversity on the Board appropriate for the Company's purpose, values, strategy and corporate culture.

- The Company recognises the benefits of a Board that possesses a balance of skill sets, experience, expertise and diversity of perspectives appropriate for the strategies of the Company. The Company believes that board diversity enhances decision-making capability and thus the overall effectiveness of the Board in achieving sustainable business operation and enhancing shareholder value.
- The Company takes into consideration the benefits of various aspects of diversity, including gender, age, culture, ethnicity, education background, professional experience and other factors that may be relevant from time to time towards achieving a diversified Board.

- Appointment to the Board is based on merit and attributes that the selected candidate will bring to the Board to complement and expand the competencies, experience and perspectives of the Board as a whole, taking into account the corporate strategy of the Company.
- The Nomination Committee is responsible for reviewing the structure, size, diversity profile and skills matrix of the Board, selecting individuals to be nominated as Directors, reviewing succession plan of Directors, and making recommendation on these matters to the Board for approval. The Company is mindful of having an appropriately structured recruitment, selection and training programme at appropriate levels so as to identify and prepare suitable talents for Board positions.

A workforce diversity policy is in place to promote an inclusive and supportive working environment for the Group's employees, such that individual differences are respected and employees are treated with dignity. The Company is committed to fostering gender empowerment, gender equality and gender diversity across its workforce, and providing equal opportunities in relation to recruitment, training and development, compensation, and career and promotion opportunities. The Board currently has one female director, representing 9.09% of the Board. The Board is of the view that gender should not be the only driving factor in considering a candidate for the Board. The Company will follow the Board Diversity Policy and the Director Nomination Policy to take into account various factors to identify suitable candidates for appointment to the Board, and may adjust the proportion of female directors over time as and when appropriate. As at 31 December 2025, the ratio of female to male of key personnel of the Group and all the Directors of the Company, and in the workforce of the Group (including subsidiaries of the Company) was 29:71 and 33:67 respectively. The ratio is heavily skewed towards males in the manufacturing units of the Group as industrial production processes require heavy manual work. The Group embraces diversity and endeavors to build a supportive and inclusive corporate culture, we uphold a strict non-discrimination policy that prohibits discrimination in any form of gender, age, sexual orientation, nationality, family status, race, or religion. This non-discrimination policy continues throughout an employee's career and applies to all employee relations, including placement, transfer, promotion and compensation. The importance of diversity is emphasized through anti-discrimination and equal opportunity training for our employees. This training ensures that the principles of equal employment opportunity and diversity are integrated into all business activities. Employees are encouraged to report any instances of discrimination occurring in the workplace.

Rotation of Directors

All Directors (including Independent Non-executive Directors) are subject to retirement by rotation at least once every three years. Retiring Directors are eligible for re-election by shareholders at general meetings in accordance with the Articles and the CG Code. Each Director who is subject to retirement by rotation will be appointed by a separate resolution at the Company's annual general meeting.

Where a retiring Director, being eligible, offers himself/herself for re-election at the annual general meeting, the Nomination Committee will consider and, if appropriate, recommend to the Board that such retiring Director be recommended for re-election by the shareholders at the forthcoming annual general meeting. When formulating such recommendations, the Nomination Committee will take into consideration the Articles, Director Nomination Policy and Board Diversity Policy, as well as, in the case of a retiring Independent Non-executive Director, his/her biographical details and diversity profile, and the contributions and independent view he/she can bring to the Board. A member of the Nomination Committee abstains from voting on the resolutions of the Nomination Committee for considering his/her own nomination.

Executive Director, namely Dr. Toh Kean Meng, Melvin, Non-executive Director, namely Mr. Peter Peace Tulloch and two Independent Non-executive Directors, namely Mr. Kwan Kai Cheong and Mr. Donald Jeffrey Roberts, will retire by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting. Each retiring Independent Non-executive Director eligible for re-elections at the annual general meeting makes a confirmation of independence taking into account the independence factors set out in Rule 3.13 of the Listing Rules. The Board has opined in its circular for 2026 annual general meeting that the retiring Independent Non-executive Directors, eligible for re-election, meet the independence factors set out in Rule 3.13 of the Listing Rules and are independent.

The Board assesses a Director's independence on a case-by-case basis with reference to the Director's business acumen, experience in related industries, professional qualification, international business exposure and the nature of the businesses of the Company. The Board considers that a Director's independence should not only be defined by his/her tenure on the Board. A Director who has over time gained in-depth insight into the Company's operations and its markets are well-positioned to offer his/her perspective and advice for discussions on the Board. Long serving directors can bring valuable contributions to the Company with their comprehensive understanding of the operations of the Company, in particular the pharmaceutical businesses which involve a long product research and development (R&D) cycle before production, launch and distribution.

The Nomination Committee has taken into account the respective contributions of the retiring Independent Non-executive Directors to the Board and their commitment to their roles as Independent Non-executive Directors. The retiring Independent Non-executive Directors have demonstrated their ability to provide independent views to the Company's matters and have brought in fresh perspectives, skills and knowledge gained from their other directorships and appointments on an ongoing basis. The Nomination Committee is satisfied that the retiring Independent Non-executive Directors possess the required integrity and the wealth of skills, knowledge and experience that have enabled them to continue contributing meaningfully and objectively to the Board as an Independent Non-executive Director and the independence of each of the retiring Independent Non-executive Director from the management has not been impaired by years of service. Based on the biographical information disclosed to the Company, none of the retiring Independent Non-executive Directors holds seven or more listed company directorships. During their tenure as Independent Non-executive Directors, none of the retiring Independent Non-executive Directors has been involved in the daily management of the Company or financially dependent on the Company which would materially interfere with the exercise of independent judgement. There is no evidence that their tenure has compromised their continued independence.

The nomination of the retiring Directors has been made in accordance with the Director Nomination Policy of the Company. The Nomination Committee is of the view that the retiring Directors are appropriate to stand for re-elections and that their re-appointments will enhance the Board's diversity and performance and accordingly recommends them for re-election at the forthcoming annual general meeting.

The Board, having considered the recommendation of the Nomination Committee, is of the view that the retiring Directors are able to continue to generate significant contributions to the Company and the shareholders as a whole, and has accepted the nomination by the Nomination Committee and recommends the retiring Directors for re-election by the shareholders at the forthcoming annual general meeting. The Board considers that the re-election of the retiring Directors as Directors is in the best interest of the Company and the shareholders as a whole. The retiring Directors abstained from voting at the Nomination Committee meeting and Board meeting regarding their respective nominations.

