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UNIVERSAL HEALTH INTERNATIONAL GROUP HOLDING LIMITED
大健康國際集團控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2211)

INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 31 DECEMBER 2025

INTERIM RESULTS HIGHLIGHTS

		(Unaudited)		
		Six months ended 31 December		
	<i>Unit</i>	2025	2024	Change
Revenue	<i>RMB million</i>	266.8	441.2	-39.5%
Gross profit	<i>RMB million</i>	47.4	70.4	-32.7%
Operating loss	<i>RMB million</i>	(3.4)	(7.9)	RMB 4.5 million
Loss for the period	<i>RMB million</i>	(6.1)	(7.7)	RMB 1.6 million
Adjusted EBITDA	<i>RMB million</i>	3.3	(1.1)	RMB 4.4 million
Basic loss per share ^(Note)	<i>RMB cents</i>	(6.21)	(10.00)	RMB 3.79 cents
Gross margin	%	17.8	15.9	+1.9 pp
Operating loss margin	%	(1.3)	(1.8)	+0.5 pp
Net loss margin	%	(2.3)	(1.7)	-0.6 pp

Note: The basic loss per share for the six months ended 31 December 2024 has been restated to reflect the share consolidation effective on 30 May 2025 (the “**Share Consolidation**”).

The board (the “**Board**”) of directors (the “**Directors**”) of Universal Health International Group Holding Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce the unaudited interim results of the Group for the six months ended 31 December 2025 (the “**Period**”) together with the comparative figures for the corresponding period in 2024.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		(Unaudited)	
		Six months ended 31 December	
		2025	2024
	<i>Note</i>	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	2	266,824	441,153
Cost of sales	4	<u>(219,376)</u>	<u>(370,790)</u>
Gross profit		47,448	70,363
Selling and marketing expenses	4	(32,770)	(59,984)
Administrative expenses	4	(18,084)	(18,649)
Other income		–	106
Other gains – net		<u>–</u>	<u>231</u>
Operating loss		(3,406)	(7,933)
Finance income	5	275	2,322
Finance costs	5	<u>(2,019)</u>	<u>(615)</u>
Finance (costs) income – net	5	(1,744)	1,707
Share of post-tax results of an associate		<u>–</u>	<u>339</u>
Loss before income tax		(5,150)	(5,887)
Income tax expense	6	<u>(908)</u>	<u>(1,793)</u>
Loss for the period		<u>(6,058)</u>	<u>(7,680)</u>

(Unaudited)
Six months ended 31 December
2025 **2024**

Note **RMB'000** **RMB'000**

Other comprehensive income (loss):

Item that will not be reclassified to profit or loss:

Fair value changes in equity instruments designated as
at fair value through other comprehensive income

7,418 (3,478)

*Item that is or may be reclassified to profit or loss in
subsequent periods:*

Currency translation differences

889 (1,301)

Other comprehensive income (loss) for the period

8,307 (4,779)

Total comprehensive income (loss) for the period

2,249 (12,459)

(Loss) Profit attributable to:

– Owners of the Company

(6,058) (8,012)

– Non-controlling interests

– 332

(6,058) (7,680)

Total comprehensive income (loss) attributable to:

– Owners of the Company

2,249 (12,791)

– Non-controlling interests

– 332

2,249 (12,459)

(Restated)

**Loss per share attributable to owners of the
Company for the period**

– Basic and diluted (*RMB cents*)

7 **(6.21)** (10.00)

CONDENSED CONSOLIDATED BALANCE SHEET

		(Unaudited) As at 31 December 2025 <i>RMB'000</i>	(Audited) As at 30 June 2025 <i>RMB'000</i>
	<i>Note</i>		
ASSETS			
Non-current assets			
Property, plant and equipment		167,780	174,431
Right-of-use assets		4,483	4,550
Intangible assets		–	–
Equity instruments designated as at fair value through other comprehensive income		11,933	4,595
Biological assets		87,438	87,438
Deferred tax assets		4,699	5,607
		<hr/>	<hr/>
Total non-current assets		276,333	276,621
Current assets			
Trade and other receivables	9	47,066	52,077
Income tax recoverable		1,961	1,961
Inventories		63,970	65,494
Restricted cash		31,938	38,047
Cash and cash equivalents		63,096	13,403
		<hr/>	<hr/>
Total current assets		208,031	170,982
		<hr/>	<hr/>
Total assets		484,364	447,603

		(Unaudited) As at 31 December 2025 <i>RMB'000</i>	(Audited) As at 30 June 2025 <i>RMB'000</i>
EQUITY			
Equity attributable to owners of the Company			
Share capital		74,740	53,102
Reserves		1,745,351	1,736,457
Accumulated losses		<u>(1,478,043)</u>	<u>(1,471,985)</u>
Total equity		<u>342,048</u>	<u>317,574</u>
LIABILITIES			
Current liabilities			
Borrowings		25,000	25,000
Trade and other payables	<i>10</i>	<u>117,316</u>	<u>105,029</u>
Total current liabilities and total liabilities		<u>142,316</u>	<u>130,029</u>
Total equity and liabilities		<u>484,364</u>	<u>447,603</u>

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

1.1 Basis of preparation

These condensed consolidated interim financial statements for the six months ended 31 December 2025 have been prepared in accordance with IAS 34, “**Interim Financial Reporting**” issued by International Accounting Standards Board (“**IASB**”) and the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The preparation of these condensed consolidated interim financial statements for the six months ended 31 December 2025 in conformity with IAS 34 requires the management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year-to-date basis. Actual results may differ from these estimates.

