

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **ANNOUNCEMENT OF AUDITED ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025**

### **ANNUAL RESULTS**

The board (the “**Board**”) of directors (the “**Directors**”) of China NT Pharma Group Company Limited (the “**Company**”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 December 2025, together with the comparative figures for the previous year, which have been prepared in accordance with the Hong Kong Financial Reporting Standards (“**HKFRSs**”) and reviewed by the audit committee of the Company as below.

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

*For the year ended 31 December 2025*

	<i>Notes</i>	<b>2025</b> <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Revenue</b>	3	<b>24,158</b>	37,960
Cost of services		<u>(14,548)</u>	<u>(32,700)</u>
 Gross profit		 <b>9,610</b>	 5,260
Other income, gains and losses, net	4	(127)	(6,023)
Share of results of associates	9	–	10,244
Loss on deconsolidation of subsidiaries	16	–	(7,009)
Loss on fair value changes upon transfer of interest in an associate to financial asset at fair value through profit or loss	9	–	(29,485)
Changes in fair value of financial asset at fair value through profit or loss	10	14,076	23,563
Selling and distribution expenses		(8,236)	–
General and administrative expenses		(13,738)	(18,486)
Finance costs	5	<u>(27,840)</u>	<u>(31,544)</u>
 <b>Loss before income tax</b>	 6	 <b>(26,255)</b>	 (53,480)
Income tax credit	7	–	123
 Loss for the year		 <u>(26,255)</u>	 <u>(53,357)</u>
 <b>Other comprehensive income/(loss)</b>			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of financial statements of foreign operations		<u>25,744</u>	<u>(6,186)</u>
 <b>Other comprehensive income/(loss) for the year, net of income tax</b>		 <u>25,744</u>	 <u>(6,186)</u>
 <b>Total comprehensive loss for the year</b>		 <u><u>(511)</u></u>	 <u><u>(59,543)</u></u>

	<i>Notes</i>	<b>2025</b> <b><i>RMB'000</i></b>	2024 <i>RMB'000</i>
Loss for the year attributable to:			
Owners of the Company		<b>(26,041)</b>	(53,357)
Non-controlling interest		<b>(214)</b>	–
		<u><b>(26,255)</b></u>	<u>(53,357)</u>
Total comprehensive loss for the year attributable to:			
Owners of the Company		<b>(297)</b>	(59,543)
Non-controlling interest		<b>(214)</b>	–
		<u><b>(511)</b></u>	<u>(59,543)</u>
		<b><i>RMB cents</i></b>	<i>RMB cents</i>
Loss per share attributable to the owners of the Company, Basic and diluted	8	<u><b>(4.22)</b></u>	<u>(20.20)</u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	<i>Notes</i>	<b>2025</b> <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Non-current assets</b>			
Property, plant and equipment		<b>628</b>	543
Financial asset at fair value through profit or loss	10	<b>331,358</b>	317,282
Deposits	11	<u>–</u>	<u>65</u>
		<b>331,986</b>	317,890
<b>Current assets</b>			
Inventories		<b>401</b>	168
Trade and other receivables	11	<b>7,740</b>	6,394
Cash and bank balances	12	<b>7,221</b>	9,623
		<b>15,362</b>	16,185
<b>Current liabilities</b>			
Trade and other payables	13	<b>171,475</b>	180,221
Lease liabilities		<b>487</b>	341
Other borrowings	14	<b>316,126</b>	367,495
Financial guarantee contracts	15	<b>133,008</b>	177,008
		<b>621,096</b>	725,065
<b>Net current liabilities</b>		<b>(605,734)</b>	(708,880)
<b>Total assets less current liabilities</b>		<b>(273,748)</b>	(390,990)
<b>Non-current liabilities</b>			
Lease liabilities		<b>85</b>	125
Other borrowings	14	<u>–</u>	<u>7,993</u>
		<b>85</b>	8,118
<b>Net liabilities</b>		<b>(273,833)</b>	(399,108)
<b>Equity attributable to the owners of the Company</b>			
Share capital	18	<b>4</b>	1
Reserves		<b>(273,623)</b>	(399,109)
<b>Total equity attributable to owners of the Company</b>		<b>(273,619)</b>	(399,108)
Non-controlling interests		<b>(214)</b>	–
<b>Total capital deficits</b>		<b>(273,833)</b>	(399,108)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 1. CORPORATE INFORMATION

China NT Pharma Group Company Limited (the “**Company**”) was incorporated in the Cayman Islands on 1 March 2010 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 23 of 1961, as consolidated and revised) of the Cayman Islands. The registered office of the Company is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The Company’s principal place of business changed from Suite 3613, 36/F Cosco Tower, 183 Queen’s Road Central, Hong Kong to Unit 2102, 21/F, West Tower, Shun Tak Centre, 168–200 Connaught Road Central, Hong Kong, with effect from 18 August 2025. The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 20 April 2011.

The Company is an investment holding company while its subsidiaries (together with the Company collectively referred to as the “**Group**”) are principally engaged in the treatment business mainly focusing on sales agency of orthopedic drugs and orthopedic health products, the testing business of artificial intelligence bone health diagnostic and detection robots, and the provision of smart medical and health business to enterprises, centering on the full-cycle intelligent health ecosystem field of “detention, treatment and rehabilitation” in the field of bone health in the People’s Republic of China (the “**PRC**”).

As detailed in notes 18(iii) to the consolidated financial statements, upon the completion of the loan capitalisation on 21 February 2025, the Company allotted and issued approximately 263,636,000 shares to Golden Base Investment Limited (“**Golden Base**”), and consequently the shareholding interests in the Company held by Golden Base increased from 15.26% to 45.08%. In the opinion of the directors of the Company, Golden Base became the immediate and ultimate holding company of the Company after the completion of the loan capitalisation. Golden Base is a company incorporated in the British Virgin Islands and is wholly owned by Mr. Ng Tit (“**Mr. Ng**”), an executive director of the Company, and his spouse, Ms. Chin Yu, a non-executive director of the Company. Consequently, the ultimate controlling parties of the Group became Mr. Ng Tit and Ms. Chin Yu after the completion of the loan capitalisation.

The consolidated financial statements are presented in Renminbi (“**RMB**”), rounded to the nearest thousand, which is the presentation currency of the Group and the functional currency of the primary economic environment in the PRC where the majority of the entities within the Group operate.

## 2. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with all applicable HKFRS Accounting Standards, which collective term includes all applicable individual Hong Kong Financial Reporting Standards (“**HKFRSs**”), Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange (“**Listing Rules**”).

### Application of amendments to a HKFRS Accounting Standard

In the preparation of the consolidated financial statements for the year ended 31 December 2025, the Group has applied the following amendments to a HKFRS Accounting Standard in the current year, for the first time, which are mandatorily effective for the annual periods beginning on or after 1 January 2025:

Amendments to HKAS 21

Lack of Exchangeability

Except as described below, the application of the above amendments to the HKFRS Accounting Standard in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

### ***Impacts on application of Amendments to HKAS 21 Lack of Exchangeability***

The Group has applied the amendments for the first time in current year.

The amendments specify how to assess whether a currency is exchangeable, and how to determine the exchange rate when it is not. The amendments require an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency. As the currencies that the Group had transacted in and the functional currencies of overseas subsidiaries for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the Group's financial statements.

### **New and amendments to HKFRS Accounting Standards issued but not yet effective for the year ended 31 December 2025**

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

<sup>1</sup> Effective for annual periods beginning on or after a date to be determined.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2026.

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2027.

The Group is in the process of making an assessment of what the impact of these new and amendments to HKFRS Accounting Standards is expected to be in the period of initial application. So far the Group has not identified any aspects of the new and amendments to HKFRS Accounting Standards which may have a significant impact on the consolidated financial statements in the foreseeable future.

### **Going concern**

The Group incurred a net loss of approximately RMB26,255,000 for the year ended 31 December 2025 and as at that date, the Group had net current liabilities and net liabilities of approximately RMB605,734,000 and RMB273,833,000, respectively. The Group's total borrowings amounted to approximately RMB316,126,000, of which approximately RMB42,705,000, RMB245,316,000 and RMB28,105,000 were overdue for repayment, repayable on demand and would be due for repayment within next twelve months from 31 December 2025, respectively, while the Group's total cash and bank balances amounted to only approximately RMB7,221,000 as at 31 December 2025. In addition, the Group is liable for two unsettled loans owed by its former subsidiaries due to financial guarantee contracts with carrying amount of approximately RMB133,008,000 as at 31 December 2025 as set out in note 15.

The existence of the above events and conditions cast significant doubt on the Group's ability to continue as a going concern.

In view of these circumstances, the directors of the Company have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern. Certain plans and measures are being taken by management to deal with these events and conditions in order to mitigate the liquidity pressures and to improve the Group's financial position. These plans and measures for future actions include, but are not limited to, the following:

- (i) The Group has been actively negotiating with lenders for renewal and extension of its other borrowings. Specifically, the Group is currently in active negotiations with the lenders to extend the repayment dates of the overdue borrowings and borrowings that are repayable on demand;
- (ii) The Group will develop itself into an integrated platform enterprise that covers the supply of health products and health screening services. It is currently planned that the platform will maintain its future core business by acting as an agent to supply and sell more medical products, provide integrated medical services, and use artificial intelligence to build a multi-party supply and demand bridge for bone health and integrate medical equipment and rehabilitation treatment, provide different levels of full-service medical services, and provide personalised customised medical care;
- (iii) The Group will actively negotiate with shareholders and potential lenders to obtain new sources of financing to repay overdue borrowings; and
- (iv) The Group is actively negotiating with external parties to obtain new sources of financing or strategic capital.