As at 31 December 2025, Mrs. Kwok Eva Lee and Mr. Kwan Kai Cheong have been serving the Board as Independent Non-executive Directors for more than nine years.

REMUNERATION OF DIRECTORS

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.

As reported in the last corporate governance report, a meeting of the Remuneration Committee was held in January 2025. Since the publication of the Annual Report 2024 in April 2025, a meeting of the Remuneration Committee was held in January 2026. Attendance record is as follows:

Members of the Remuneration Committee	Attendance at Remuneration Committee Meeting(s) Held
KWOK Eva Lee (<i>Chairperson of the Remuneration Committee</i>)	1/1
Victor T K LI	1/1
Donald Jeffrey ROBERTS	1/1

The terms of reference of the Remuneration Committee are made available on the websites of the Company and HKEX.

Under its terms of reference, the principal responsibilities of the Remuneration Committee include making recommendations to the Board on the Company's policy and structure for the remuneration packages of all Directors and the senior management, making recommendations on the remuneration of Non-executive Directors and, with delegated responsibility, determining the remuneration packages of individual Executive Directors and senior management with reference to the corporate goals and objectives of the Board resolved from time to time. The Board has never approved any remuneration or compensation arrangements which have previously been rejected by the Remuneration Committee.

In the discharge of its duties and to better advise on the Group's future remuneration policy and related strategies, the Remuneration Committee has been advised on the Group's existing Remuneration Policy and proposals for formulating employees' remuneration packages, market trends and other human resources issues relating to the Directors and senior management, including, without limitation, succession plans and key personnel movements as well as policies for recruiting and retaining qualified personnel. Human Resources & Administration Department provides administrative support and implements the approved remuneration packages and other human resources related decisions approved by the Remuneration Committee. The Remuneration Committee is provided with sufficient resources to perform its duties. The Company Secretary arranges independent professional advice at the expense of the Company for the Remuneration Committee should the seeking of such advice be considered necessary by the Remuneration Committee.

The following is a summary of the work of the Remuneration Committee during the meeting held in January 2026:

1. Reviewed the remuneration policy for 2025/2026;
2. Recommended to the Board the Company's policy on and structure of the remuneration of Directors and the management;
3. Reviewed and determined the remuneration packages of Executive Directors and the management with reference to the Company's established practice of the remuneration review;
4. Reviewed the remuneration of Independent Non-executive Directors;
5. Reviewed the annual bonus policy; and
6. Discussed HKEX's requirement for listed issuers to disclose whether and how climate-related considerations were factored into remuneration policies, and noted the effectiveness of the current remuneration policy of the Company.

During the year, the Remuneration Committee reviewed Director's fees for Executive Directors and Independent Non-executive Directors and fees for Directors serving on Audit Committee, Remuneration Committee, Nomination Committee and Sustainability Committee. The Remuneration Committee's fee recommendations have been approved by the Board, and will be submitted for shareholders' approval at the Company's 2026 annual general meeting.

The Remuneration Committee in assessing remuneration proposals (including those of Executive Directors, management and other employees), has taken into account the progress of the Company's performance towards achieving short and long term climate-related sustainability metrics and targets as adopted by the Company from time to time, and the Company's performance towards other matters, such as climate and environment, and health and safety, against applicable metrics and targets as adopted by the Company from time to time.

The Remuneration Committee is satisfied that there is in place a clear system for determining remunerations, which is reasonable and has been followed consistently in its application.

No Director or any of his/her associates was involved in deciding his/her own remuneration at the meeting of the Remuneration Committee held in January 2026. The recommendations made by the Remuneration Committee were endorsed by the Board in March 2026.

Remuneration Policy

The remuneration packages of Executive Directors and senior management are determined with reference to the skills, knowledge, experience, involvement in the Company's affairs and the performance of the individuals, taking into account the corporate goals and objectives of the Board resolved from time to time, the expected overall performance of the Group's businesses, market trends (including market data and the prevailing market conditions during that year), and whether the current remuneration programme effectively aligns executive pay and performance. A significant proportion of the Executive Directors' remuneration packages has been structured to link rewards to corporate and individual performance. The Company does not have any share option scheme in place. The Board has resolved that the senior management of the Company comprises the Executive Directors of the Company only. Please refer to note 33 in the Notes to Consolidated Financial Statements for details of the remuneration payable to the Directors.

The Independent Non-executive Directors receive fixed fees for their appointments as members of the Board and additional fees for sitting on each Board Committee. None of such fees are based on the performance of the Group.

SUSTAINABILITY

Sustainability Committee

As at 31 December 2025, 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 (with effect from 1 November 2025). Other members include an Mr. Ip Tak Chuen, Edmond, the Company's Senior Vice President and Chief Investment Officer, and Ms. Eirene Yeung, the Company Secretary.

The terms of reference of the Sustainability Committee are made available on the websites of the Company and HKEX. The principal responsibilities of the Sustainability Committee include:

- i. to propose and recommend to the Board on the Group's corporate social responsibility and sustainability objectives, strategies, priorities, initiatives, goals and targets;
- ii. to oversee, review and evaluate actions taken by the Group in furtherance of the corporate social responsibility and sustainability priorities, goals and targets, including coordinating with the business units of the Group and ensuring that their operations and practices adhere to the relevant priorities and goals;
- iii. to review and report to the Board on sustainability and ESG risks and opportunities;
- iv. to monitor, evaluate and review emerging corporate social responsibility and sustainability-related issues, trends and best practices that could impact the business operations and performance of the Group;

- v. to oversee and review the Group's corporate social responsibility and sustainability and ESG policies, practices, frameworks and management approaches, and to recommend improvements;
- vi. to consider the impact of the Company's corporate social responsibility and sustainability on its stakeholders, including employees, shareholders, local communities and the environment;
- vii. to review and advise the Board on the Company's public communication, disclosure and publications (including the sustainability reports) as regards its corporate social responsibility and sustainability performance; and
- viii. to perform such further functions related or incidental to the foregoing which the Sustainability Committee deems appropriate.

The Sustainability Committee is provided with sufficient resources to perform its duties. The Company Secretary arranges independent professional advice for the Sustainability Committee at the expense of the Company should the seeking of such advice be considered necessary by the Sustainability Committee.

The Sustainability Committee held two meetings in March and November of 2025. Attendance record of the members of the Sustainability Committee in 2025 is as follows:

Members of the Sustainability Committee	Attendance at Sustainability Committee Meeting(s) Held
Paul Joseph TIGHE ¹ (<i>Chairman of the Sustainability Committee</i>)	2/2
IP Tak Chuen, Edmond ¹	2/2
Eirene YEUNG	2/2

Note:

1 Mr. Ip Tak Chuen, Edmond has retired as chairman and remains a member of the Sustainability Committee of the Company, and Mr. Paul Joseph Tighe, another member of the Sustainability Committee, has been appointed as chairman of the Sustainability Committee of the Company, with effect from 1 November 2025.