These condensed consolidated interim financial statements for the six months ended 31 December 2025 include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since 30 June 2025, and therefore, do not include all of the information required for full set of consolidated financial statements prepared in accordance with all applicable IFRS Accounting Standards as issued by IASB. They shall be read in conjunction with the consolidated financial statements for the year ended 30 June 2025.

These condensed consolidated interim financial statements for the six months ended 31 December 2025 have been prepared on a historical cost convention, except for equity instruments designated as at fair value through other comprehensive income (“**FVOCI**”) and biological assets which are measured at fair value.

1.2 Accounting policies

The accounting policies adopted in preparing these condensed consolidated interim financial statements for the six months ended 31 December 2025 are consistent with those in the preparation of the Group’s consolidated financial statements for the year ended 30 June 2025, except for the adoption of the new/revised standard of IFRS Accounting Standards which are relevant to the Group’s operation and are effective for the Group’s financial year beginning on 1 July 2025 as described below.

Amendments to IAS 21

Lack of Exchangeability

The adoption of these amendments does not have any significant impact on the condensed consolidated interim financial statements.

2. REVENUE

The Group has recognised the following amounts relating to revenue in profit or loss:

		(Unaudited)	
		Six months ended 31 December	
		2025	2024
		<i>RMB'000</i>	<i>RMB'000</i>
Revenue from contracts with customers	(a)	<u>266,824</u>	<u>441,153</u>

(a) Disaggregation of revenue

	(Unaudited)		
	Six months ended 31 December 2025		
	Distributions	Retails	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Major products			
Prescribed drugs	26,961	40,390	67,351
Non-prescribed drugs	137,800	34,214	172,014
Healthcare products	18,659	13,931	32,590
Other pharmaceutical products	<u>12,422</u>	<u>2,395</u>	<u>14,817</u>
	195,842	90,930	286,772
Eliminations	<u>(19,948)</u>	<u>–</u>	<u>(19,948)</u>
Revenue from external customers	<u>175,894</u>	<u>90,930</u>	<u>266,824</u>
Timing of revenue recognition:			
Products transferred at a point in time	<u>175,894</u>	<u>90,930</u>	<u>266,824</u>

	(Unaudited)		
	Six months ended 31 December 2024		
	Distributions	Retails	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Major products			
Prescribed drugs	52,613	31,669	84,282
Non-prescribed drugs	251,545	51,891	303,436
Healthcare products	38,011	17,518	55,529
Other pharmaceutical products	<u>20,946</u>	<u>17,815</u>	<u>38,761</u>
	363,115	118,893	482,008
Eliminations	<u>(40,855)</u>	<u>–</u>	<u>(40,855)</u>
Revenue from external customers	<u>322,260</u>	<u>118,893</u>	<u>441,153</u>
Timing of revenue recognition:			
Products transferred at a point in time	<u>322,260</u>	<u>118,893</u>	<u>441,153</u>

3. SEGMENT INFORMATION

The Board of Directors is the Group's chief operating decision-maker. Management has determined the operating segments based on the information reviewed by the Board of Directors for the purpose of allocating resources and assessing performance.

The Group is principally engaged in the distributions and retails of drugs and other pharmaceutical products in the northeastern region of the PRC.

Distributions, Retails and Others are presented to the Board of Directors to assess their performance and for making respective business decisions. Distributions, Retails and Others are considered to be three segments in accordance with IFRS 8 “**Operating Segment**”. The “Others” segment mainly comprises investment companies.

The Group's principal market is the northeastern region of the PRC. The Group has a large number of customers, which are widely dispersed within the northeastern region of the PRC, no single customer accounted for more than 10% of the Group's total revenues for the six months ended 31 December 2025 and 2024.

Inter-segment sales are charged at cost or cost plus a percentage mark-up. The revenue from external customers and the costs, the total assets and the total liabilities are measured in a manner consistent with that of these condensed consolidated interim financial statements.

The Board of Directors assesses the performance of the operating segments based on a measure of adjusted loss before interests, tax, depreciation and amortisation (“**Adjusted EBITDA**”). The measurement basis of Adjusted EBITDA excludes the effect of share of post-tax results of an associate.

The segment information for the six months ended 31 December 2025 and as at 31 December 2025 is as follows:

	(Unaudited)			
	Six months ended 31 December 2025			
	Distributions	Retails	Others	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Segment revenue	195,842	90,930	–	286,772
Inter-segment revenue	<u>(19,948)</u>	<u>–</u>	<u>–</u>	<u>(19,948)</u>
Revenue from external customers	<u>175,894</u>	<u>90,930</u>	<u>–</u>	<u>266,824</u>
Adjusted EBITDA	6,681	(1,144)	(2,210)	3,327
Depreciation and amortisation	(6,733)	–	–	(6,733)
Finance income	245	30	–	275
Finance costs	(23)	(490)	(1,506)	(2,019)
Income tax expenses	<u>(908)</u>	<u>–</u>	<u>–</u>	<u>(908)</u>
Loss for the period	<u>(738)</u>	<u>(1,604)</u>	<u>(3,716)</u>	<u>(6,058)</u>
Additions of non-current assets (excluding financial instrument and deferred tax assets)	<u>15</u>	<u>–</u>	<u>–</u>	<u>15</u>
	(Unaudited)			
	As at 31 December 2025			
	Distributions	Retails	Others	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Total assets before eliminations	1,213,419	324,311	1,393,677	2,931,407
Inter-segment assets	<u>(813,222)</u>	<u>(254,612)</u>	<u>(1,379,209)</u>	<u>(2,447,043)</u>
Total assets	<u>400,197</u>	<u>69,699</u>	<u>14,468</u>	<u>484,364</u>
Total liabilities before eliminations	911,213	799,906	8,820	1,719,939
Inter-segment liabilities	<u>(816,728)</u>	<u>(754,403)</u>	<u>(6,492)</u>	<u>(1,577,623)</u>
Total liabilities	<u>94,485</u>	<u>45,503</u>	<u>2,328</u>	<u>142,316</u>