The directors of the Company have reviewed the Group's cash flow forecasts prepared by the management of the Company for a period covering not less than twelve months from the date of approval of the consolidated financial statements. The directors of the Company are of the opinion that, taking into account the abovementioned plans and measures, the Group will have sufficient working capital to finance its operations and meet its financial obligations as and when they fall due in the next twelve months from the date of approval for the consolidated financial statements. Accordingly, the consolidated financial statements have been prepared on a going concern basis for the year ended 31 December 2025.

Notwithstanding the above, significant uncertainties exist as to whether management of the Company will be able to implement the abovementioned plans and measures for future actions. Whether the Group will be able to continue as a going concern would depend on the Group's ability to generate financial and operating cash flows through the following:

- (i) Successful negotiations with the Group's existing lenders such that no action will be taken by the relevant lenders of the Group to demand immediate repayment of the borrowings with principals and interests in default and those repayable on demand;

- (ii) Successfully develop itself into an artificial intelligence enabled health management platform covering the full cycle of “detection – treatment – rehabilitation”;
- (iii) Successfully obtaining new sources of financing to repay overdue borrowings; and
- (iv) Successfully obtaining new sources of financing or strategic capital investments within the next twelve months as and when needed.

In view of the foregoing, there is a material uncertainty related to the above mentioned events and conditions that may cast significant doubt on the Group’s ability to continue as a going concern. Should the Group fail to achieve the above-mentioned plans and measures, it might not be able to continue to operate as a going concern, and adjustments would have to be made to write down the carrying amounts of the Group’s assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in these consolidated financial statements.

### 3. REVENUE AND SEGMENT INFORMATION

HKFRS 8 Operating Segments requires operating segments to be identified on the basis of internal reports about the components of the Group that are regularly reviewed by the chief operating decision maker (“CODM”), being the executive directors of the Company, in order to allocate resources to segments and to assess their performance. The CODM reviews the financial performance of the Group as a whole, which generates different sources of revenue through subsidiaries of the Company, including (i) agency service revenue generated from the sales of proprietary pharmaceutical products and artificial intelligence bone density testing (the “Agency Services”); and (ii) healthcare related service revenue generated from the provision of healthcare related research and promotion services (the “Healthcare Related Services”). In addition to reviewing the financial performance of the Group as a whole, the CODM also regularly reviews financial information in respect of the operating results of each of the Agency Services and Healthcare Related Services businesses, determined in accordance with the Group’s accounting policies, to make decisions about resources of the Group to be allocated to these two businesses and assess their performance. Accordingly, for the years ended 31 December 2025 and 2024, the Group’s operations are regarded as having two operating and reportable segments, namely Agency Services and Healthcare Related Services.

	2025 <i>RMB’000</i>	2024 <i>RMB’000</i>
<b>Revenue from contracts with customers within the scope of HKFRS 15</b>		
The Group acted as an agent:		
– agency services income	9,629	374
The Group acted as a principal:		
– healthcare related services income	14,529	37,586
	<b>24,158</b>	<b>37,960</b>

The timing of revenue recognition of all revenue from contracts with customers is on a point in time basis, whereby revenue is recognised when the customer obtains control of the goods or services transferred by the Group. All of the Group’s remaining performance obligations for contracts with customers are for period of one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

## Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable segments for the years ended 31 December 2025 and 2024.

### For the year ended 31 December 2025

	<b>Agency services income RMB'000</b>	<b>Healthcare related services income RMB'000</b>	<b>Total RMB'000</b>
Segment revenue	9,629	14,529	24,158
Segment cost of services	(630)	(13,918)	(14,548)
Segment selling and distribution expenses	(5,568)	(2,668)	(8,236)
Segment profit/(loss)	<u>3,431</u>	<u>(2,057)</u>	1,374
Other income, gains and losses, net			(127)
Change in fair value of financial asset at fair value through profit or loss			14,076
General and administrative expenses ( <i>Note</i> )			(13,738)
Finance costs			<u>(27,840)</u>
Loss before income tax			<u>(26,255)</u>

For the year ended 31 December 2024

	Agency services income <i>RMB'000</i>	Healthcare related services income <i>RMB'000</i>	Total <i>RMB'000</i>
Segment revenue	374	37,586	37,960
Segment cost of services	–	(32,700)	(32,700)
Segment allocated general and administrative expenses	<u>(167)</u>	<u>(98)</u>	<u>(265)</u>
Segment profit	<u>207</u>	<u>4,788</u>	4,995
Other income, gains and losses, net			(6,023)
Share of results of an associate			10,244
Loss on deconsolidation of subsidiaries			(7,009)
Loss on fair value changes upon transfer of interest in an associate to financial asset at fair value through profit or loss			(29,485)
Change in fair value of financial asset at fair value through profit or loss			23,563
Finance costs			(31,544)
Unallocated general and administrative expenses <i>(Note)</i>			<u>(18,221)</u>
Loss before income tax			<u>(53,480)</u>

*Note:* General and administrative expenses not allocated to the segments mainly included staff salaries, directors' remuneration, depreciation of property, plant and equipment and right-of-use assets for the years ended 31 December 2025 and 2024.

## Segment assets and liabilities

The CODM makes decisions according to the financial information about the operating results of each segment. No analysis of segment assets and liabilities is presented as the CODM does not regularly review such information for the purposes of resources allocation and performance assessment. Therefore, only segment revenue and segment results are presented.

## Geographical information

The Group's revenue from external customers classified in accordance with the geographical location of customers and information about the non-current assets, except the financial asset at FVTPL, classified in accordance with the geographical location of the assets are presented as follows:

	2025			2024		
	Hong Kong RMB'000	PRC RMB'000	Total RMB'000	Hong Kong RMB'000	PRC RMB'000	Total RMB'000
Revenue from external customers	685	23,473	24,158	36,332	1,628	37,960
Non-current assets	621	7	628	598	10	608

## Information about major customers

Revenue from customers, which individually contributed over 10% of the total revenue of the Group during the year, are as follows:

	2025 RMB'000	2024 RMB'000
Customer A <sup>1,3</sup>	14,529	–
Customer B <sup>2,3</sup>	8,152	–
Customer C <sup>1,3</sup>	–	36,247

<sup>1</sup> Healthcare related services income

<sup>2</sup> Agency services income

<sup>3</sup> The corresponding revenue did not contribute over 10% of the Group's total revenue in the respective year.

## 4. OTHER INCOME, GAINS AND LOSSES, NET

	2025 RMB'000	2024 RMB'000
Bank interest income	7	11
(Loss)/gain on early termination of leases	(139)	29
Loss allowance in respect of financial guarantee contracts	–	(6,295)
Sundry income	5	232
	<u>(127)</u>	<u>(6,023)</u>

## 5. FINANCE COSTS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest on other borrowings ( <i>note (i)</i> )	27,579	31,504
Interest on lease liabilities	66	40
Imputed interest on shareholder's loans ( <i>note (ii)</i> )	195	–
	<u>27,840</u>	<u>31,544</u>

*Notes:*

- (i) During the year ended 31 December 2025, the amounts include the default interest of RMB5,060,000 (2024: RMB1,014,000) at rates ranging from 6.00% to 36.00% (2024: 6.00%) per annum accrued on the overdue outstanding balance in accordance with the corresponding loan agreements.
- (ii) Imputed interest on shareholder's loans calculated at the effective interest rate of 12.00% per annum and deemed contribution of RMB195,000 were recognised and charged to the consolidated statement of profit or loss and other reserve in the consolidated statement of changes in equity during the year ended 31 December 2025 (2024: Nil).

## 6. LOSS BEFORE INCOME TAX

Loss before income tax is arrived at after charging:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Cost of services		
– Health related promotion, research and video making expenses	13,918	32,700
Depreciation on right-of-use assets ( <i>note (i)</i> )	593	612
Depreciation on property, plant and equipment ( <i>note (i)</i> )	51	48
Loss on written off of property, plant and equipment	–	121
Employee benefit expenses (including directors' remuneration ( <i>note (ii)</i> ):		
– Salaries, wages and other benefits	8,786	5,538
– Contributions to defined contribution retirement plans	1,133	572
Auditor's remuneration	732	923
Short-term lease expenses	61	11
Foreign exchange differences, net	28	258
Promotional expenses included in selling and distribution expenses	4,888	–
Professional fees included in general and administrative expenses	2,497	8,412
	<u>27,840</u>	<u>31,544</u>

Notes:

- (i) The depreciation of right-of-use assets and property, plant and equipment of approximately RMB644,000 in aggregate (2024: RMB660,000) are included in general and administrative expenses.
- (ii) Employee benefit expenses (including directors' remuneration) of approximately RMB2,539,000 and RMB7,380,000 (2024: RMB Nil and RMB6,110,000) are included in selling and distribution expenses and general and administrative expenses, respectively.
- (iii) As at 31 December 2025, the Group had no forfeited contributions available to reduce its contributions to the retirement benefit schemes in future years (2024: Nil).

## 7. INCOME TAX CREDIT

	2025 RMB'000	2024 RMB'000
<b>Hong Kong Profits Tax</b>		
– Over-provision in respect of prior years	–	(123)
	<u>                    </u>	<u>                    </u>

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdiction in which members of the Group are domiciled and operated.