The following is a summary of the major work of the Sustainability Committee during the year of 2025:

- 1. Reviewed the Group's sustainability objectives, strategies, priorities, initiatives, goals, targets, management approach and work progress and highlights for the year of 2024, in consultation with the external professional consultant;
- 2. Reviewed the Company's standalone sustainability report for the year of 2024, prepared in consultation with the external professional consultant;
- 3. Reviewed the Company's climate-related disclosures in compliance with the HKEX's new climate-related disclosure requirements, including three new workstreams: (i) the development of a climate transition plan for the Company, (ii) the inclusion of new climate-related financial disclosures, and (iii) the data collection and calculation of the Company's scope 3 emissions by category;
- 4. Reviewed the Company's sustainability frameworks and sustainability related policies, practices and management approach;
- 5. Considered the plan and preparatory work for the sustainability report for the year of 2025;

- 6. Reviewed the progress of the Group in 2025 towards the ESG targets set by the Company; and
- 7. Reviewed revisions of (a) Anti-Harassment Policy; (b) Biodiversity Policy; (c) Environmental Policy; (d) Human Rights Policy; (e) Supplier Code of Conduct; and (f) Information Security Policy.

At the meeting of the Sustainability Committee held in March 2026, the Sustainability Committee (i) reviewed progress of the sustainability report for the year 2025; and (ii) reviewed a new Stakeholder Engagement Policy and reviewed the proposed revisions of certain existing sustainability policies, namely the Biodiversity Policy, the Supplier Code of Conduct and the Environmental Policy.

Sustainability Report

The Company's sustainability report provides more details of the Group's sustainability efforts and practices. The sustainability report for the year of 2025, published at the same time as 2025 Annual Report, is available on the websites of the Company and HKEX.

SHAREHOLDERS AND STAKEHOLDERS ENGAGEMENT

Shareholders Communication Policy and Stakeholder Engagement Policy

The Company's Shareholders Communication Policy and Stakeholder Engagement Policy (adopted by the Board in March 2026) are available on the Company's website. The policies are subject to review on a regular basis to ensure its implementation and effectiveness.

The Company commits to engaging stakeholders in ongoing dialogues to understand their evolving needs, concerns and expectations. The Company establishes different forms of engagement for different groups of stakeholders to keep consistent interactions and maintains different communication channels for shareholders and investors to communicate their views on matters regarding the Company's businesses and affairs. These channels include (i) corporate communications¹ published on the websites of the Company and HKEX (and, in case of actionable corporation communications², further disseminated to shareholders in accordance with the Listing Rules); (ii) general meetings which provide a forum for shareholders to raise comments and exchange views with the Board; (iii) updated and key information regarding the Group available on the website of the Company; (iv) the Company's website which offers a communication platform between the Company and its shareholders and stakeholders; (v) press conferences and briefing meetings with analysts held from time to time, where applicable; (vi) the Company's Branch Share Registrar who deals with shareholders for share registration and related matters; (vii) the Corporate Affairs Department of the Company handling enquiries from shareholders, investors and the media generally; and (viii) other dedicated communication channels, activities and events operated or organised by designated business units and departments at various levels engaging different groups of stakeholders.

Notes:

- 1. "Corporate Communications" refer to any documents issued or to be issued by the Company for the information or action of holders of any of the Company's shares or securities or the investing public, including but not limited to directors' reports, annual accounts and auditor's reports, interim reports, notices of meetings, listing documents, circular and proxy forms.
- 2. "Actionable Corporate Communications" refer to any Corporate Communications that seek instructions from holders of the shares in or other securities of the Company on how they wish to exercise their rights or make an election as holders of the shares in or other securities of the Company.

These channels are adopted for communications with shareholders, and for shareholders and investors to provide the Company with feedback and engage with the Company actively. Shareholders are encouraged to attend general meetings. Shareholders' questions not fully answered at general meetings will be followed up by the Company Secretary, the authorised officers and other relevant departments, as appropriate. Contact details of Corporate Affairs Department are available on the Company's website for taking enquiries and receiving information requests from shareholders. Those enquiries and information requests will be handled by the Corporate Affairs Department or referred to other relevant departments for further handling. Having reviewed the implementation of the multiple channels of communication in place, the Board, through and by the Audit Committee, considers that the implementation of the Company's Shareholders Communication Policy was effective during the year ended 31 December 2025.

The Group, through Executive Directors, Executive Committee members and Corporate Affairs Department, engages with, and responds to requests for information and queries from, the investment community including shareholders, analysts and the media through regular briefing meetings, webcasts, conference calls and presentations. In 2025, the Company held four meetings with institutional investors including analyst briefing, non-deal roadshows, and one-on-one/small group meetings, with an emphasis on the Group's strategies and R&D updates.

No changes have been made to the Company's constitutional documents during the year ended 31 December 2025 and thereafter until the date of this Annual Report.

Shareholders Rights and Shareholders Meetings

The Company has only one class of shares. All shares have the same voting rights and are entitled to dividends declared. The Articles set out the rights of shareholders. Any two or more shareholders holding not less than one-tenth of the paid-up capital of the Company or any one shareholder which is a recognised clearing house (or its nominee(s)) holding not less than one-tenth of the paid-up capital of the Company may in accordance with the requirements and procedures set out in the Articles, request the Board to convene an extraordinary general meeting pursuant to Article 72 of the Articles. The objects of the meeting must be stated in the written requisition which must be signed by the requisitioner(s) and deposited at the principal office of the Company in Hong Kong. The notice shall contain, inter alia, a description of the proposed resolution desired to be put forward at the meeting, the reasons for such proposal and any material interest of the proposing shareholder(s) in such proposal.

Pursuant to Article 120 of the Articles, if a shareholder wishes to propose a person other than a retiring Director for election as a Director at any general meeting (including an annual general meeting), the shareholder should lodge a written notice of his/her intention to propose such person for election as a Director with the Company Secretary during a period, as may from time to time be designated by the Company, of at least seven days, which shall commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such general meeting. Such written notice must be accompanied by a notice signed by the person to be proposed of his/her willingness to be elected as a Director.