The segment information for the six months ended 31 December 2024 and as at 30 June 2025 is as follows:

	(Unaudited)			
	Six months ended 31 December 2024			
	Distributions	Retails	Others	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Segment revenue	363,115	118,893	–	482,008
Inter-segment revenue	<u>(40,855)</u>	<u>–</u>	<u>–</u>	<u>(40,855)</u>
Revenue from external customers	<u>322,260</u>	<u>118,893</u>	<u>–</u>	<u>441,153</u>
Adjusted EBITDA	11,993	(12,800)	(291)	(1,098)
Depreciation and amortisation	(6,874)	–	–	(6,874)
Gain on disposal of property, plant and equipment	39	–	–	39
Finance income	246	35	2,041	2,322
Finance costs	(305)	(306)	(4)	(615)
Share of post-tax results of an associate	339	–	–	339
Income tax expenses	<u>(1,758)</u>	<u>(35)</u>	<u>–</u>	<u>(1,793)</u>
Profits (Loss) for the period	<u>3,680</u>	<u>(13,106)</u>	<u>1,746</u>	<u>(7,680)</u>
Additions of non-current assets (excluding financial instrument and deferred tax assets)	<u>10</u>	<u>–</u>	<u>–</u>	<u>10</u>
	(Audited)			
	As at 30 June 2025			
	Distributions	Retails	Others	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Total assets before eliminations	1,196,045	314,585	1,385,182	2,895,812
Inter-segment assets	<u>(806,485)</u>	<u>(262,612)</u>	<u>(1,379,112)</u>	<u>(2,448,209)</u>
Total assets	<u>389,560</u>	<u>51,973</u>	<u>6,070</u>	<u>447,603</u>
Total liabilities before eliminations	891,678	790,336	7,512	1,689,526
Inter-segment liabilities	<u>(801,665)</u>	<u>(753,930)</u>	<u>(3,902)</u>	<u>(1,559,497)</u>
Total liabilities	<u>90,013</u>	<u>36,406</u>	<u>3,610</u>	<u>130,029</u>

The amounts provided to the Board with respect to total assets are measured in a manner consistent with that of these condensed consolidated interim financial statements. These assets are allocated based on the operations of the segment and the physical location of the assets.

Geographical information

All revenue of the Group for the six months ended 31 December 2025 and 2024 was derived in the PRC, the place of domicile of the relevant group entities.

The Group's non-current assets (excluding equity instruments designated as at FVOCI and deferred tax assets) are located in the PRC.

4. EXPENSES BY NATURE

	(Unaudited)	
	Six months ended 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Costs of inventories sold	218,647	369,614
Employee benefit expenses	23,002	38,802
Lease payments on short-term leases	10,107	19,056
Depreciation of property, plant and equipment	6,666	6,807
Transportation and related charges	6,373	9,039
Other tax expenses	1,699	2,170
Professional fees	1,208	1,330
Office and communication expenses	923	1,211
Electricity and other utility fees	587	390
Auditor's remuneration	444	634
Advertising and other marketing expenses	418	112
Depreciation of right-of-use assets	67	67
Travelling and meeting expenses	6	57
Other expenses	83	134
	<hr/>	<hr/>
Total	<u>270,230</u>	<u>449,423</u>

5. FINANCE INCOME AND COSTS

	(Unaudited)	
	Six months ended 31 December	
	2025	2024
	RMB'000	RMB'000
Finance income		
Interest income	275	271
Exchange gains – net	<u>–</u>	<u>2,051</u>
	<u>275</u>	<u>2,322</u>
Finance costs		
Interest on borrowings	(423)	(533)
Exchange losses – net	(1,521)	–
Other charges	<u>(75)</u>	<u>(82)</u>
	<u>(2,019)</u>	<u>(615)</u>
Finance (costs) income – net	<u>(1,744)</u>	<u>1,707</u>

6. INCOME TAX EXPENSES

	(Unaudited)	
	Six months ended 31 December	
	2025	2024
	RMB'000	RMB'000
PRC enterprise income tax		
– Current income tax	–	35
Deferred income tax	<u>908</u>	<u>1,758</u>
Total income tax expense	<u>908</u>	<u>1,793</u>

7. LOSS PER SHARE

(a) Basic

Basic loss per share is calculated by dividing the loss for the Period attributable to owners of the Company by the weighted average number of ordinary shares in issue during the Period.

	(Unaudited)	
	Six months ended 31 December	
	2025	2024
		<i>(Restated)</i>
Loss attributable to owners of the Company (<i>RMB'000</i>)	(6,058)	(8,012)
Weighted average number of ordinary shares in issue (<i>thousands</i>)	<u>97,476</u>	<u>80,106</u>
Basic loss per share (<i>RMB cents</i>)	<u>(6.21)</u>	<u>(10.00)</u>

The number of shares used for calculating basic loss per share for the Period has been adjusted for the new shares issued during the Period.

The number of shares used for calculating basic loss per share for the period ended 31 December 2024 has been adjusted and restated to reflect the Share Consolidation.