Under the two-tiered profits tax rates regime in Hong Kong, the first HK\$2,000,000 of profits of the qualifying group entity will be taxed at 8.25% (2024: 8.25%), and profits above HK\$2,000,000 will be taxed at 16.5% (2024: 16.5%). The assessable profits of group entities that are not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5% (2024: 16.5%) for the year ended 31 December 2025.

Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% (2024: 8.25%) of the first HK\$2,000,000 of the estimated assessable profits and at 16.5% (2024: 16.5%) on the estimated profits above HK\$2,000,000, taking into account the tax concession granted by the Government of Hong Kong Special Administrative Region during the year ended 31 December 2025.

The directors of the Company considered the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the consolidated financial statements for the years ended 31 December 2025 and 2024. No provision for Hong Kong Profits Tax has been made, as the Group did not have any estimated assessable profits subject to Hong Kong Profits Tax during the year (2024: Nil).

The PRC Corporate Income Tax is based on the statutory rate of 25% (2024: 25%) on the assessable profits of the Group's subsidiaries in the PRC during the year ended 31 December 2025. No provision for the PRC Corporate Income Tax has been made for the years ended 31 December 2025 and 2024, as the Group did not have assessable profits subject to the PRC Corporate Income Tax during the years.

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands (the "BVI"), the Group is not subject to any income tax under these jurisdictions during the year ended 31 December 2025 (2024: Nil).

Income tax for the year can be reconciled to the loss before income tax per the consolidated statement of profit or loss and other comprehensive income as follows:

	<b>2025</b> <i>RMB'000</i>	2024 <i>RMB'000</i>
Loss before income tax	<u>(26,255)</u>	<u>(53,480)</u>
Tax at applicable domestic income tax rate	1,731	(1,695)
Tax effect of income not taxable for tax purpose	(3,520)	(722)
Tax effect of expenses not deductible for tax purpose	431	1,760
Tax effect of tax losses not recognised	1,358	862
Tax effect of tax losses utilised	–	(205)
Over-provision in respect of prior years	–	(123)
	<u>–</u>	<u>(123)</u>

## 8. LOSS PER SHARE

The calculation of basic and diluted loss per share attributable to the owners of the Company is based on the following data:

	<b>2025</b> <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Loss:</b>		
Loss for the year attributable to the owners of the Company	<u>(26,041)</u>	<u>(53,357)</u>

### Number of shares:

	<b>2025</b> <b>Number of shares</b> <i>'000</i>	2024 Number of shares <i>'000</i>
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share	<u>616,936</u>	<u>264,090</u>

For the year ended 31 December 2025, the number of shares used for the purpose of calculating basic and diluted loss per share represented the weighted average of approximately 616,936,000 (2024: 264,090,000) ordinary shares in issue during the year.

Diluted loss per share was the same as the basic loss per share as the outstanding share options of the Company were anti-dilutive for the year ended 31 December 2025 (2024: same).

## 9. INTEREST IN AN ASSOCIATE

On 21 April 2020, the Group and Beijing Konruns Pharmaceutical Co., Ltd (“**Beijing Konruns**”), an independent third party to the Group, entered into an agreement, pursuant to which, the Group subscribed for 40% equity interest in Beijing Kangchen Biological Technology Co., Limited (北京康辰生物科技有限公司) (“**Beijing Kangchen**”) (the then wholly-owned subsidiary of Beijing Konruns) at a consideration of RMB360,000,000. The transaction was completed on 23 April 2021. Beijing Kangchen held 100% equity interest of NT Pharma International Company Limited since 3 September 2020. On 4 November 2021, the Group transferred 13.7% equity interest in Beijing Kangchen to Beijing Konruns. During the year ended 31 December 2022, the Group disposed of 1% equity interest in Beijing Kangchen to an independent third party.

On 15 July 2024, in consideration of the Group’s liquidity situation and the long-outstanding debt owed to one of the shareholders of the Company, Annie Investment Co., Ltd, (“**Annie Investment**”) with outstanding principal amount and accrued interest of approximately HK\$234,000,000 and HK\$107,240,000, respectively as at that date, the Group has entered into a charge agreement with Annie Investment to pledge the shares of a wholly-owned subsidiary of the Company, which directly held its entire 25.3% equity interest in Beijing Kangchen. On 30 November 2024, the Group entered into a supplemental agreement with Annie Investment, pursuant to which, the Group and Annie Investment agreed and confirmed that, the Group would relinquish its entitlement to designate a director in favor of Annie Investment, thereby allowing Annie Investment to nominate a director to Beijing Kangchen to represent Annie Investment for the sake of monitoring the assets of its collateral.

In addition, legal opinion issued by an independent lawyer registered in the PRC has been obtained by the directors of the Company to confirm that the Group has lost its power to participate in the board of Beijing Kangchen, as well as any financial and operating policy decisions for Beijing Kangchen since 30 November 2024.

Given the above and based on the actual business circumstances, the directors of the Company have determined that the Group no longer exercises any significant influence over the operating and financial activities of Beijing Kangchen on and after 30 November 2024. Consequently, Beijing Kangchen has been derecognised as an associate of the Group and reclassified as financial asset at fair value through profit and loss effective from 30 November 2024.

As detailed in note 10, certain significant events have occurred between the Group and Beijing Kangchen during the year ended 31 December 2025 and up to the date of approval of the consolidated financial statements. Taking into consideration of these significant events during the year 2025 and an update of the legal opinion issued by an independent lawyer registered in the PRC, the directors of the Company are of the opinion that, during the year ended 31 December 2025, the Group continued to be unable to exercise significant influence over the operating and financial activities of Beijing Kangchen. Accordingly, it is appropriate to maintain the classification of the Group’s equity investment in Beijing Kangchen as financial asset at fair value through profit and loss for the year ended and as at 31 December 2025.

Summarised financial information of the associate, adjusted for any differences in accounting policies, and reconciled to the carrying amount in the consolidated financial statements as at the date of the transfer, is disclosed below:

### Beijing Kangchen

	As at 30 November 2024 (date of transfer to financial asset at FVTPL) <i>RMB'000</i>
<b>Gross amounts of the associate's</b>	
Non-current assets	1,183,415
Current assets	285,012
Non-current liabilities	(1,571)
Current liabilities	<u>(189,370)</u>
<b>Total equity</b>	<b><u><u>1,277,486</u></u></b>
<b>Revenue</b>	<b><u><u>185,808</u></u></b>
Profit for the 11 months period ended 30 November 2024	<u>40,494</u>
<b>Total comprehensive income for the 11 months period ended 30 November 2024</b>	<b><u><u>40,494</u></u></b>
<b>Reconciliation to the Group's interest in the associate</b>	
Carrying amount of net assets of the associate	<b><u><u>1,277,486</u></u></b>
Percentage of equity interest attributable to the Group	25.3%
Group's share of net assets of the associate	<u>323,204</u>
Carrying amount in the consolidated financial statements	<b><u><u>–</u></u></b>
Group's share of:	
– the associate's profit for the 11 months period ended 30 November 2024	<u>10,244</u>
– the associate's total comprehensive income for the 11 months period ended 30 November 2024	<u>10,244</u>
<b>Share of results of the associate</b>	<b><u><u>10,244</u></u></b>
Fair value of the associate as at date of transfer	<u>293,719</u>
Loss on reclassification of the Group's interest in associate to financial asset at fair value through profit or loss	<b><u><u>29,485</u></u></b>

## 10. FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Unlisted equity investment ( <i>note</i> )	<u>331,358</u>	<u>317,282</u>

*Note:*

As detailed in note 9, the directors of the Company have determined that the Group no longer exercises any significant influence over the operating and financial activities of Beijing Kangchen since 30 November 2024, and the Group's interest in Beijing Kangchen had been reclassified from interest in an associate to financial asset at fair value through profit or loss as from that date.

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
At 1 January	317,282	–
Transfer from interest in an associate measured at fair value upon transfer ( <i>note 9</i> )	–	293,719
Changes in fair value	<u>14,076</u>	<u>23,563</u>
At 31 December	<u>331,358</u>	<u>317,282</u>

As at 31 December 2024, the Group had pledged all the shares of a wholly-owned subsidiary, which directly holds its entire 25.3% equity interest in Beijing Kangchen, as security for the outstanding other borrowings due to Annie Investment.

During the year ended 31 December 2025, the board of directors of Beijing Kangchen, without the representation of the Group, approved the resolution to amend the memorandum of association of Beijing Kangchen, among others, to remove the clause of the entitlement to designate a director in the board of Beijing Kangchen by a wholly owned subsidiary of the Company. The resolution was later passed by majority shareholders of Beijing Kangchen without the Group's involvement. The amendment of the memorandum of association of Beijing Kangchen was later notified to the Group. In October 2024, Mr. Ng had formally notified Beijing Kangchen and its board of directors of his resignation as a director of Beijing Kangchen but with no response. No change of his directorship was submitted to State Administration for Industry and Commerce by Beijing Kangchen in this respect. In view of this, during the year ended 31 December 2025, Mr. Ng made another formal notification to Beijing Kangchen and its board of directors to reiterate his resignation as a director and to disclaim any liability arising from the non-cooperation of Beijing Kangchen. On 18 July 2025, the Company entered into an agreement with Annie Investment, pursuant to which, Annie Investment agreed to release the pledge over the shares of Beijing Kangchen and renegotiate a new repayment plan.

In order to understand the actual operational and financial conditions of Beijing Kangchen and its subsidiaries, verify the accuracy of financial data and safeguard the Group's legitimate rights and interests, the Group had requested Beijing Kangchen to provide its financial information in full, including all books and records, to the Group but without success. On 8 August 2025, the Group filed a civil complaint for shareholders' right to information against Beijing Kangchen with the 北京市昌平區人民法院 (the "People's Court").