In conducting a poll, subject to any special rights, privileges or restrictions as to voting for the time being attached to any shares by or in accordance with the Articles, every shareholder present in person or by proxy or, in the case of a shareholder being a corporation, by its duly authorised representative, shall have one vote for each share registered in his/her/its name in the register. On a poll a shareholder entitled to more than one vote is under no obligation to cast all his/her/its votes in the same way.

A general meeting may be held as a physical meeting, or as a hybrid meeting conducted by virtual attendance through electronic facilities as well as physical attendance, in the proceedings of which shareholders are provided with on-line access to participate and vote. All corporate communications of the Company are published on the Company's website. Shareholders (including those whose shares are held in the Central Clearing and Settlement System (CCASS)) are entitled to request receiving corporate communications in printed form. Details of the arrangements for dissemination of corporate communication (including actionable corporate communications) and the relevant request forms are available on the Company's website under "Dissemination of Corporate Communications" in the "Investor Relations" section.

Enquiries in relation to the Company's matters may be sent in written form to the Board by addressing them to the Corporate Affairs Department or the Company Secretary by mail at 7th Floor, Cheung Kong Center, 2 Queen's Road Central, Hong Kong or by email to info@ck-lifesciences.com. The Company Secretary ensures that all such enquiries will be properly directed to the Board, the relevant Board Committee(s), and/or the relevant departments of the Company, as appropriate, for further handling. The Company Secretary and authorised officers are responsible for coordinating communications.

In 2025, the Company held one general meeting as a hybrid meeting at which shareholders could join physically or by electronic facilities and could also vote through online platform. The Chairman, the Chairperson of each of the Audit Committee, the Remuneration Committee, the Nomination Committee, the Sustainability Committee and the Executive Committee and all other Directors in office at the time attended the 2025 annual general meeting held in May 2025 and were available to answer questions. The Company's external auditor attended the 2025 annual general meeting and was available to answer questions.

Separate resolutions are proposed at the general meetings of the Company on each substantially separate issue, including the election of individual directors. All the resolutions (other than procedural or administrative resolutions) put to vote at the Company's general meetings are taken by poll.

At the 2025 annual general meeting, the Chairman of the meeting explained (through the Company Secretary) the detailed procedures for conducting a poll, and answered questions from shareholders. The Chairman of the meeting exercised his power under the Articles to put each resolution set out in the notice of annual general meeting to be voted on by way of a poll. Representatives of the Branch Share Registrar of the Company were appointed as scrutineers to monitor and count the poll votes cast at the 2025 annual general meeting.

The percentage of votes cast in favour of the resolutions at the 2025 annual general meeting as disclosed in the announcement of the Company dated 22 May 2025 are set out below:

Resolutions proposed at the 2025 Annual General Meeting		% of Votes
1	To receive the audited Financial Statements, the Report of the Directors and the Independent Auditor's Report for the year ended 31 December 2024.	99.9994%
2(1)	To elect Mr. Victor T K Li as Director.	99.9994%
2(2)	To elect Mr. Kam Hing Lam as Director.	99.9994%
2(3)	To elect Mr. Yu Ying Choi, Alan Abel as Director.	99.9994%
2(4)	To elect Mr. Lance Richard Lee Yuen as Director.	99.9994%
2(5)	To elect Mr. Paul Joseph Tighe as Director.	99.9777%
3	To appoint Messrs. Deloitte Touche Tohmatsu as Auditor and authorise the Directors to fix their remuneration.	99.9994%
4(1)	To give a general mandate to the Directors to issue additional shares of the Company.	99.9993%
4(2)	To give a general mandate to the Directors to buy back shares of the Company.	99.9943%

Accordingly, all resolutions put to shareholders at the 2025 annual general meeting were duly passed as ordinary resolutions. Poll results were posted on the websites of the Company and HKEX.

Other corporate information and important shareholder dates are set out in the "Corporate Information and Key Dates" section of this Annual Report.

As at 31 December 2025, the Company had 6,488 registered shareholders, whose shareholdings are categorised as follows:

Number of Shares held	No. of Shareholders	Approximate % of Shareholders	Aggregate Number of Shares held	Approximate % of Issued Share Capital
1,000 or below	423	6.52%	57,813	0.001%
1,001–5,000	2,666	41.09%	7,143,224	0.074%
5,001–10,000	2,315	35.68%	17,275,032	0.180%
10,001–100,000	999	15.40%	20,289,896	0.211%
Above 100,000	85	1.31%	9,566,306,435	99.534%
Total	6,488	100%	9,611,072,400^{Note}	100%

Note: As at 31 December 2025, the Company did not hold any treasury shares, and the total number of shares in issue was 9,611,072,400, out of which 2,322,287,287 shares are registered in the name of HKSCC Nominees Limited.

For the percentage of public float of the Company, please refer to "Sufficiency of Public Float" on page 53 of this annual report. For shares held by the senior management of the Company, please refer to "Directors' Interests and Short Positions in Shares, Underlying Shares and Debentures" section on Page 46 of this annual report.

The Group's businesses, financial conditions, results of operations and growth prospects may be affected by risks and uncertainties directly or indirectly pertaining to the Group's businesses. The risk factors set out below are those that could result in the Group's businesses, financial conditions, results of operations or growth prospects differing materially from expected or historical results. Such factors are by no means exhaustive or comprehensive, and there may be other risks in addition to those shown below which are not known to the Group or which may not be material now but could turn out to be material in the future. In addition, this Annual Report does not constitute a recommendation or advice to invest in the shares of the Company and investors are advised to make their own judgment or consult their own investment advisors before making any investment in the shares of the Company.

GLOBAL ECONOMY

Heightened trade tensions and ongoing changes in international trade policies and tariffs continue to create volatility in global markets. Prolonged or escalating trade disputes may reduce trade volumes and negatively impact economic activity between major economies and the Group's business operations. Policy uncertainty, potential downside risks, currency fluctuation, supply chain disruptions, diverging fiscal policy and monetary policy, fluctuation of commodity prices and energy costs, continuing geopolitical tensions and increasing climate risks could create uncertainties and volatility in the global economy and financial markets. Global economic growth could falter if trade tensions escalate, inflation surges, market sentiment deteriorates, consumer confidence weakens or assets price further declines. The Group has investments in different countries and cities around the world. Any adverse economic, social and/or political conditions in those countries and cities in which the Group operates may potentially impact the Group's businesses, financial conditions, results of operations, asset value and liabilities.

LABOUR

The labour markets in which the Group operates are experiencing significant short and long term structural changes. Labour demand is increasingly constrained by skills shortages, demographic shifts, rising employee expectations and the ongoing cost of living. These conditions may result in higher employee turnover, increased operating costs and reduced workforce stability. There is no assurance that the situation will improve in the near future. The turnover of key personnel may impact the Group's businesses stability, performance and operations.