(b) Diluted

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

As the effect of the assumed conversion of the potential ordinary shares arising from the exercise of the Company's share options is anti-dilutive, the basic loss per share for the periods are equal to the diluted loss per share for the six months ended 31 December 2025 and 2024.

8. DIVIDEND

No interim dividend was declared for the six months ended 31 December 2025 and 2024.

9. TRADE AND OTHER RECEIVABLES

		(Unaudited) As at 31 December 2025 <i>RMB'000</i>	(Audited) As at 30 June 2025 <i>RMB'000</i>
Trade receivables	(a)	39,301	45,268
Prepayments		4,235	3,461
Other receivables		<u>3,530</u>	<u>3,348</u>
Total		<u><u>47,066</u></u>	<u><u>52,077</u></u>

The carrying amounts of trade and other receivables approximate their fair values.

- (a) Retail sales at the Group's pharmacies are usually settled in cash or by debit or credit cards. For distribution sales, there is no concentration of credit risk with respect to trade receivables, as the majority of the Group's sales are settled upon delivery of goods. The ageing analysis based on recognition date of the trade receivables is as follows:

		(Unaudited) As at 31 December 2025 <i>RMB'000</i>	(Audited) As at 30 June 2025 <i>RMB'000</i>
Up to 3 months		39,301	45,075
4 to 6 months		<u>–</u>	<u>193</u>
		<u><u>39,301</u></u>	<u><u>45,268</u></u>

10. TRADE AND OTHER PAYABLES

		(Unaudited) As at 31 December 2025 RMB'000	(Audited) As at 30 June 2025 RMB'000
Trade payables	(a)	66,645	53,048
Notes payables	(b)	39,705	38,027
Other payables		<u>10,966</u>	<u>13,954</u>
Total		<u>117,316</u>	<u>105,029</u>

(a) Details of ageing analysis based on recognition date of trade payables are as follows:

		(Unaudited) As at 31 December 2025 RMB'000	(Audited) As at 30 June 2025 RMB'000
Up to 3 months		60,075	51,148
4 to 6 months		5,611	1,297
7 to 12 months		<u>959</u>	<u>603</u>
		<u>66,645</u>	<u>53,048</u>

(b) The credit period of notes payables is normally within 90 – 180 (as at 30 June 2025: 90 – 180) days. As at 31 December 2025, the notes payables of RMB39,705,000 (as at 30 June 2025: RMB38,027,000) was secured by restricted cash of RMB31,938,000 (as at 30 June 2025: RMB38,047,000). As at 31 December 2025 and 30 June 2025, the notes payables are expected to be settled within one year.

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY OVERVIEW

Entering the second half of 2025, China's healthcare industry stood at the convergence of policy refinements, technological breakthroughs, and evolving demands, exhibiting a development landscape characterized by both structural growth and long-term resilience. Spanning multiple sectors including medical services, pharmaceutical products, elderly care, health management, rehabilitation equipment, nutritional foods, and smart health technologies, the healthcare industry has transformed from a traditional supplementary healthcare industry to a vital strategic industry underpinning national health and economic growth.

From a macro perspective, population aging and the high prevalence of chronic diseases remained the core drivers propelling the sustained expansion of demand in the healthcare sector. The size of China's population aged 60 and above continued to rise, driving rigid demand growth in areas such as chronic disease management, rehabilitation healthcare, long-term care, and health foods. Simultaneously, the evolving health consciousness among younger demographics is reshaping the industry structure—health is no longer viewed as a “remedy after illness”, but is increasingly integrated into daily life scenarios like diet, exercise, sleep, and emotional management, promoting health consumption toward lifestyle-oriented, personalized, and scenario-based extensions.

The policy landscape became clearer and accelerated implementation in 2025. In the first half of 2025, multiple policies were intensively introduced across areas such as pharmaceutical regulatory reform, health consumption promotion, quality enhancement of traditional Chinese medicine (TCM), and elderly care service system development, providing a clear institutional framework and development direction for the healthcare industry. The core spirits of these policies centered on three aspects: first, elevating the quality of products and services by promoting standardization and normalization in pharmaceuticals, health supplements, and health services; second, strengthening technological innovation capabilities by encouraging the deep integration of technologies like artificial intelligence (AI), big data, and the Internet of Things (IoT) into healthcare scenarios; third, fostering the upgrade of health consumption by supporting the supply of multi-tiered, diversified health products and services.

Technological innovation is reshaping the supply methods and service models within the healthcare industry. The application of AI in disease diagnosis assistance, personalized treatment, and health risk prediction made medical services more efficient and precise; big data drove the scientific advancement of health management, chronic disease monitoring, and public health decision-making; while the IoT and wearable devices extended health monitoring from medical institutions to household and personal scenarios, making “continuous health management” possible. New models such as smart elderly care, telemedicine, and virtual health advisors are accelerating their adoption, injecting fresh growth momentum into the industry.

Changes on the consumer side were equally noteworthy. The silver-haired generation continued to show rising demand for rehabilitation equipment, functional foods, health supplements, and long-term care services. Meanwhile, the “new silver-haired generation”, aged between 50 and 70, placed greater emphasis on preventive health management, preferring nutritional supplements, exercise rehabilitation, and health monitoring devices, making them a significant force in the healthcare consumption market. Generation Z and post-millennials drove a shift toward “lightweight,” “instant,” and “lifestyle-oriented” health consumption, turning health foods, mental wellness services, smart wearable devices, and sports rehabilitation products into new growth drivers.