The People's Court's ruling was given on 23 January 2026, which was in favor of the Group and, among others, ordered Beijing Kangchen to provide the Group with all its financial information since its incorporation in 2017. Beijing Kangchen has submitted its appeal against the ruling which will bring the case to the court of second instance. Up to the date of approval of the consolidated financial statements, no notice has been received by the Group regarding the progress or timetable of the second instance.

## 11. TRADE AND OTHER RECEIVABLES

	<b>2025</b> <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade receivables, net	<b>1,796</b>	–
Deposits, prepayments and other receivables ( <i>note (b)</i> )	<b>5,944</b>	6,459
	<b>7,740</b>	6,459
Less: non-current portion deposits	–	(65)
	<b>7,740</b>	6,394

All of the trade and other receivables are expected to be recovered or recognised as expenses within one year.

### (a) Ageing analysis

Ageing analysis of trade receivables, net of ECL allowances, based on the invoice dates, is as follows:

	<b>2025</b> <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 3 months	<b>1,796</b>	–

The Group's trading terms with its customers are mainly on credit, the credit period granted is based on the historical trading and payment records of each customer, generally not more than six months.

Ageing analysis of trade receivables, net of ECL allowances, based on the past due dates, is as follows:

	<b>2025</b> <i>RMB'000</i>	2024 <i>RMB'000</i>
Neither past due nor impaired	<b>1,796</b>	–

(b) **Deposits, prepayments and other receivables**

	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
Other receivables	<b>28</b>	19
VAT recoverable	<b>76</b>	63
Prepayments ( <i>note (i)</i> )	<b>4,571</b>	5,085
Rental and other deposits ( <i>note (ii)</i> )	<b>1,269</b>	1,292
	<b>5,944</b>	6,459

*Notes:*

- (i) As at 31 December 2025, the balance mainly comprised a prepayment of RMB4,420,000 (2024: RMB5,000,000) for the provision of bone density test services to be provided by a service provider, which is an independent third party to the Group.

As at 31 December 2024, the management of the Group considered that the bone density test services would be provided by the service provider in early 2025, thereby utilising the related prepayment within the next twelve months. However, there was delay in 2025 in obtaining the license for provision of such services by the service provider. As at 31 December 2025, the management of the Group considered that the related prepayment would be utilised within the next twelve months as the service provider has obtained the license from the PRC Government in late 2025.

- (ii) As at 31 December 2025, the balance mainly comprised other deposits of RMB826,000 (2024: RMB976,000) for the purchase of agency service rights of certain healthcare products.

The remaining financial assets included in the above balances are neither past due nor impaired as at 31 December 2025 and 2024, for which there was no recent history of default. The recoverability was assessed with reference to credit status of the debtors and the ECL as at 31 December 2025 and 2024, and are considered by the management of the Company to be minimal.

**12. CASH AND BANK BALANCES**

	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
Cash at banks and in hand	<b>7,221</b>	9,623

Bank balances carry interest at floating rates based on daily deposit rate. The bank balances are deposited with creditworthy banks with no recent history of default.

As at 31 December 2025, there was approximately RMB6,010,000 (2024: RMB6,469,000) deposited with banks in the PRC. RMB is not freely convertible into other currencies, however, under Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations in the PRC, the Group is permitted to exchange RMB for other currency through authorised banks to conduct foreign exchange business.

### 13. TRADE AND OTHER PAYABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade payables ( <i>note (i)</i> )	2,661	498
Amount due to a former subsidiary ( <i>note (ii)</i> )	32,173	34,011
Accrued staff costs	1,157	2,425
Accrued directors' fee	3,542	3,350
Interest payables ( <i>note (iii)</i> )	125,726	125,976
Deposit received	2,005	1,500
Other payables and accruals ( <i>note (iv)</i> )	4,211	12,461
	<u>171,475</u>	<u>180,221</u>

All of the trade and other payables are expected to be settled within one year or are repayable on demand.

*Notes:*

- (i) The credit period granted by creditors ranged from 1 to 30 days.

Ageing analysis of trade payables based on the invoice dates is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 3 months	2,190	–
More than 3 months but within 6 months	–	–
More than 6 months but within 1 year	–	–
Over 1 year	471	498
	<u>2,661</u>	<u>498</u>

- (ii) The amount due is unsecured, interest free and repayable on demand as at 31 December 2025 and 2024.

- (iii) As at 31 December 2025, interest payables of approximately RMB111,563,000 (2024: RMB118,020,000) were derived from borrowings from related parties.

As at 31 December 2025, interest payables of approximately RMB14,335,000 (2024: RMB7,686,000) were derived from other borrowings which were overdue as at that date.

- (iv) As at 31 December 2025, the balance mainly related to legal and professional fees amounted to approximately RMB2,109,000 (2024: RMB11,284,000) in relation to the legal advisory fee for the Group's restructuring, accrual of audit fee of approximately RMB712,000 (2024: RMB959,000) and the remaining were accrued operation expenses.

## 14. OTHER BORROWINGS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Current</b>		
Other borrowings	299,033	355,487
Corporate bonds	<u>17,093</u>	<u>12,008</u>
	<b>316,126</b>	367,495
<b>Non-current</b>		
Corporate bonds	<u>–</u>	<u>7,993</u>
	<b><u>316,126</u></b>	<b><u>375,488</u></b>

## 15. FINANCIAL GUARANTEE CONTRACTS

The Company had provided financial guarantees on behalf of Suzhou First Pharmaceutical Co., Ltd. (“**Suzhou First Pharma**”), formerly a wholly-owned subsidiary of the Group, and its subsidiaries for their bank borrowings and one of the other borrowings due to Mr. Jeong Iat (“**Mr. Jeong**”). Suzhou First Pharma was undergoing a debt restructuring process which is subject to several auctions on the remaining assets held to repay the amounts due to its creditors. According to the court ruling given by 江蘇省蘇州工業園區人民法院 on 6 July 2023, the approved amount of bank borrowings and other borrowing due to Mr. Jeong were approximately RMB383,156,000 and RMB60,789,000, respectively.

The directors of the Company considered that the Company, being a guarantor, should be liable to the aforesaid borrowings if the repayment allocations could not fully recover the approved amounts. The Company might be subject to repay the remaining unpaid balances.

As at 31 December 2024, provisions for financial guarantee contracts had been recognised in this respect amounting to approximately RMB177,008,000, including RMB44,000,000 in respect of the financial guarantee obligation due to Mr. Jeong.

Upon completion of the loan capitalisation on 21 February 2025, the Company has allotted and issued 146,520,146 new shares to Mr. Jeong as full settlement of the remaining outstanding financial guarantee obligation amount due to him of RMB44,000,000. Mr. Jeong became a major shareholder of the Company with significant influence over the Group, with his shareholding interests in the Company constituting 21.73% of the issued share capital of the Company on and after the loan capitalisation (2024: Nil). Details of the loan capitalisation are set out in note 18.

As at 31 December 2025 and 2024, the carrying amounts of the financial guarantee contracts represented the allowance for credit loss under the financial guarantee as at the respective financial year end dates, which were determined by the management of the Company based on the fair values of Suzhou First Pharma’s assets to be sold in the coming auctions and the repayment allocations ratio.

Up to the date of this announcement, the remaining lender has not taken any actions to claim against the Company in respect of these financial guarantees.

The table below shows the movements of the financial guarantee contracts:

	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
At 1 January	<b>177,008</b>	170,713
Adjustment for extinguishment of obligation upon loan capitalisation	<b>(44,000)</b>	–
Provision of loss allowance for the year ( <i>note 4</i> )	–	6,295
	<hr/>	<hr/>
At 31 December	<b>133,008</b>	177,008
	<hr/> <hr/>	<hr/> <hr/>

## 16. LOSS ON DECONSOLIDATION OF SUBSIDIARIES

**For the year ended 31 December 2024**

### *Deconsolidation of subsidiaries*

On 5 August 2024, a special resolution of a wholly-owned subsidiary, NT Pharma (HK) Limited resolved the winding-up of the company voluntarily pursuant to Section 288(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) and the liquidators have been appointed. As a result of the liquidation and appointment of liquidators, the Group lost control over NT Pharma (HK) Limited and its direct wholly-owned subsidiary, NT Pharmaceutical Trading (Shanghai) Co., Ltd. (the “**Deconsolidated Subsidiaries**”). Accordingly, the financial results of the Deconsolidated Subsidiaries were deconsolidated from the Group and a loss on deconsolidation of the subsidiaries of approximately RMB7,009,000 was recognised in the consolidated profit or loss for the year ended 31 December 2024.

The net assets of the Deconsolidated Subsidiaries at the date of deconsolidation were as follows:

	<i>RMB'000</i>
Analysis of liabilities over which control was lost:	
Property, plant and equipment	3
Intangible assets	196
Financial asset at fair value through profit or loss	589
Other receivables	7,455
Bank balances and cash	22
Other payables	(1,256)
	<hr/>
Net assets of subsidiaries deconsolidated and loss on deconsolidation	7,009
	<hr/> <hr/>
Net cash outflow arising on the deconsolidation of the subsidiaries	
Cash and bank balances	(22)
	<hr/> <hr/>

## 17. DIVIDENDS

No dividend was paid, declared or proposed for ordinary shareholders of the Company during the year, nor has any dividend been declared or proposed since the end of the reporting period (2024: Nil).