SUPPLY CHAIN DISRUPTIONS

Geopolitical tensions have disrupted supply of raw materials, transportation and port operations. This has resulted in escalating costs, unpredictable lead time and quality issues, combined with widespread shortages of shipping availability. Additionally, the fluctuation in energy and oil prices has added complexity to the disruption. Global disruptions have impacted domestic supply chains. Specific domestic issues include shortage of pallets and labour which is particularly acute in some areas where the Group operates. There is no assurance that the situation will improve in the near future.

HIGHLY COMPETITIVE MARKETS

The Group's principal business operations face significant competition and rapid technological change across the diverse markets in which they operate. New market entrants, intensified price competition among existing competitors, imports substitutions for locally manufactured products, the acceptability of the Group's products by the market and changing habits in consumer spending could adversely impact the Group's businesses, financial conditions, results of operations or growth prospects. Additionally, product innovation and technical advancement may render the Group's current and future products and research and development efforts obsolete or non-competitive.

RESEARCH AND DEVELOPMENT

Research and development by the Group is a lengthy and expensive process involving extensive trials to ensure product effectiveness and safety for commercial sale. Early trial successes may be reversed by later trials. There is no assurance that any of the research and development activities will produce positive results. There may be challenges in patient recruitment for the necessary trials, for example, in terms of the ability to recruit the necessary number of appropriate patients and the speed of enrollment to achieve the standard needed. There is no assurance of adequate funding to complete the trials required for regulatory approval. The regulatory authorities may also impose additional trials or other requirements before approval for commercial sale.

In addition, recruiting and retaining qualified scientific personnel to perform research and development work will be critical to the success of the Group and there can be no assurance that the Group will be able to attract and retain such personnel on acceptable terms given the competition for experienced scientists from numerous specialised biotechnology firms, pharmaceutical and chemical companies, universities and other research institutions. Failure to do so could delay the research and development and product commercialisation programs of the Group.

Some of the Group's operations are heavily regulated by stringent government standards concerning the development, testing, manufacture, safety, efficacy, record-keeping, labeling, storage, approval, advertising, promotion and sale and distribution of the products. The regulatory review and approval process (which requires the submission of extensive data and supporting information to establish the products' safety, efficacy and potency) can be lengthy, expensive and uncertain and there can be no assurance that any of the Group's products will be approved for marketing and sale. Additionally, policies or administrative standards of the relevant regulatory bodies may change from time to time and there can be no assurance that products that have been approved for marketing and sale do not need to be recalled at a later stage in order to comply with subsequent new requirements.

INTELLECTUAL PROPERTY

The success of the Group will partly depend its ability to obtain and enforce patent protection for its products and processes. No assurance can be given as to whether patent rights may be granted to the Group nor that the patents granted will be sufficiently broad in scope to offer adequate protection and exclude competitors with similar products. Even if patents are granted, they may still be vulnerable to revocation or challenges by third parties. It is also not possible to determine with certainty whether there are any conflicting third party rights which may affect the Group's current commercial strategy and intellectual property portfolios. The Group may become involved in litigation in enforcing its intellectual property rights and/or face lawsuits from third parties for alleged infringement. The outcome of such litigation is difficult to predict and may adversely affect the Group's businesses, financial conditions, results of operations or growth prospects.

INDUSTRY TRENDS AND INTEREST RATES

The trends in the industries in which the Group operates, including market sentiment and conditions, the consumption power of the general public, mark to market value of investment securities, the currency environment, inflation tendency and interest rate cycles, may pose significant risks to the Group's businesses, financial conditions, results of operations or growth prospects. There can be no assurance that the combination of industry trends and interest rates the Group experiences in the future will not adversely affect the Group's businesses, financial conditions, results of operations or growth prospects.

The interest rate cycle has impact on the aggregate demand from all sectors, which may in turn affect the businesses of the Group. While the Group regularly reviews its exposure to interest rate fluctuations and may manage such exposure using hedging instruments, there can be no guarantee that the Group will not be affected by the interest rate exposure.

In particular, income from finance and treasury operations is dependent upon the capital market, interest rate and currency environment, and the worldwide economic and market conditions, and therefore there can be no assurance that changes in these conditions will not adversely affect the Group's businesses, financial conditions, results of operations or growth prospects. The volatility in the financial markets may also adversely affect the income to be derived by the Group from its finance and treasury activities.

LOAN RENEWAL AND REFINANCING

The Group is partially financed by loans from banks and other sources. These loans have fixed terms and are subject to renewal or refinancing upon maturity. The success or otherwise in renewal or refinancing of the loans will affect the liquidity of the Group.

RISK OF ASSET IMPAIRMENT

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible assets. If the recoverable amount of an asset is less than its carrying amount, an impairment loss is recognised in profit or loss. The result of the Group will be affected by such asset impairment tests which are carried out at the end of each reporting period.

CURRENCY FLUCTUATIONS

The results of the Group are recorded in Hong Kong dollars but its various subsidiaries and joint ventures may receive revenue and incur expenses in other currencies. Any currency fluctuations on translation of the accounts of these subsidiaries and joint ventures and also on the repatriation of earnings, equity investments and loans may therefore impact the Group's financial position or potential income, asset value and liabilities. Although currency exposures have been managed by the Group, a depreciation or fluctuation of the currencies in which the Group conducts operations relative to the Hong Kong dollar could adversely affect the Group's businesses, financial conditions, results of operations or growth prospects.

FLUCTUATIONS IN TREASURY INVESTMENT VALUATION

The Group invests in various listed and unlisted entities, which are carried on the balance sheet at fair value. The performance of the Group is therefore subject to the change in the fair value of these investments.

CYBERSECURITY

With the rapid expansion of internet, networking, information and operational technology, coupled with swift development of Artificial Intelligence (AI) technology, the incidence and severity of cyber fraud, cyber attacks and security breaches are escalating globally. The Group's information assets are not immune from attack, damage or unauthorised access. Cybersecurity risks could significantly impact the operational and business performance, as well as the business reputation of the Group. The Group continuously strives to enhance the cybersecurity protection of its businesses.

Although the Group has not experienced any major damage to its projects, assets or activities from cyber attacks or cyber fraud to date, there can be no assurance that future cyber attacks, security breaches of the Group's cybersecurity or cyber fraud will not occur and result in significant impact on the Group's business reputation, businesses, results of operations and financial conditions.

THE ACCELERATED DEVELOPMENT AND INTEGRATION OF ARTIFICIAL INTELLIGENCE

The rapid advancement of AI introduces increasing uncertainty to the Group's long-term strategic and operational planning.