Overall, in the second half of 2025, China’s healthcare industry exhibited a synergistic development driven by three forces: policy guidance, technological advancement, and demand upgrading. With the deepening of standardization efforts, accelerated application of technologies, and the continuous rise of health consumption awareness, the market potential of the healthcare industry will continue to expand, playing an increasingly vital role in elevating national health standards and fostering high-quality economic development.

BUSINESS REVIEW

During the Period, the Group continued focusing on its core business layout in the pharmaceutical healthcare field, and steadily promoted the expansion of traditional physical retail chain stores and distribution network while facing more intensive competition. Meanwhile, after taking into account population aging trends and industry structural upgrades, the Group continued to accelerate its strategic deployment of “Direct to Patient (DTP) pharmacies”, piloted the introduction of skin management and Chinese medicine moxibustion physiotherapy cooperative projects, and actively explored more efficient and sustainable innovative operational models to shape a new regional brand image.

With the continuous enhancement of public awareness regarding self-management of health and the sustained growth in medicine consumption demand, the domestic healthcare-related industries maintained a positive development momentum during the Period. The Group was committed to strengthening talent development within its retail chain system. By enhancing employee business training and improving job-specific skills, the Group further optimized service capabilities of terminals, providing local residents with more professional and convenient pharmaceutical retail services.

To ensure stable pharmaceutical supply, the Group proactively coordinated material procurement and inventory management, providing the public with timely access to essential medicines and health equipment. In certain regions, tailored service models such as telephone ordering, home delivery of medicine, and/or mobile internet-based reservation for medication pickup have been introduced to safeguard business continuity. Such measures effectively established a complementary online and offline operation system, enhancing overall service coverage and user experience.

Chain Retail Business

During the Period, the Group held various promotion activities so as to enhance its presence in the regions and strengthen the market competitiveness of its chain retail business. The Group actively advanced digital transformation, improved its online operational infrastructure, and progressively built a more efficient network service system. In addition, the Group continued to explore and deploy “DTP pharmacies” and explored the introduction of specialized “peptide” skin management centers and moxibustion physiotherapy clinics. These initiatives aimed to provide value-added services to members in areas such as medical aesthetics and traditional Chinese medicine physiotherapy, better satisfying public health needs while enhancing the flexibility of operational mechanisms and exploring new profit growth points.

As at the end of the Period, the Group had a total of 115 chain stores. The Group recorded revenue for retail business of RMB90.9 million for the Period (2024: RMB118.9 million), representing a period-on-period decrease of 23.5%.

Nationwide Distribution Business

As at the end of the Period, the Group had a total of 660 distributors and three large-scale distribution logistics centers. During the Period, despite the Group’s continued investment in promoting its distribution system, optimisation of its customer structure, and enhanced maintenance of high-quality customers, revenue from distribution business recorded a period-to-period decrease of 45.4%, decreasing from RMB322.3 million for the same period last year to RMB175.9 million for the Period.

Direct-supply and Sales Model

The Group’s direct-supply and sales model effectively reduced multiple layers in traditional sales processes, streamlined the supply chain structure, thereby enhancing sales efficiency and boosting profitability. This model also made stable and substantial profit contributions for the Group’s high-margin products. Concurrently, the Group continued to refine its marketing strategies to align with the Chinese government’s “two-invoice system” regulatory requirements, thereby mitigating the impact of policy changes on the Group’s business operations at an institutional level.

During the Period, the Group’s management proactively implemented measures to ensure that the direct supply capacity for branded products remained stable and competitive. The direct-supply model has now covered all provinces in China, further consolidating the Group’s nationwide market footprint and service capabilities.

Branded Products Operation

The Group continued to maintain the operational pattern of the original branded products, and dynamically adjusted the brand structure according to actual operational requirements during the Period. Relevant measures included phasing out certain products no longer suited to market demands and introduced promising new offerings, thereby achieving the objective of “maintaining high quality and pursuing innovation”. This approach served to preserve the competitiveness of existing branded products while enhancing the market influence of new branded products. During the Period, a net reduction of 3 branded products was recorded. As at the end of the Period, the Group operated a total of 220 branded products.

Intelligent Warehouse Construction

The Group has set up 3 large-scale distribution logistics centers in Shijiazhuang, Harbin and Jiamusi, progressively forming a distribution system that spans the whole country, with strong coverage across the northeastern region of the PRC. This layout has effectively enhanced the Group’s logistics capabilities and regional service efficiency, providing robust supply chain support for the sustained development of its business.

During the Period, the Group continued to deploy intelligent sorting software and warehouse management systems to further enhance labour productivity and optimise warehousing workflow. The implementation of relevant digital tools facilitated the improvement of operational efficiency, enhancement of resource allocation capabilities, and intelligent transformation of the warehouse system.

Meanwhile, the Group continued to enhance its warehousing and operational environments, providing staff with safer and more comfortable workplace to support the long-term stability and sustainable development of its operational systems.

Brand Image Promotion

The Group possessed long-accumulated operational strengths in brand promotion and marketing initiatives. During the Period, it continued to enhance brand influence and market competitiveness through diversified channels, thereby mitigating downward pressure on operating performance. During the Period, the Group persistently leveraged online channels including the internet, WeChat media and live streaming platforms to promote both product and corporate brands, complemented by multiple promotional activities to broaden market reach.

Moreover, the Group actively participated in public welfare and charitable activities and organised health education initiatives for free to enhance corporate reputation, fulfill corporate social responsibilities, and further consolidate the brand’s social image and public recognition.