## 18. SHARE CAPITAL

Details of movements of share capital of the Company during the years ended 31 December 2025 and 2024 are as follows:

	No of Shares '000	RMB'000
<b>Ordinary shares, issued and fully paid:</b>		
At 1 January 2024	2,640,895	1
Share consolidation ( <i>note (ii)</i> )	<u>(2,376,805)</u>	<u>–</u>
At 31 December 2024 and 1 January 2025	<b>264,090</b>	<b>1</b>
Shares issued under capitalisation of other borrowings and financial guarantee contracts ( <i>note (iii)</i> )	<u><b>410,156</b></u>	<u><b>3</b></u>
At 31 December 2025	<u><b>674,246</b></u>	<u><b>4</b></u>

*Notes:*

- (i) The Company was incorporated on 1 March 2010 with an authorised share capital of United States dollar (“US\$”) 50,100 divided into 626,250,000,000 shares of US\$0.00000008 each and one share was issued at par upon incorporation.

On 5 June 2017, the authorised share capital of the Company was re-designated from US\$50,100 comprising 626,250,000,000 ordinary shares of US\$0.00000008 each into US\$50,100 comprising (i) 625,925,000,000 ordinary shares of par value of US\$0.00000008 each, and (ii) 325,000,000 redeemable convertible preference shares of par value of US\$0.00000008 each with the rights, privileges and restrictions of the redeemable convertible preference shares.

- (ii) On 14 May 2024, the directors of the Company proposed to implement a share consolidation on the basis that every ten (10) issued and unissued shares of US\$0.00000008 each would be consolidated into one (1) consolidated share of US\$0.00000008 each.

Pursuant to an ordinary resolution passed in an extraordinary general meeting of the Company on 28 June 2024, the share consolidation was approved by the shareholders of the Company and has become effective on 3 July 2024. Immediately after the share consolidation, the total number of issued shares of the Company was adjusted from 2,640,895,000 to 264,089,500.

Details of the Share Consolidation were set out in the Company’s announcements dated 14 May 2024 and 28 June 2024.

- (iii) On 28 November 2024, the Company entered into a subscription agreement with Golden Base and Mr. Jeong, pursuant to which the Company has conditionally agreed to allot and issue (i) 263,636,363 new shares to Golden Base as partial settlement of the outstanding principal of approximately HK\$71,103,000 (equivalent to RMB65,066,000) and accrued interest of approximately HK\$15,897,000 (equivalent to RMB14,547,000); and (ii) 146,520,146 new shares to Mr. Jeong as full settlement of the outstanding amount due to him of RMB44,000,000 (the “**Subscription**”).

The Subscription was completed on 21 February 2025 and a total of 410,156,509 new shares were duly allotted and issued as fully paid by the Company to Golden Base and Mr. Jeong as to 263,636,363 shares and 146,520,146 shares, respectively. The difference between the fair value of the new shares issued and the carrying amount of the liabilities extinguished resulted in amounts recognised in other reserve of approximately RMB25,930,000 in relation to the subscription by Golden Base and of approximately RMB14,411,000 in relation to the subscription by Mr. Jeong, as Golden Base was a substantial shareholder of the Company and Mr. Jeong is the son of the largest substantial shareholder of the Company immediately prior to the completion of the Subscription.

Immediately after the completion of the Subscription on 21 February 2025, Golden Base became the controlling shareholder of the Company, with its shareholding increased from 15.26% to 45.08% of the Company’s issued share capital. Mr. Jeong became a major shareholder of the Company, with his shareholding increased from nil to 21.73% and the shareholding of him and parties acting in concert with him increased from 20.80% to 29.88% of the issued share capital of the Company. Golden Base is wholly owned by Mr. Ng and Ms. Chin Yu, both of whom are directors of the Company. Mr. Jeong is the son of Ms. Shum Ning and Jeong Chong Mang, both are substantial shareholders of the Company.

Details of the loan capitalisation and Subscription were disclosed in the announcements of the Company dated 28 November 2024, 19 December 2024, 28 January 2025, 4 February 2025, 17 February 2025 and 21 February 2025 and in the circular dated 28 January 2025.

## 19. EVENT AFTER THE REPORTING PERIOD

On 28 April 2025, the Company, as purchaser, entered into a sale and purchase agreement with several independent third parties, as sellers, pursuant to which the Company conditionally agreed to purchase, and the sellers conditionally agreed to sell, 100% of the issued shares in several target companies at the total consideration of approximately RMB116,220,000, which is to be satisfied by allotment and issue of 274,751,679 shares of the Company (the “**Consideration Shares**”) to the sellers at the issue price of HK\$0.45 per Consideration Share. Each of the target companies was holding certain equity interests in Zhejiang Kangyuan Medical Device Co. Ltd. (浙江康源醫療器械有限公司) (“**Kangyuan**”) and altogether were holding 58.11% of Kangyuan, in aggregate. Kangyuan is a company incorporated in the PRC with limited liability and is principally engaged in the research and operation of Artificial Intelligence (“**AI**”) X-Ray Bone Density System and Portable AI X-Ray Device in the PRC.

The acquisition was approved by the shareholders at the Extraordinary General Meeting (“**EGM**”) of the Company on 15 January 2026. Details of the acquisition and results of the EGM are set out in the circular issued by the Company on 24 December 2025 and announcement made by the Company on 15 January 2026, respectively.

On 25 March 2026, the Company completed the major transaction in relation to the acquisition of 100% of the issued shares of the target companies and the issue of Consideration Shares under specific mandate, and the target companies became indirect wholly-owned subsidiaries of the Company. Following the completion of the acquisition, the Company indirectly holds 58.11% equity interest in Kangyuan through its wholly-owned subsidiaries, and its financial results will be consolidated into the accounts of the Group.

Up to the date of these consolidated financial statements are authorised for issue, the initial accounting for the business combination is incomplete and it is not practicable to provide the information about the Acquisition that HKFRS 3 requires to be disclosed in these consolidated financial statements to enable users of the consolidated financial statements to evaluate the nature and financial effects of the Acquisition. The Group does not have such information available because as at the date of approval of the consolidated financial statements, it has not yet performed the detailed review of the relevant facts and circumstances of the Acquisition and of Kangyuan at the time of the Acquisition in order to be able to estimate the financial effects of the Acquisition.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **BUSINESS REVIEW**

#### **Overall Overview**

During the Year under Review, the Group continued to advance the transformation from traditional pharmaceutical production and sales to an AI-enabled health management platform covering the full cycle of “testing – treatment – rehabilitation” driven by “AI technology development + medical scenario application”.

For the year ended 31 December 2025, the Group’s revenue was approximately RMB24.2 million, representing a decrease of approximately 36.4% as compared with approximately RMB38.0 million in 2024; of which revenue from pharmaceutical agency services was approximately RMB9.6 million, and revenue from healthcare services was approximately RMB14.5 million. During the same period, the Group’s loss for the year was approximately RMB26.3 million, narrowing by approximately 50.9% as compared with approximately RMB53.5 million in 2024. The above changes reflect that the Group’s traditional business continued to scale down during the Year under Review, while its medical technology-related business did not generate any revenue contribution in 2025 as it remained in the asset preparation and compliance integration stage.

#### **Business Strategies during the Transition Period of Transformation**

During the Year under Review, notwithstanding the pressures arising from medical insurance cost control, industry rectification, and intensified competition within the orthopaedic treatment market, as well as prior to the completion of the transformation and deployment of the new medical technology business, the Group remained committed to its efforts in the sales and marketing of Teriparatide (Bogutai) and bone health products, as well as the provision of digital health academic promotion and marketing services.

Therefore, the management considers that the core tasks during the transition period are, on the one hand, to preserve existing doctor resources, hospital coverage and promotion capabilities within the bone health sector; and on the other hand, to provide a foundational support for the early-stage investment in the medical technology segment, debt structure optimisation and organisational transition.

#### **Medical Technology Segment: Technical Asset Reserve Phase**

The medical technology segment was in a phase of “strategic acquisition of technological assets and compliant integration” during the reporting period. The progress made on the Kangyuan project marks the materialisation of the Group’s strategic transition into the medical technology sector.

The assets associated with Kangyuan include AI-powered bone densitometry systems and portable digital X-ray diagnostic robots, supported by a robust portfolio of intellectual property and technical expertise in artificial intelligence and medical imaging. The management considers that the value of these assets is primarily reflected in the technical barriers and big data modelling they establish, including: (i) access to equipment in bone health testing scenarios; (ii) AI-enhanced diagnostic imaging capabilities; (iii) compliance capabilities of medical device registration certificates and production quality management systems; (iv) potential for accumulating scenario-based data and clinical validation resources in the future.

The management fully recognises that the progress of the Kangyuan project involves not only the completion of the equity transfer, but also complex processes such as production systems, changes in medical device registration certificate holders, continuation of algorithm validation, channel introduction and hospital access. Therefore, the management has explicitly designated 2025 as the “technical asset reserve phase” for the Kangyuan project.

Although on 25 March 2026, the Company completed the major transaction in relation to the acquisition of 100% of the issued shares of the target company and the issuance of consideration shares under the specific mandate, as of the date of this announcement, the initial accounting for the business combination is incomplete, and the financial results, assets and liabilities of Kangyuan have not yet been consolidated into the consolidated financial statements of the Group for the year ended 31 December 2025. Therefore, the Group did not recognise any revenue from the manufacture of medical devices in 2025, and all revenue for the year continued to derive primarily from its existing business operations.