As the pace of AI development accelerates across global markets, many businesses are investing out of fear of missing out rather than having a clear strategic plan for how the technology will pay off. While it is believed that the long-term potential for AI is high, it is currently, for the vast majority of companies, a major cost centre rather than a profit driver. However, if the Group fails to catch up with competitors who manage to use AI to drive profits and reduce costs, the Group's business performance and its ability to sustain competitive positioning in key markets may be significantly prejudiced.

At the operational level, increasing reliance on data-driven processes, digital research platforms, manufacturing technologies, and supply-chain automation increases the Group's exposure to new technology-related risks, including cyber-security breaches, data-quality failures, AI-driven system errors, and intellectual property leakage and other system-related incidents and disruption that may result in customer dissatisfaction, reputational damage, regulatory scrutiny or increases in operating costs.

Evolving AI-specific regulations in the Group's key markets may increase compliance and internal control burdens of the Group, and may necessitate redesign or restructuring of the Group's operational practices. These dynamics may lead to increased operating and compliance costs, and reduced competitiveness and profit margins.

STRATEGIC PARTNERS

Certain businesses of the Group are conducted through non-wholly owned subsidiaries and joint ventures in which the Group shares control (in whole or in part) and strategic alliances have been formed by the Group with strategic or business partners. There can be no assurance that any of these strategic or business partners will maintain their relationships with the Group. The Group may not be able to pursue its stated strategies with respect to its non-wholly owned subsidiaries and joint ventures. Furthermore, the joint venture partners may (a) have economic or business interests or goals that are inconsistent with those of the Group; (b) take actions contrary to the Group's policies or objectives; (c) undergo a change of control; (d) experience financial and other difficulties; or (e) be unable or unwilling to fulfill their obligations under the joint ventures, which may affect the Group's businesses, financial conditions, results of operations or growth prospects.

IMPACT OF POSSIBLE ECONOMIC SANCTIONS ON BUSINESS PARTNERS, SUPPLIERS, CUSTOMERS OR BUSINESSES IN GENERAL

Governments and multinational organisations (including but not limited to the State Department and the Department of the Treasury's Office of Foreign Assets Control of the United States, the United Kingdom's HM Treasury, Office of Financial Sanctions Implementation or other United Kingdom government agencies, the European Union or any member state thereof and the United Nations), from time to time administer certain laws and regulations that impose restrictions with respect to activities, transmission of funds or transactions with certain countries, governments, entities and individuals that are the subject of economic sanctions. There can be no assurance that such sanctions or other restrictions will not affect the jurisdictions in which the Group conducts its business, any of the Group's business partners, suppliers, customers or otherwise. To the extent that any such sanction or restriction is imposed in jurisdictions where the Group's business operates, the Group may need to cease operations in those jurisdictions and suffer losses in that regard. If any of the Group's business partners or suppliers are impacted by sanctions or restrictions, provision of goods, services or support by them may be disrupted or discontinued, which may affect the Group's ability to continue to operate related businesses. If any of the Group's business partners are affected by sanctions or restrictions, the discontinuation or disruption of strategic alliance with such business partners may also affect the Group's ability to continue to operate related businesses and/or may result in suspension of operations. There can be no assurance that the Group will be able to obtain alternative goods, services, support or alliance it needs for the operation of its business, in a timely manner or at competitive terms, and no assurance that any compensation recoverable from business partners or suppliers for the discontinued or disrupted supply, service, support or alliance will be available or adequate. If any of the Group's customers are affected by sanctions or restrictions, the Group may be forced to discontinue the provision of services or goods to such customers and the Group will suffer losses in that regard. If any of the Group's assets are in the possession of such customers, there can be no assurance that such assets can be repossessed by the Group especially if such assets are located in countries or regions subject to sanctions or restrictions and no assurance that any compensation recoverable from such customers or insurers for the Group's failure to repossess such assets will be available. Any of these factors could have a material adverse effect on the Group's financial conditions and results of operations.

IMPACT OF LOCAL, NATIONAL AND INTERNATIONAL REGULATIONS

The local business risks in different countries and cities in which the Group operates could have a material impact on the businesses, financial conditions, results of operations or growth prospects. The Group has investments in different countries and cities with different business cultures and commercial environments around the world. The Group is, and may increasingly become, exposed to different and changing political, social, legal, tax, regulatory and environmental requirements at the local, national or international level. Also, new guidelines, directives, policies or measures by governments, whether fiscal, tax, regulatory or environmental, or other competitive changes, may lead to increase in additional or unplanned operating expenses, capital expenditures and insurance cost, increase in market capacity, reduction in government subsidies, may pose a risk to the overall investment return of the Group's businesses and may delay or prevent the commercial operation of a business which may result in loss of revenue and profit and adversely affect Group's businesses, financial conditions, results of operations, growth prospects or reputation.

IMPACT OF REGULATORY REVIEWS

The Group, including the Company and its publicly listed subsidiaries in various jurisdictions, is subject to regulatory reviews of their filings by the respective stock exchanges and other regulatory authorities. While all such entities endeavour to comply fully with applicable listing rules, securities regulations and filing requirements, and seek independent professional advice where appropriate, there can be no assurance that the regulatory authorities' interpretations will align with the Group's own assessments and judgements. Any disagreement arising from such reviews, or any actions or remedial measures mandated by the authorities, may adversely affect the Group's reported financial position, results of operations, or disclosure obligations.

COMPLIANCE WITH PERSONAL DATA PROTECTION LEGISLATION

In the ordinary course of its operations, various businesses of the Group collect, store and use data that is protected by personal data protection laws in the different countries in which they operate. As regulatory focus on privacy issues continues to increase and worldwide laws and regulations concerning the handling of personal information expand and become more complex, potential risks related to personal data collection and use within the Group's businesses are expected to intensify.

In the event that any relevant business of the Group is unable to meet its obligations under applicable data protection laws, it may be subject to regulatory actions or civil claims. The expenses on remediation, costs of regulatory or legal actions, and monetary damages and/or reputational damage suffered as a result of such actions could have a material adverse effect on the Group's financial conditions and results of operations.

WINE AND VINEYARD MARKET

The Group is one of the largest vineyard owners in Australia in terms of hectareage. The vineyards of the Group are mostly leased to well-established wine industry operators and provide immediate and recurring cashflow to the Group. The continued success of the Group relies on maintaining this cashflow. There is no assurance that the Group's tenants will observe the terms of the leases and continue to pay the rent during their existing lease term, or that the leases will be renewed at favorable terms upon their expiries. Furthermore, the market value of the vineyard portfolio is subject to fluctuations which may impact on the Group's income or financial position. Changes in consumer tastes and the aging of vines will trigger more re-development investment needs.