Institute School Training

According to the development characteristics of new era, new economy, new technology and new retail, the Group continued to optimise the training activities of the institute and made best use of the business institute on business development, talent nurturing and public welfare promotion. Taking the advantage of its lead in establishing business institute in the industry, the Group has effectively enhanced organisational cohesion, improved the thinking pattern of employees, and strengthened their adaptability to business transformation and upgrading.

During the Period, the Group conducted 10 internal training sessions encompassing both online video sessions and in-person centralised classes. These initiatives further enhanced staff professional capabilities and overall competence, thereby providing talent support for the Group's sustained development.

Membership Service

During the Period, the Group had provided follow-up services and multiple promotion benefits for approximately 1.16 million offline members (corresponding period in 2024: 1.18 million), and disseminated health knowledge and product information through online and offline channels, to enhance recognition and engagement of members while boosting customer loyalty, and thus further shaping a healthy and professional corporate brand image.

Concurrently, the Group continued to provide various social value-added services, including the supply of public toilet, cold shelters and lost children service centres to meet the practical needs of local residents. The Group also continued to launch the public welfare activities, such as the "Love China" programme, actively fulfilling its corporate social responsibilities and cultivating a positive public image.

Industry Alliance

During the Period, the Group actively leveraged on the China's national strategic guidance of "Healthy China (健康中國)", "Beautiful China (美麗中國)", "Belt and Road (一帶一路)", "Guangdong-Hong Kong- Macao Greater Bay Area (粵港澳大灣區)" and "Hainan Free Trade Port (海南自由貿易港)", gathered advanced industry experience and focused on technological innovation to seek further transformation and upgrade of the Group's business and enhance the sustainability of future development.

FINANCIAL REVIEW

For the Period, the Group recorded overall revenue of RMB266.8 million, representing a decrease of 39.5% as compared with RMB441.2 million for the corresponding period in 2024. Loss attributable to owners of the Company for the Period was RMB6.1 million, while loss attributable to owners of the Company was RMB8.0 million for the corresponding period in 2024. Loss per share for the Period was RMB6.21 cents (for the six months ended 31 December 2024: (restated) RMB10.00 cents).

The decrease in the loss attributable to owners of the Company was primarily attributable to the impact arising from adjustments to the PRC medical insurance policies and keen market competition, which led to a further decline in revenue, offset by a decrease in selling and marketing expenses during the Period.

Revenue

For the Period, the Group recorded overall revenue of RMB266.8 million, representing a decrease of RMB174.4 million or 39.5% as compared with RMB441.2 million for the corresponding period in 2024. The decrease in revenue was primarily attributable to the impact arising from adjustments to the PRC medical insurance policies and keen market competition, and the decrease in number of active customers within the nationwide distribution network.

Analysis of revenue by business segment

	Revenue (RMB million)			Percentage (%) of total revenue		
	Six months ended 31 December	2024	Change (%)	Six months ended 31 December	2024	Change (%)
Retails	90.9	118.9	23.5	34.1	26.9	7.2 pp
Distributions	175.9	322.3	45.4	65.9	73.1	-7.2 pp
	266.8	441.2		100.0	100.0	

Retail Business Segment

As at 31 December 2025, the Group had 115 retail pharmacies in total (2024: 182). In particular, 91 retail pharmacies were located in Heilongjiang Province (2024: 155), 23 retail pharmacies were located in Liaoning Province (2024: 26) and 1 self-operated retail pharmacy was located in Hong Kong (2024: 1).

Distribution Business Segment

The Group continued to adopt a prudent operating strategy in its distribution business and implemented corresponding management measures to mitigate credit risks by strengthening the credit management of sales. Additionally, it reduced the scale of trade receivables, thereby effectively controlling potential bad debt risks.

As at 31 December 2025, the Group had a nationwide distribution network covering approximately 660 active customers (2024: 952), among which approximately 444 customers were pharmaceutical retailers, hospitals and clinics (2024: 694) and approximately 216 customers were distributors (2024: 258).

Gross profit

For the Period, the Group recorded gross profit of RMB47.4 million, representing a decrease of RMB23.0 million or 32.7% as compared with RMB70.4 million for the corresponding period in 2024. Overall gross profit margin increased from 15.9% to 17.8%. The increase in gross profit margin was mainly due to the change in product mix during the Period.

Analysis of gross profit by business segment

	Gross profit (RMB million)			Gross profit margin (%)		
	Six months ended 31 December			Six months ended 31 December		
	2025	2024	Change (%)	2025	2024	Change (%)
Retails	25.2	34.0	-25.8	27.8	28.6	-0.8 pp
Distributions	22.2	36.4	-39.0	12.6	11.3	1.3 pp
	<u>47.4</u>	<u>70.4</u>				

Selling and marketing expenses

Selling and marketing expenses of the Group for the Period were RMB32.8 million, representing a decrease of RMB27.2 million or 45.3% as compared with RMB60.0 million for the corresponding period in 2024. Selling and marketing expenses accounted for 12.3% of the Group's revenue (for the six months ended 31 December 2024: 13.6%).

The decrease in selling and marketing expenses was mainly due to the decrease in employee benefits expenses, rental expenses and transportation expenses.

Administrative expenses

Administrative expenses of the Group for the Period were RMB18.1 million, representing a decrease of RMB0.5 million or 2.7% as compared with RMB18.6 million for the corresponding period in 2024. Administrative expenses accounted for 6.8% of the Group's revenue (for the six months ended 31 December 2024: 4.2%). The decrease in administrative expenses was mainly due to the decrease in employee benefits expenses.