## **OUTLOOK**

### **Enhancing the Strategic Framework of “Testing – Treatment – Rehabilitation” Integrated Health Management**

Management has observed that, amidst an accelerating ageing population, the nexus between bone health and neurodegenerative diseases, balance control, sleep quality, and rehabilitative medicine is gaining significant prominence. Furthermore, since 2025, regulatory authorities at both the national and local levels have provided clearer institutional support for brain-computer interface (BCI)-related medical services, industry development and commercialisation pathways. This includes the establishment of a separate pricing item for BCI medical services, as well as the introduction of industrial action plans in Beijing, Shanghai and other regions.

Management believes that bone health management is no longer limited to bone joints themselves, but is gradually extending to broader scenarios such as mobility, fall risk, neuromuscular control and long-term quality-of-life management. Therefore, the Group will continue to monitor innovative opportunities within the neuroscience and rehabilitative medicine sectors as they relate to bone health, and explore the possibility of leveraging artificial intelligence technology to integrate bone density data with rehabilitation scenarios and neurological function assessment, thereby progressively enhancing the Group's strategic footprint in the "testing – treatment – rehabilitation" integrated health management framework.

Management emphasises that the aforementioned initiatives currently remain within the scope of forward-looking research and strategic priorities. As of the date of this announcement, no definitive transaction agreements or capital expenditure commitments have been entered into. Investors should not regard such forward-looking statements as a commitment by the Group to any specific acquisition, investment or financial contribution.

## **FINANCIAL REVIEW**

### **Revenue**

For the year ended 31 December 2025, the revenue of the Group was approximately RMB24.2 million (2024: approximately RMB38.0 million), representing a decrease of approximately 36.4%. The decline in revenue was mainly due to the decrease in current revenue from healthcare-related digital services, and the new business did not generate any revenue contribution as it remained in the preparation stage.

### **Cost of sales and gross profit**

For the year ended 31 December 2025, the cost of sales of the Group was approximately RMB14.5 million, representing a decrease of approximately 55.5% as compared with approximately RMB32.7 million in 2024; gross profit was approximately RMB9.6 million, representing an increase of approximately 82.5% as compared with approximately RMB5.3 million in 2024. The improvement in gross profit mainly reflected the adjustment of cost structure and changes in revenue mix.

### **General and administrative expenses**

For the year ended 31 December 2025, general and administrative expenses were approximately RMB13.7 million (2024: RMB18.5 million), representing a decrease of approximately 25.7%. The savings were mainly due to strict control of administrative costs, reduction of professional fees and optimisation of organisational structure.

## **Finance Costs**

For the year ended 31 December 2025, the finance costs of the Group were approximately RMB27.8 million, representing a decrease of approximately 11.7% as compared with approximately RMB31.5 million in 2024, mainly due to the decrease in amount of borrowings.

## **Loss for the year**

For the year ended 31 December 2025, the Group's loss for the year was approximately RMB26.3 million (2024: RMB53.4 million), representing a decrease of approximately 50.8%. Both the basic and diluted loss per share were RMB4.22 cents (2024: RMB20.20 cents, retrospectively adjusted for the share consolidation).

Management believes that the narrowing of the loss for the year primarily reflected the capital structure optimisation, cost control and the reduction of historical liabilities.

## **Other income, gains and losses**

For the year ended 31 December 2025, the Group's net other income, gains and losses were approximately RMB0.1 million (loss) (2024: RMB6.0 million (loss)). The loss in 2024 mainly included a provision for loss on financial guarantee contracts of RMB6.3 million, while the amount in 2025 mainly included a loss on early termination of leases of RMB0.1 million, partially offset by bank interest income of RMB0.01 million and other income of RMB0.01 million.

## **Fair value changes of financial assets at fair value through profit or loss**

For the year ended 31 December 2025, the Group generated a gain on fair value changes of financial assets at fair value through profit or loss of approximately RMB14.1 million (2024: RMB23.6 million). The financial asset represented the Group's 25.3% equity interest in Beijing Kangchen Biological Technology Co., Limited (北京康辰生物科技有限公司), which was reclassified as financial assets at fair value through profit or loss with effect from 31 December 2024. The decrease in gain on fair value changes was mainly due to the slowdown in the valuation growth of the investment.

## **LIQUIDITY AND FINANCIAL RESOURCES**

### **Going Concern Uncertainties**

The Group incurred a net loss of approximately RMB26.3 million for the year ended 31 December 2025 and, as at that date, the Group's net current liabilities and net liabilities were approximately RMB605.7 million and RMB273.8 million, respectively, while cash and bank balances were only approximately RMB7.2 million. These conditions indicate the existence of material uncertainties which may cast significant doubt about the Group's ability to continue as a going concern. Details are set out in note 2 to the consolidated financial statements.

## **Auditor’s Opinion**

Moore CPA Limited (the “Auditor”) has issued a disclaimer of opinion on the consolidated financial statements of the Group for the year ended 31 December 2025 in relation to the going concern basis of preparation.

The basis for the Auditor’s disclaimer of opinion is that:

- (1) The Group incurred a net loss of approximately RMB26.3 million for the year ended 31 December 2025, and as at that date, the Group’s net current liabilities and net liabilities were approximately RMB605.7 million and RMB273.8 million, respectively;
- (2) The Group’s total borrowings were approximately RMB316.1 million, of which approximately RMB42.7 million were overdue, approximately RMB245.3 million were repayable on demand, and approximately RMB28.1 million will fall due within the next twelve months, while the Group’s cash and bank balances were only approximately RMB7.2 million;
- (3) The Group assumed contingent liabilities of approximately RMB133.0 million due to financial guarantee contracts.

The above conditions indicate the existence of material uncertainties which may cast significant doubt about the Group’s ability to continue as a going concern. The Auditor was unable to obtain sufficient appropriate audit evidence regarding the reasonableness of the management’s going concern assessment and the feasibility of the key assumptions in the cash flow forecast.

## **Measures to Alleviate Our Liquidity Pressure**

In view of these circumstances, the directors of the Company have carefully considered the future liquidity requirements, operating performance and available sources of financing of the Group. To alleviate our liquidity pressure and improve our financial position, the Group has taken and will continue to implement the following measures:

- (i) To actively negotiate debt arrangements with creditors: the Group constantly and actively negotiates with major lenders to renew and extend the repayment period of existing borrowings or convert borrowings into shares, especially for some overdue borrowings, and seeks waivers from certain restrictive covenants in the relevant loan agreements. At the same time, the Group continues to receive financial support from substantial shareholders to assist in resolving the pressure of debt repayment and strategic transformation during the transition period.

- (ii) To focus on and deepen core strategic transformation: the Group has clearly focused its development priority on gradually developing an AI-enabled Health Management Platform to cover the full cycle of “testing – treatment – rehabilitation/management”. Specifically, the platform architecture of the Group can be summarized into three levels: firstly, at the professional medical level, the Group mainly focuses on Teriparatide (Bogutai), basic osteoporosis drugs and bone pain management drugs, undertaking the functions of channel maintenance, hospital reach and operational buffer; secondly, at the medical technology level, by leveraging the artificial intelligence bone density and imaging equipment of the Kangyuan project as the core, the Group complements the front-end testing entrance of bone health scenarios; thirdly, at the rehabilitation/management interface level, based on the forward-looking integrated medical concept, the Group continues to focus on the overall health management direction, preserving strategic flexibility for the Group’s future scenario extension.
- (iii) To implement our structured financing strategy to reduce liabilities: the Group has successfully executed specific financing arrangements to directly reduce the debt burden. For example, in February 2025, a connected transaction was completed to offset loans owed to subscribers totaling approximately HK\$135.3 million through the issuance of new shares, thereby significantly reducing interest-bearing liabilities and improving the liquidity position.
- (iv) To seek new financing and strategic capital: the management of the Group continues to negotiate with external potential investors to identify new working capital financing or introduce strategic capital investments, so as to further consolidate our capital base and support business development and transformation plans.

The Board considers that the above measures, if effectively implemented, are crucial to alleviating the Group’s liquidity pressure and maintaining its ability to continue as a going concern. The Group will conduct regular review of the progress of these measures and make timely disclosures in accordance with the Listing Rules.

### **Audit Committee’s Review Opinion**

The Audit Committee has reviewed the cash flow forecast and going concern assessment prepared by the management, and discussed with the Auditor. The Audit Committee considers that the management has taken reasonable steps to assess the Group’s ability to continue as a going concern and has formulated appropriate mitigation measures. However, the Audit Committee reminds shareholders and potential investors to note that there are material uncertainties in the outcomes of these measures, and the Group’s ability to continue as a going concern depends on whether these measures can be successfully implemented.

## Capital Structure

As at 31 December 2025, the Group's total debts were approximately RMB449.1 million (including other borrowings of RMB316.1 million and financial guarantee contracts of RMB133.0 million), cash and bank balances were approximately RMB7.2 million, and net debts were approximately RMB441.9 million.

The maturity profile of the Group's borrowings is as follows: (i) due within one year: RMB316.1 million; (ii) due after one but within two years: RMB0 million; the debt-to-assets ratio was 129.47% (2024: 165.52%).

	<b>2025</b>	2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Due within one year	<b>316,126</b>	367,495
Due after one but within two years	–	7,993

## Capital Commitments

As at 31 December 2025, the Group did not have any significant capital commitments (2024: Nil).