SOCIAL INCIDENTS, TERRORIST THREATS AND GEOPOLITICAL TENSIONS

The Group is a diversified company with businesses presently in Asia, Australasia and North America. In recent years, a series of social incidents, terrorist activities and geopolitical tensions occurred across the globe that resulted in economic losses, multiple deaths, casualties, persistent supply chain disruptions and volatility in commodity markets. There can be no assurance that countries in which the Group operates will not have any social incidents or they will be immune from terrorist threats or geopolitical tensions, and if these events occur, they may have an adverse impact on the Group's businesses, financial conditions, results of operations or growth prospects.

IMPACT OF NEW ACCOUNTING STANDARDS

The Hong Kong Institute of Certified Public Accountants ("HKICPA") has from time to time issued a number of new and revised Hong Kong Financial Reporting Standards ("HKFRSs"). HKICPA may in the future issue new and revised standards and interpretations. In addition, interpretations on the application of the HKFRSs will continue to develop. These factors may require the Group to adopt new accounting policies. The adoption of new accounting policies or new HKFRSs might or could have a significant impact on the Group's financial position, results of operations or profit growth.

CONNECTED TRANSACTIONS

CK Hutchison Holdings Limited ("CK Hutchison") is also listed on The Stock Exchange of Hong Kong Limited. Although the Group believes that its relationship with CK Hutchison provides it with significant business advantages, any transactions entered into between the Group and CK Hutchison, its subsidiaries or associates are connected transactions under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules"), which, unless one of the exemptions is available, will be subject to compliance with the applicable requirements of the Listing Rules, including the issuance of announcements, the obtaining of independent shareholders' approval at general meetings and disclosure in annual reports and financial statements. Independent shareholders' approval requirements may also lead to unpredictable outcomes causing disruption to as well as increase in the risks of the Group's business activities. Independent shareholders may also take actions that are in conflict with the interests of the Group.

MERGERS, ACQUISITIONS AND DISPOSALS

The Group has undertaken merger, acquisition, and disposal activities in the past and may continue to do so if there are appropriate opportunities in the markets. In pursuit of such activities, it may be challenging to find opportunities that meet the Group's return requirements. The pressure to wisely deploy capital has been significant. Although due diligence and detailed analyses will be conducted in advance in prospective mergers and acquisitions, there can be no assurance that these can fully expose all hidden problems, potential liabilities and unresolved disputes that target companies may have in cases of mergers and/or acquisitions. In addition, valuations and analyses on target companies conducted by the Group or by professionals alike are based on numerous assumptions, and there can be no assurance that those assumptions are correct or appropriate or that they will be materialised. Relevant facts and circumstances used in the analyses could have changed over time, and new facts and evolving circumstances may come to light as to render the previous assumptions and the valuations and analyses based thereon obsolete.

Merger and acquisition, and disposal transactions are typically subject to negotiations and agreements to be entered into, and even if final agreements are entered into, may still be subject to merger, anti-trust, national security, foreign investment, foreign subsidy and other regulatory approvals by the competent authorities which may only approve the transaction subject to conditions, or prohibit the transaction. There can be no assurance that any such transactions or proposals will proceed, or any such approvals or other conditions would be obtained or satisfied and even if such approvals are obtained, third parties may initiate proceedings to appeal against such approvals. If a proposed transaction does not proceed or is prohibited, or the relevant approvals are revoked, and the transaction cannot be completed, the Group will have incurred significant expenses, such as legal, accounting and other costs in connection with the transaction without realising its anticipated benefits such as increased earnings, scale, competitive strength and market share. There might be longer and more complicated foreign investment approval processes for foreign acquisitions. Geopolitical tensions and trade protectionism have accelerated these trends as governments have responded with additional foreign investment regulations to protect local enterprises from foreign acquisitions. Such foreign investment approval risks and timeline are now one of the key considerations of sellers to ensure transaction certainty. The Group may not necessarily be able to successfully integrate the target business into the Group and may not be able to derive any synergy from the acquisition, leading to an increase in costs, time and resources. For merger, acquisition and disposal activities undertaken overseas, the Group may also be exposed to different and changing political, social, legal and regulatory requirements at the local, national and international levels. The Group may also be subject to overseas legal and regulatory requirements (including securities market rules) subsequent to merger, acquisition, and disposal activities. The Group may also need to face different cultural issues when dealing with local employees, customers, governmental authorities and pressure groups.

CLIMATE CHANGE AND ENVIRONMENTAL CHANGE

Some of the Group's assets, businesses, and many of the Group's customers and suppliers are located in areas that would be affected in the medium to long term by the physical effects of climate change. Climatic changes affect demand, availability, quality and pricing of many of our products as well as those of our customers, especially in the agriculture-related sector, affecting business performance. Furthermore, on-going climate change may trigger off serious natural events like extreme rainfall, flooding, drought and bushfires that may destroy or damage the Group's assets such as land and vineyards.

Changes in environmental conditions, such as increase in pollution, may affect the performance of some of our assets. For example, pollution of sea water may have an impact on the productivity of solar salt fields.

In addition, there is a trend of transition to low carbon economies owing to the climatic changes, which may expose the Group to various risks derived from the global transitioning process, in particular policy, legal, technology, market and reputation risks arising from evolving climate-responsive measures. For example, operating cost is expected to increase as old equipment is converted, retrofitted and replaced where appropriate to support policies and regulatory measures to lower fuel consumption and greenhouse gas emissions.

Some regulators have issued mandatory disclosure requirements in relation to climate-related financial risk disclosures. Physical risks, together with transition risks arising from climate change as well as the new disclosure requirements, may have potential impact on the Group's businesses, operations, financial conditions or growth prospects.

NATURAL DISASTERS

Some of the Group's assets and businesses, and many of the Group's customers and suppliers are located in areas at risk of damage from earthquakes, floods, storms, drought, bushfires, frost and similar disasters and the occurrence of any of these disasters could disrupt the Group's businesses and materially and adversely affect the Group's businesses, financial conditions, results of operations or growth prospects.

There can be no assurance that earthquakes, floods, storms, drought, bushfires, extreme weather or other natural disasters will not occur and result in major damage to the Group's assets or facilities, which could adversely affect the Group's businesses, financial conditions, results of operations or growth prospects.