Finance (costs) income – net

For the Period, the Group recorded net finance costs of RMB1.7 million (for the six months ended 31 December 2024: net finance income of RMB1.7 million). The change from net finance income to net finance costs was mainly due to the increase in exchange losses.

Income tax expense

For the Period, the Group recorded income tax expense of RMB0.9 million, while an income tax expense of RMB1.8 million was recorded for the six months ended 31 December 2024. The effective income tax rate for the Period was 17.6% (for the six months ended 31 December 2024: 30.5%).

LIQUIDITY AND CAPITAL RESOURCES

The Company's treasury function formulated financial risk management procedures, which are also subject to periodic review by the senior management of the Company. This treasury function operates as a centralized service for managing financial risks, including interest rate and foreign exchange rate risks, reallocating surplus financial resources within the Group, procuring cost-efficient funding and targeting yield enhancement opportunities. The treasury function regularly and closely monitors its overall cash and debt positions, proactively reviews its funding costs and maturity profiles to facilitate timely refinancing, if appropriate.

As at 31 December 2025, the Group's unpledged cash and cash equivalents were RMB63.1 million in aggregate (as at 30 June 2025: RMB13.4 million), and the Group's net current assets were RMB65.7 million (as at 30 June 2025: RMB41.0 million).

During the Period, net cash flows from operating activities amounted to RMB21.1 million (for the six months ended 31 December 2024: RMB8.7 million).

During the Period, the Group had recorded a capital expenditure of RMB15,000 (for the six months ended 31 December 2024: Nil).

Having considered the cash flow from operating activities and existing financial gearing, the management believes that the Group would replenish liquidity in a timely manner to fund its day-to-day operations and capital expenditures. The Board will continuously and closely monitor the Group's liquidity position and financial performance and implement measures to improve the Group's cash flows.

The Group mainly operates in the PRC with most of its transactions denominated and settled in Renminbi. The Group's currency risk arises from certain bank deposits that are denominated in Hong Kong dollars and United States dollars. As at 31 December 2025, the Group had RMB61.3 million in cash and bank balances, of which the equivalent of RMB1.8 million was denominated in Hong Kong dollars and United States dollars.

The Group did not use financial instruments for financial hedging purpose during the Period.

CAPITAL STRUCTURE

As at 31 December 2025, the Company had a total of 110,546,218 shares in issue. As at 31 December 2025, the Group had total borrowings from banks carrying an interest rate of 3.5% per annum in the sum of RMB25.0 million (as at 30 June 2025: total borrowings from banks carrying an interest rate of 3.5% per annum in the sum of RMB25.0 million). The gearing ratio of the Group as at 31 December 2025, calculated as net debt divided by sum of total equity and net debt, was N/A (as at 30 June 2025: 3.7%).

CONTINGENT LIABILITIES AND PLEDGE OF ASSETS

As at 31 December 2025, the Group had no significant contingent liabilities (as at 30 June 2025: Nil).

As at 31 December 2025, the notes payables of RMB39.7 million (as at 30 June 2025: RMB38.0 million) was secured by restricted cash of RMB31.9 million (as at 30 June 2025: RMB38.0 million). The borrowing of RMB25.0 million (as at 30 June 2025: RMB25.0 million) was secured by the buildings of the Group with carrying amounts of RMB147.1 million (as at 30 June 2025: RMB152.3 million).

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATES

There were no material acquisitions and disposals of subsidiaries and associates during the Period.

HUMAN RESOURCES

The Group recognizes our employees as the key element that contributes to the Group's success. As at 31 December 2025, the Group had 665 (2024: 1,198) full-time employees in Hong Kong and China with total employee benefit expenses amounted to RMB23.0 million for the Period (2024: RMB38.8 million). Employees are paid according to their positions, performance, experience and prevailing market practices, and are provided with management and professional training. The Group has implemented a number of initiatives to enhance the productivity of its employees. In particular, the Group performs periodic performance reviews on most of the employees, and their compensation is tied to their performance. Further, the Group's compensation structure is designed to incentivize its employees to perform well by linking a portion of their compensation to their performance and the overall performance of the Group. The performance-based compensation partly depends on the employee's job function and seniority. Employees in Hong Kong are provided with retirement benefits under the Mandatory Provident Fund scheme, as well as life insurance and medical insurance. Employees in the PRC are provided with basic social insurance and housing fund in compliance with the requirements of the laws of China. Meanwhile, the Group endeavours to provide its employees with a safe workplace and structured training programs.

ENVIRONMENTAL, GOVERNANCE AND SOCIAL RESPONSIBILITY

The Group understands that it is important to maintain good relationship with its employees, business partners, suppliers, customers, shareholders, investors and bankers as well as the community to achieve its long-term business growth and sustainable development. The management of the Group reviews the policy implementation, monitors and measures progress, and ensures that the established goals are effectively achieved in terms of environment, working environment, operation management and community participation/social welfare, etc., in response to the national “carbon neutrality” strategy and global green and sustainable development demands.