## Material Acquisition and Disposal

### Acquisition of Equity Interest in Zhejiang Kangyuan Medical Device Co. Ltd.

On 28 April 2025, the Company, as purchaser, entered into a sale and purchase agreement with several independent third parties, as sellers. Pursuant to which the Company conditionally agreed to purchase, and the sellers conditionally agreed to sell, 100% of the issued shares in several target companies at the total consideration of approximately RMB116.2 million, which is to be satisfied by allotment and issue of 274,751,679 shares of the Company (the “**Consideration Shares**”) to the sellers at the issue price of HK\$0.45 per Consideration Share.

Each of the target companies was holding certain equity interests in Zhejiang Kangyuan Medical Device Co. Ltd. (浙江康源醫療器械有限公司) (“**Kangyuan**”) and altogether were holding 58.11% of Kangyuan, in aggregate. Kangyuan is a company incorporated in the PRC with limited liability and is principally engaged in the research and operation of Artificial Intelligence X-Ray Bone Density System and Portable AI X-Ray Device in the PRC.

The acquisition was approved by the shareholders at the extraordinary general meeting of the Company held on 15 January 2026. On 25 March 2026, the Company completed the major transaction in relation to the acquisition of 100% of the issued shares of the target companies and the issue of Consideration Shares under specific mandate, and the target companies became indirect wholly-owned subsidiaries of the Company. Following the completion of the acquisition, the Company indirectly holds 58.11% equity interest in Zhejiang Kangyuan Medical Device Co. Ltd. through its wholly-owned subsidiaries, and its financial results will be consolidated into the accounts of the Group.

### **Contingent Liabilities**

The Company had provided financial guarantees for bank borrowings and other borrowings of its former wholly-owned subsidiary Suzhou First Pharmaceutical Co., Ltd. (蘇州第壹製藥有限公司) (“**Suzhou First Pharma**”) and its subsidiaries. According to the ruling made by the Suzhou Industrial Park People’s Court of Jiangsu Province (江蘇省蘇州工業園區人民法院) on 6 July 2023, the approved amounts of bank borrowings and other borrowings were approximately RMB383.2 million and RMB60.8 million, respectively.

Suzhou First Pharma is undergoing debt restructuring, and its remaining assets will be sold through several auctions to repay creditors. The directors of the Company consider that if the repayment allocations fail to fully recover the approved amounts, the Company as a guarantor may need to bear the remaining unpaid balances of the above borrowings.

As at 31 December 2025, the carrying amount of the financial guarantee contracts was approximately RMB133.0 million (2024: RMB177.0 million), which was determined based on the fair value of the assets to be sold by Suzhou First Pharma in future auctions and the repayment allocation ratio. As of the date of this announcement, the lenders have not taken any claim actions against the Company in respect of the financial guarantees.

For details of the contingent liabilities faced by the Group, including litigations and claims involving former subsidiaries, please refer to note 24 to the consolidated financial statements. As of the date of this announcement, the lenders have not taken any claim actions against the Company in respect of the financial guarantees.

### **HUMAN RESOURCES**

As at 31 December 2025, the Group had 22 full-time employees (2024: 22). For the year ended 31 December 2025, the Group’s total cost on remuneration, welfare and social security amounted to approximately RMB9.9 million (comprising salaries, wages and other benefits of RMB8.8 million and contributions to defined contribution retirement plans of RMB1.1 million) (2024: RMB6.1 million). The Group maintains good relationships with its employees. The remuneration structure of the Group is determined based on employee performance, local consumption levels and prevailing conditions in the human resources market. On top of basic salaries, bonuses may be paid according to the Group’s performance as well as individual performance. Other staff benefits include contributions to the Mandatory Provident Fund retirement benefits scheme in Hong Kong and statutory social welfare in the PRC.

## **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES**

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2025.

## **CORPORATE GOVERNANCE PRACTICES**

During the year under review, the Company has complied with the principles and code provisions set out in the Corporate Governance Code contained in Appendix C1 to the Listing Rules, and has established formal and transparent procedures to safeguard the interests of shareholders and enhance corporate value and accountability.

During the period from 1 January 2025 to 18 May 2025, the Company deviated from code provision C.2.1 of the Corporate Governance Code, which provides that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual, as Mr. Ng Tit then served as both the chairman of the Board and the chief executive officer of the Company.

Following the resignation of Mr. Ng Tit as the chief executive officer and the appointment of Mr. Zhang Bozhi as the chief executive officer, both with effect from 19 May 2025, the roles of chairman of the Board and chief executive officer have been separated. Accordingly, the Company has complied with code provision C.2.1 of the Corporate Governance Code from 19 May 2025 onwards and as at the date of this announcement. For further details, please refer to the 2025 interim report published by the Company on 5 September 2025.

## **DIRECTORS' SECURITIES TRANSACTIONS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the "Model Code") as its own code of conduct regarding dealings in securities by Directors. Following specific enquiries made to all Directors, all Directors have confirmed that they have complied with the required standards set out in the Model Code throughout the entire year ended 31 December 2025.

## **FINAL DIVIDENDS**

The Board does not recommend the payment of final dividend for the year ended 31 December 2025 (2024: Nil).

## **EVENTS AFTER THE REPORTING PERIOD**

On 28 April 2025, the Company, as purchaser, entered into a sale and purchase agreement with several independent third parties, as sellers, pursuant to which the Company conditionally agreed to purchase, and the sellers conditionally agreed to sell, 100% of the issued shares in several target companies at the total consideration of approximately RMB116,220,000, which is to be satisfied by allotment and issue of 274,751,679 shares of the Company (the “**Consideration Shares**”) to the sellers at the issue price of HK\$0.45 per Consideration Share. Each of the target companies was holding certain equity interests in Zhejiang Kangyuan Medical Device Co. Ltd. (浙江康源醫療器械有限公司) (“**Kangyuan**”) and altogether held, in aggregate, approximately 58.11% of Kangyuan, in aggregate. Kangyuan is a company incorporated in the PRC with limited liability and is principally engaged in the research and operation of Artificial Intelligence (“**AI**”) X-Ray Bone Density System and Portable AI X-Ray Device in the PRC.

The acquisition was approved by the shareholders at the Extraordinary General Meeting (“**EGM**”) of the Company held on 15 January 2025. On 25 March 2026, the Company completed the major transaction in relation to the acquisition of 100% of the issued shares of the target companies and the issue of Consideration Shares under specific mandate, and the target companies became indirect wholly-owned subsidiaries of the Company. Following the completion of the acquisition, the Company indirectly holds 58.11% equity interest in Zhejiang Kangyuan Medical Device Co. Ltd. through its wholly-owned subsidiaries, and its financial results will be consolidated into the accounts of the Group.

Up to the date on which these consolidated financial statements are authorised for issue, the initial accounting for the business combination is incomplete and it is not practicable to provide the information about the Acquisition that HKFRS 3 requires to be disclosed in these consolidated financial statements to enable users of the consolidated financial statements to evaluate the nature and financial effects of the Acquisition. The Group does not have such information available because as at the date of approval of the consolidated financial statements, it has not yet performed the detailed review of the relevant facts and circumstances of the Acquisition and of Kangyuan at the time of the Acquisition in order to be able to estimate the financial effects of the Acquisition.

## **REVIEW OF AUDITED ANNUAL RESULTS BY AUDIT COMMITTEE**

The Audit Committee comprises three independent non-executive Directors, namely Mr. Ng Ming Kwan, Mr. Tze Shan Hailson Yu and Dr. Zhao Yubiao. The Audit Committee has reviewed the audited annual results of the Group for the year ended 31 December 2025 and has recommended its adoption by the Board.

## **SCOPE OF WORK OF THE INDEPENDENT AUDITOR**

The figures in respect of the Group's consolidated statement of financial position as at 31 December 2025, consolidated statement of profit or loss and other comprehensive income and the related notes to the consolidated financial statements thereto for the year ended 31 December 2025 as set out in this announcement have been agreed by the Company's independent auditor, Moore CPA Limited, to the amounts as set out in the Group's audited consolidated financial statements for the year ended 31 December 2025. The work performed by Moore CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no opinion or assurance conclusion has been expressed by Moore CPA Limited on this announcement.

## **EXTRACT OF INDEPENDENT AUDITOR'S REPORT**

The following is the extract of the independent auditor's report from the external auditor of the Group:

### **Disclaimer of Opinion**

We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements. In all other respects, in our opinion, the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### **Basis for Disclaimer of Opinion**

#### ***Scope Limitation Relating to the Going Concern Basis of Preparing the Consolidated Financial Statements***

As described in note 2 to the consolidated financial statements, the Group incurred a loss of approximately RMB26,255,000 for the year ended 31 December 2025 and as at that date, the Group had net current liabilities and net liabilities of approximately RMB605,734,000 and RMB273,833,000, respectively. The Group's total borrowings amounted to approximately RMB316,126,000, of which approximately RMB42,705,000, RMB245,316,000 and RMB28,105,000 were overdue for repayment, repayable on demand and would be due for repayment within next twelve months from 31 December 2025, respectively, while the Group's total cash and bank balances amounted to only approximately RMB7,221,000 as at 31 December 2025. In addition, the Group is liable for two unsettled loans owed by its former subsidiaries due to financial guarantee contracts with carrying amount of approximately RMB133,008,000 as at 31 December 2025 as set out in note 24 to the consolidated financial statements.

The above conditions cast significant doubt on the Group's ability to continue as a going concern, and therefore, whether it will be able to realise its assets and discharge its liabilities in the normal course of business.