PUBLIC HEALTH EMERGENCY

There can be no assurance that there will not be any significant global outbreak of a severe communicable disease, and if such an outbreak were to occur, it could have an adverse impact on the operations of the Group and its results of operations might suffer. The potential impact on the Group's businesses, financial conditions, results of operations or growth prospects will depend on a range of factors, including the duration, severity and scope of the pandemic, the impact of the pandemic on economic activity globally, the possibility of resurgence and variants, and the measures adopted by governments.

PAST PERFORMANCE AND FORWARD-LOOKING STATEMENTS

The past performance and the results of operations of the Group as contained in this Annual Report are historical in nature and past performance can be no guarantee of future results of the Group. This Annual Report may contain forward-looking statements and opinions that involve risks and uncertainties. Actual results may differ materially from expectations discussed in such forward-looking statements and opinions. Neither the Group nor the directors, employees or agents of the Group assume (a) any obligation to correct or update the forward-looking statements or opinions contained in this Annual Report; and (b) any liability in the event that any of the forward-looking statements or opinions does not materialise or turns out to be incorrect.

BOARD OF DIRECTORS

Executive Directors

LI Tzar Kuoi, Victor	<i>Chairman</i>
KAM Hing Lam	<i>President</i>
IP Tak Chuen, Edmond	<i>Senior Vice President and Chief Investment Officer</i>
YU Ying Choi, Alan Abel	<i>Deputy Chairman</i>
Lance Richard LEE YUEN	<i>Vice President and Chief Executive Officer</i>
TOH Kean Meng, Melvin	<i>Vice President and Chief Scientific Officer</i>

Non-executive Directors

Peter Peace TULLOCH	<i>Non-executive Director</i>
KWOK Eva Lee	<i>Independent Non-executive Director</i>
KWAN Kai Cheong	<i>Independent Non-executive Director</i>
Paul Joseph TIGHE	<i>Independent Non-executive Director</i>
Donald Jeffrey ROBERTS	<i>Independent Non-executive Director</i>

AUDIT COMMITTEE

KWAN Kai Cheong (*Chairman*)
Paul Joseph TIGHE
Donald Jeffrey ROBERTS

REMUNERATION COMMITTEE

KWOK Eva Lee (*Chairperson*)
LI Tzar Kuoi, Victor
Donald Jeffrey ROBERTS

NOMINATION COMMITTEE

Paul Joseph TIGHE (*Chairman*)
LI Tzar Kuoi, Victor
KWOK Eva Lee
Donald Jeffrey ROBERTS

SUSTAINABILITY COMMITTEE

Paul Joseph TIGHE (*Chairman*)
IP Tak Chuen, Edmond
Eirene YEUNG

EXECUTIVE COMMITTEE

LI Tzar Kuoi, Victor (*Chairman*)
KAM Hing Lam
IP Tak Chuen, Edmond
YU Ying Choi, Alan Abel
Lance Richard LEE YUEN
TOH Kean Meng, Melvin
WU Pak To, Sunny
WONG Wun Lam, Peter
HO Sze Mun, Cecilia

COMPANY SECRETARY

Eirene YEUNG

AUTHORISED REPRESENTATIVES

IP Tak Chuen, Edmond
Eirene YEUNG

CHIEF FINANCIAL OFFICER

WONG Wun Lam, Peter

PRINCIPAL BANKERS

Australia and New Zealand Banking Group Limited
Bank of China (Hong Kong) Limited
Canadian Imperial Bank of Commerce
China Construction Bank (Asia) Corporation Limited
Commonwealth Bank of Australia
Coöperatieve Rabobank U.A.
DBS Bank Ltd.
The Hongkong and Shanghai Banking Corporation Limited
Oversea-Chinese Banking Corporation Limited
Sumitomo Mitsui Banking Corporation

AUDITOR

Deloitte Touche Tohmatsu
Registered Public Interest Entity Auditors

LEGAL ADVISERS

Woo, Kwan, Lee & Lo

REGISTERED OFFICE

P.O. Box 309GT
Ugland House
South Church Street
Grand Cayman
Cayman Islands

HEAD OFFICE

2 Dai Fu Street
Tai Po Industrial Estate
Tai Po
Hong Kong

PRINCIPAL PLACE OF BUSINESS

7th Floor, Cheung Kong Center
2 Queen's Road Central
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Suntera (Cayman) Limited
Suite 3204, Unit 2A
Block 3, Building D
P.O. Box 1586
Gardenia Court
Camana Bay
Grand Cayman, KY1-1100
Cayman Islands

KEY DATES

Annual Results Announcement	17 March 2026
Closure of Register of Members (for determination of shareholders who are entitled to attend and vote at Annual General Meeting)	18 to 21 May 2026 (both days inclusive)
Annual General Meeting	21 May 2026

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
Rooms 1712–1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Hong Kong

STOCK CODES

The Stock Exchange of Hong Kong Limited: 0775
Bloomberg: 775 HK
Reuters: 0775.HK

WEBSITE

www.ck-lifesciences.com

This annual report 2025 (“Annual Report”), which is available in both English and Chinese versions, has been published on the Company’s website (<https://www.ck-lifesciences.com>) and the website of Hong Kong Exchanges and Clearing Limited (<https://www.hkexnews.hk>).

If a shareholder wishes to receive the Company’s corporate communications (including but not limited to the Annual Report) from the Company in printed form, please follow the instructions set out in the “Dissemination of Corporate Communications” section under “Investor Relations” on the Company’s website, to complete the relevant Request Form and return the completed form to the Company’s Branch Share Registrar, Computershare Hong Kong Investor Services Limited.

Any such request from a shareholder will cease to be valid after one year, or such shorter period if the original request is revoked in writing, or superseded by a subsequent written request, by such shareholder, prior to the expiry date of the original request. A shareholder wishing to continue to receive corporate communications in printed form after expiry of the original request must complete and return a fresh Request Form.

Shareholders may at any time choose to change their choice as to the language of the Company’s corporate communications (including but not limited to the Annual Report) by reasonable prior notice in writing to the Company c/o the Company’s Branch Share Registrar by email to cklife.ecom@computershare.com.hk or by post to 17M Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong.

In order to receive actionable corporate communications by email, shareholders are also requested to follow the relevant instructions set out in the “Dissemination of Corporate Communications” section under “Investor Relations” on the Company’s website, to complete the relevant Request Form and return the completed form to the Company’s Branch Share Registrar, Computershare Hong Kong Investor Services Limited.

CK Life Sciences Int'l. (Holdings) Inc.

2 Dai Fu Street, Tai Po Industrial Estate, Hong Kong

Tel: (852) 2126 1212 Fax: (852) 2126 1211

www.ck-lifesciences.com