FUTURE PLAN

Looking forward, the Group will continue to concentrate on healthcare field, prioritize its main pharmaceutical business, and timely divest subsidiary industries with low relevance to its main business. Besides, the Company intends to extend its presence outside Mainland China with a view to maximising shareholders’ return, and will prioritize the evaluation of viable options. With a view to consolidating and optimising the existing retail chain network and distribution system, the Group will further explore “supply-side” structural transformation and digital upgrading, with key initiatives advancing in the following areas:

Firstly, “Specialization+” strategy is adopted by the Group to continuously strengthen the service professionalism and improve the overall operation quality. Taking licensed pharmacists as the core and leveraging on the advantages of the business institute, the Group will systematically cultivate a new generation of employees, and comprehensively improve their professional capabilities from the aspects of corporate culture, pharmaceutical knowledge, service skills and new marketing methods. Meanwhile, the Group will timely introduce famous doctors and integrate comprehensive outpatient resources to improve the level of pharmacy services for the public. Aligning with industry trends, the Group will also intensify efforts in the expansion of “DTP pharmacies”, as a way to gain customers’ trust and expand markets with professionalism, and to further shape its professional brand image in retail chain pharmacies and distribution field.

Secondly, “Platform+” strategy is adopted by the Group to expand the value-added service items of terminal stores to meet the growing demand of consumers for health. With the change in lifestyles, public pay more attention to health management, resulting in the corresponding increase in demand for prevention and treatment. The Group will introduce technological methods according to the new situation, or attracting resources in the field of universal health through partner models, to enhance the service capabilities of terminals and open up business areas such as appearance economy, chronic diseases management for the elderly and home-based health management, to better adapt to changes in market needs.

Thirdly, “Internet+” strategy is adopted by the Group to strengthen the deep linking of internet to physical stores, and promote online and offline integrated development. In line with the application trend of technology and the internet, the Group will make full use of the advantages of the popularization of mobile internet terminals, including development of applets, use of short videos and live commerce, moments promotion, community operations and member retention management, to build an online

reach network for physical stores. At the same time, the Group will cooperate with several third party network service platforms to explore a new marketing ecosystem integrating “new business, new retail and new technology”, and build a dynamic and leading competitiveness.

By leveraging the network layout advantages in traditional industries, and integrating innovative new economic models and franchise systems, the Group will continue to drive the optimization and digital transformation of the operation structure, and open up a new development cycle and inject new momentum for the Company, so as to maintain the Group as one of the industrial leaders in terms of the main pharmaceutical business and channel innovation.

INTERIM DIVIDEND

The Board has resolved not to declare the payment of an interim dividend for the Period (2024: Nil).

CORPORATE GOVERNANCE

The Company had complied with the code provisions as set out in the Corporate Governance Code and Corporate Governance Report (the “**CG Code**”) contained in Appendix C1 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) throughout the Period except for a deviation from code provision C.2.1 and C.1.5 of the CG Code. The Company will continue to review and enhance its corporate governance practices to ensure compliance with the CG Code.

Under code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. During the Period, despite that the responsibilities of the chairman and the chief executive officer of the Company vested in Mr. Chu Chuanfu (the chairman of the Board, the chief executive officer and the chief operation officer), all major decisions are made in consultation with the Board. The Board considers that there is sufficient balance of power and the current corporate arrangement maintains a strong management position of the Company.

Under code provision C.1.5 of the CG Code, independent non-executive Directors and non-executive Directors should attend general meetings of the Company and develop a balanced understanding of the shareholders’ view. However, due to other business engagement, some of the independent non-executive Directors had not attended both the extraordinary general meetings of the Company held on 23 July 2025 and 19 August 2025. The Company will continue to review and enhance its corporate governance practices to ensure compliance with the CG Code.

Save for the above, the Company had complied with all code provisions as set out in the CG Code throughout the Period and, where appropriate, the applicable recommended best practices of the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding directors’ securities transactions. Having made specific enquiries with all the Directors, each of the Directors has confirmed that he/she had complied with the required standards as set out in the Model Code throughout the Period.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

On 13 May 2025, the Company as issuer and Huang Yu Holdings Limited (the “**Subscriber**”) as subscriber entered into a subscription agreement (the “**Subscription Agreement**”), pursuant to which the Subscriber has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, an aggregate of 304,402,632 subscription shares (i.e. 30,440,263 shares after the Share Consolidation), representing approximately 27.54% of the issued share capital of the Company as enlarged by the allotment and issue of the subscription shares under specific mandate at the subscription price of HK\$0.08 per subscription share.

The Subscription Agreement and the transaction contemplated thereunder were approved by the shareholders of the Company (the “**Shareholders**”) in an extraordinary general meeting of the Company held on 23 July 2025, and 30,440,263 shares were issued to the Subscriber on 18 September 2025.

During the Period, save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities.

REVIEW OF THE INTERIM RESULTS BY AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”) is comprised of three independent non-executive Directors, namely Mr. Zou Haiyan (Chairman of the Audit Committee), Mr. Cheng Sheung Hing and Ms. Chiang Su Hui Susie. The main duties of the Audit Committee are to examine, review and monitor the financial reporting procedures and financial reporting, risk management and internal control systems of the Company. The Audit Committee has reviewed the unaudited interim results of the Group for the Period.

PUBLICATION OF THE INTERIM RESULTS AND 2025/26 INTERIM REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This interim results announcement is published on the websites of the Stock Exchange and the Company, and the 2025/26 interim report containing all the information required by the Listing Rules will be despatched to the shareholders of the Company and published on the respective websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.uhighl.com) in due course.

By order of the Board
Universal Health International Group Holding Limited
Chu Chuanfu
Chairman

Hong Kong, 27 February 2026

As at the date of this announcement, the Board comprises three executive directors, namely Mr. Chu Chuanfu, Mr. Jin Dongkun and Mr. Zhao Zehua and three independent non-executive directors, namely Mr. Cheng Sheung Hing, Ms. Chiang Su Hui Susie and Mr. Zou Haiyan.