As detailed in note 2 to the consolidated financial statements, in view of the above circumstances, the directors of the Company have performed an assessment of the Group's ability to continue as a going concern. For the purposes of the going concern assessment, management has prepared a cash flow forecast of the Group, taking into account their plans and measures for future actions to improve the liquidity position of the Group. Certain key assumptions in relation to these plans and measures underlie the preparation of the cash flow forecast, including but not limited to the following:

- (i) Successful negotiations with the Group's existing lenders such that no action will be taken by the relevant lenders of the Group to demand immediate repayment of the borrowings with principals and interests in default and those repayable on demand;
- (ii) Successfully developing into an artificial intelligence enabled health management platform covering the full cycle of "detection-treatment-rehabilitation";
- (iii) Successfully obtaining new sources of financing to repay overdue borrowings; and
- (iv) Successfully obtaining new sources of financing or strategic capital investments within the next twelve months as and when needed.

On the basis of the above key assumptions underlying the preparation of the cash flow forecast, management has determined that it is appropriate to use the going concern basis of accounting in the preparation of the consolidated financial statements. However, as the eventual outcome of the plans and measures cannot be determined with certainty, there exists material uncertainty related to the conditions described above about the Group's ability to continue as a going concern.

Furthermore, the validity and appropriateness of the use of the going concern basis in the preparation of the consolidated financial statements depends on the feasibility of the plans and measures referred to above and whether there is adequate support for the assumptions underlying the cash flow forecast. We have not been provided the supporting bases for the feasibility of the plans and measures and reasonableness of the assumptions, including the assumptions about the renewal and extension of the repayment dates of the overdue borrowings and borrowings that are repayable on demand, and obtaining waivers from complying with certain restrictive covenants contained in the loan agreements of certain borrowings. Hence we were unable to obtain sufficient appropriate audit evidence to satisfy ourselves, and there were no alternative audit procedures that we could perform to obtain sufficient appropriate audit evidence to support, that the above plans and measures are feasible in the circumstances and that their outcomes are likely to improve the Group's liquidity situation. As a result, we were unable to obtain sufficient appropriate evidence to conclude whether the Company's directors' use of the going concern basis of accounting in the preparation of the consolidated financial statements is appropriate.

The consolidated financial statements do not include any adjustments that may be necessary should the going concern basis of preparation be determined to be inappropriate. These would include any adjustments to write down the carrying amounts of the Group's assets to their recoverable amounts, to provide for any further liabilities which may arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively.

## **ACTION PLAN TO ADDRESS DISCLAIMER OPINION**

The auditor of the Company did not express opinion on the consolidated financial statements of the Group for the year ended 31 December 2025 due to the potential interaction of the multiple uncertainties relating to going concern and their possible cumulative effect on the consolidated financial statements.

In order to address the issues, up to the date of this announcement, the Group has taken and will continue to implement the following measures (the “**Measures**”) under the Group's action plan to improve the Group's liquidity position, including:

- (i) To actively negotiate debt arrangements with creditors: the Group constantly and actively negotiates with major lenders to renew and extend the repayment period of existing borrowings or convert borrowings into shares, especially for some overdue borrowings, and seeks waivers from certain restrictive covenants in the relevant loan agreements. At the same time, the Group continues to receive financial support from substantial shareholders to assist in resolving the pressure of debt repayment and strategic transformation during the transition period.
- (ii) To focus on and deepen core strategic transformation: the Group has clearly focused its development priority on gradually developing an AI-enabled Health Management Platform to cover the full cycle of “testing – treatment – rehabilitation/management”. Specifically, the platform architecture of the Group can be summarized into three levels: firstly, at the professional medical level, the Group mainly focuses on Teriparatide (Bogutai), basic osteoporosis drugs and bone pain management drugs, undertaking the functions of channel maintenance, hospital reach and operational buffer; secondly, at the medical technology level, by leveraging the artificial intelligence bone density and imaging equipment of the Kangyuan project as the core, the Group complements the front-end testing entrance of bone health scenarios; thirdly, at the rehabilitation/management interface level, based on the forward-looking integrated medical concept, the Group continues to focus on the overall health management direction, preserving strategic flexibility for the Group's future scenario extension.
- (iii) To implement our structured financing strategy to reduce liabilities: the Group has successfully executed specific financing arrangements to directly reduce the debt burden. For example, in February 2025, a connected transaction was completed to offset loans owed to subscribers totaling approximately HK\$135.3 million through the issuance of new shares, thereby significantly reducing interest-bearing liabilities and improving the liquidity position.

- (iv) To seek new financing and strategic capital: the management of the Group continues to negotiate with external potential investors to identify new working capital financing or introduce strategic capital investments, so as to further consolidate our capital base and support business development and transformation plans.

As at the date of this announcement, none of the Measures has been completed. As the Measures involve on-going negotiations and communications with various external parties, potential purchasers and creditors, it is difficult to define a definite timetable on the completion of Measures under the action plan. Notwithstanding, the Board will strive to complete the Measures during the financial year ending 31 December 2026.

### **AUDIT COMMITTEE'S VIEW ON THE DISCLAIMER OPINION**

The Audit Committee has reviewed and agreed with the views and concerns of the independent auditor with respect to the disclaimer opinion on the consolidated financial statements of the Group for the year ended 31 December 2025. The Audit Committee noted that the Board has undertaken and is in the progress of implementing the Measures to improve the Group's liquidity position. As at the date of this announcement, the Board is not aware of any indication that any of the Measures cannot be completed. With reference to the cash flow forecast which is prepared upon the assumption that the Measures will be successfully implemented, the Board is of the view that the Group will have sufficient working capital to meet its financial obligations as and when they fall due in the next twelve months from the date of approval of the consolidated financial statements for the year ended 31 December 2025. Accordingly, the consolidated financial statements for the year ended 31 December 2025 have been prepared on a going concern basis.

The Audit Committee has reviewed and agreed with the management's position and is of the view that the Board should continue its efforts in implementing necessary measures for enhancing the Group's liquidity position and removing the disclaimer opinion in the next financial year.

### **NEXT FINANCIAL STATEMENTS**

Based on the Company's discussion with the auditor, as the disclaimer opinion relates to the Company's ability to continue as a going concern, in preparing the financial statements for the year ending 31 December 2026, the Board will be responsible for assessing the Company's ability to continue as a going concern and the appropriateness of preparing the Group's consolidated financial statements on a going concern basis with reference to the conditions and circumstances as at 31 December 2026. The Board will provide sufficient appropriate audit evidence to the auditor to assess the appropriateness of the Board's application of going concern basis in preparing the Group's consolidated financial statements, and based on the audit evidence obtained, the auditor will determine whether the audit evidence is sufficient and any uncertainties exist in relation to the Company's going concern issue.

The Board's assessment of the Company's ability to carry on as a going concern as at 31 December 2026 will take into consideration the relevant conditions and circumstances, and also a then cash flow forecast of the Group for a period covering not less than twelve months from the date of approval of the consolidated financial statement for the year ending 31 December 2026.

Because of the foregoing, as at the date of this announcement, the auditor is unable to confirm whether the disclaimer opinion will be removed for the annual results for the year ending 31 December 2026. However, assuming all the Measures are successfully implemented as planned, sufficient and appropriate audit evidence would be obtained by the auditor and the Board is satisfied that the Company can continue business as a going concern, barring any unforeseen circumstances, it is likely that the annual results for the year ending 31 December 2026 will be free of the disclaimer opinion.

### **UPDATE ON THE SUPPLEMENTAL PROFIT WARNING ANNOUNCEMENT**

Reference is made to the supplemental profit warning announcement of the Company dated 30 March 2026 (the "**Supplemental Announcement**"). As disclosed in the Supplemental Announcement, the information contained therein was based on the preliminary assessment by the Board with reference to the information then available and had not yet been finalised.

Following the completion of the audit and further discussions with the Auditor, the Board wishes to inform the Shareholders and potential investors that, in relation to the issue of new shares for the settlement of debt, the difference between the fair value of the shares issued and the carrying amount of the debt had originally been recognised in profit or loss on the basis that the subscriber was not regarded as an existing shareholder of the Company. However, upon finalisation of the audit, the subscriber was considered, upon finalisation of the audit, to be a party acting in concert with a substantial shareholder of the Company, namely Golden Base. Accordingly, the relevant transaction was treated as an equity transaction, and the one-off non-cash gain of approximately HK\$15.4 million (equivalent to approximately RMB14.1 million) was recognised in equity instead of profit or loss for the year ended 31 December 2025.

As a result, the audited net loss of the Group for the year ended 31 December 2025 was approximately RMB26.3 million, which was higher than the amount disclosed in the Supplemental Announcement. Shareholders and potential investors should therefore rely on the audited annual results of the Group for the year ended 31 December 2025 as set out in this announcement.

## **PUBLICATION OF ANNUAL RESULTS**

The audited annual results announcement is published on websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.ntpharma.com](http://www.ntpharma.com)). The annual report containing all the information as required by the Listing Rules will be despatched to the shareholders and made available for review in the same websites on or before 30 April 2026.

## **APPRECIATION**

The Board would like to express its sincere appreciation to the shareholders, customers, suppliers, management team and staff for their continuous support to the Group.

By Order of the Board  
**China NT Pharma Group Company Limited**  
*Chairman*  
**Ng Tit**

Hong Kong, 31 March 2026

*As at the date of this announcement, the executive Directors are Mr. Ng Tit and Ms. Ng, Anna Ching Mei; the non-executive Directors are Dr. Qian Wei and Ms. Chin Yu; and the independent non-executive Directors are Mr. Yu Tze Shan Hailson, Dr. Zhao Yubiao, and Mr. Ng Ming Kwan.*