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WAI YUEN TONG MEDICINE HOLDINGS LIMITED
(位元堂藥業控股有限公司*)

(Incorporated in Bermuda with limited liability)

(Stock Code: 897)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2026

INTERIM FINANCIAL HIGHLIGHTS

	Six months ended 30 September		
HK$' million	**2026 (Unaudited)**	2025 (Unaudited)	**Change**
Revenue	**328.5**	322.8	1.8%
Gross profit	**183.7**	165.3	11.1%
Profit/(loss) attributable to owners of the parent	**(12.8)**	2.8	N/A
Earnings/(loss) per share *(HK cents)*			
— Basic and diluted	**(1.15)**	0.25	(1.4)
Cash dividend per share *(HK cents)*			
— Special	**9.0**	–	N/A

	As at 30 September 2026 (Unaudited)	As at 31 March 2026 (Audited)	
Net asset value	**1,166.8**	1,180.5	(1.2%)
Cash and cash equivalents	**131.3**	133.3	(1.5%)
Net gearing ratio	**10.5%**	12.4%	(1.9pp)

* *For identification purpose only*

INTERIM RESULTS

The board of directors (the "**Board**" or the "**Director(s)**") of Wai Yuen Tong Medicine Holdings Limited (the "**Company**", together with its subsidiaries, collectively referred to as the "**Group**") is pleased to announce the unaudited condensed consolidated interim results of the Group for the six months ended 30 September 2026, together with the comparative figures for the corresponding period in 2025. This interim condensed consolidated financial information has not been audited, but have been reviewed by the audit committee of the Company (the "**Audit Committee**").

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2026

		Six months ended 30 September	
		2026	2025
		(Unaudited)	(Unaudited)
	Notes	***HK$'000***	*HK$'000*
REVENUE	*4*	**328,498**	322,817
Cost of sales		**(144,791)**	(157,521)
Gross profit		**183,707**	165,296
Other income and gains, net	*4*	**24,943**	23,489
Selling and distribution expenses		**(156,541)**	(131,669)
Administrative expenses		**(56,776)**	(53,984)
Fair value gains/(losses) on financial assets at fair value through profit or loss, net		**(523)**	1,002
Fair value gains on investment properties, net		**387**	6,213
Reversal of impairment losses/(impairment losses) on financial assets, net		**(189)**	951
Other expenses, net		**–**	(87)
Finance costs	*6*	**(7,786)**	(8,849)
Share of profits and losses of associates		**6**	177
PROFIT/(LOSS) BEFORE TAX	*5*	**(12,772)**	2,539
Income tax credit	*7*	**4**	260
PROFIT/(LOSS) FOR THE PERIOD		**(12,768)**	2,799

	Six months ended 30 September	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
OTHER COMPREHENSIVE INCOME/ (LOSS)		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Debt investments at fair value through other comprehensive income:		
Changes in fair value	**(62)**	50
Translation reserve:		
Exchange differences on translation of foreign operations	**176**	387
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	**114**	437
Other comprehensive loss that will not be reclassified to profit or loss in subsequent periods:		
Equity investments at fair value through other comprehensive income:		
Changes in fair value	**(1,121)**	(1,327)
OTHER COMPREHENSIVE LOSS FOR THE PERIOD	**(1,007)**	(890)
TOTAL COMPREHENSIVE INCOME/ (LOSS) FOR THE PERIOD	**(13,775)**	1,909

	Note	Six months ended 30 September **2026** **(Unaudited)** ***HK$'000***	 2025 (Unaudited) *HK$'000*
Profit/(loss) attributable to:			
Owners of the parent		**(12,781)**	2,772
Non-controlling interests		**13**	27
		(12,768)	2,799
Total comprehensive income/(loss) attributable to:			
Owners of the parent		**(13,788)**	1,882
Non-controlling interests		**13**	27
		(13,775)	1,909
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	*9*		
Basic and diluted		**HK(1.15) cents**	HK0.25 cent

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 September 2026

	Note	**30 September 2026 (Unaudited)** ***HK$'000***	31 March 2026 (Audited) HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**549,505**	564,894
Investment properties		**130,200**	129,800
Net investments in subleases		**632**	1,392
Investments in associates		**3,457**	3,451
Financial assets at fair value through other comprehensive income		**4,604**	3,276
Loans receivables		**–**	295,000
Prepayments and deposits		**16,030**	9,031
Deferred tax assets		**20,931**	21,047
Total non-current assets		**725,359**	1,027,891
CURRENT ASSETS			
Inventories		**230,882**	226,541
Trade receivables	*10*	**62,553**	55,308
Loans and interest receivables		**357,204**	87,374
Prepayments, deposits and other receivables		**67,574**	81,198
Net investments in subleases		**2,948**	3,943
Financial assets at fair value through other comprehensive income		**141**	203
Financial assets at fair value through profit or loss		**11,961**	10,013
Tax recoverable		**724**	809
Cash and cash equivalents		**131,331**	133,276
		865,318	598,665
Assets of a disposal company classified as held for sale		**54,018**	–
Total current assets		**919,336**	598,665

	Note	**30 September 2026 (Unaudited)** ***HK$'000***	31 March 2026 (Audited) HK$'000
CURRENT LIABILITIES			
Trade payables	*11*	**37,052**	21,276
Other payables and accruals		**130,066**	119,917
Contract liabilities		**3,147**	4,123
Interest-bearing bank borrowings		**118,754**	279,286
Tax payable		**3,271**	3,944
		292,290	428,546
Liability of a disposal company classified as held for sale		**439**	–
Total current liabilities		**292,729**	428,546
NET CURRENT ASSETS		**626,607**	170,119
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,351,966**	1,198,010
NON-CURRENT LIABILITIES			
Other payables		**49,345**	17,164
Interest-bearing bank borrowings		**135,550**	–
Deferred tax liabilities		**303**	303
Total non-current liabilities		**185,198**	17,467
Net assets		**1,166,768**	1,180,543
EQUITY			
Equity attributable to owners of the parent			
Issued capital		**11,144**	11,251
Treasury shares		**–**	(3,868)
Reserves		**1,156,837**	1,174,386
		1,167,981	1,181,769
Non-controlling interests		**(1,213)**	(1,226)
Total equity		**1,166,768**	1,180,543

NOTES TO CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1. BASIS OF PREPARATION

The Company was incorporated in Bermuda as an exempted company with limited liability and is listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). The principal activities of the Group are described in note 3 to the unaudited interim condensed consolidated financial information.

The unaudited interim condensed consolidated financial information of the Group for the six months ended 30 September 2026 has been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 *Interim Financial Reporting* as issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the disclosure requirements of Appendix D2 of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

The unaudited interim condensed consolidated financial information does not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 March 2026.

The accounting policies and the basis of preparation adopted in the preparation of this unaudited interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 March 2026, which have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, HKASs and Interpretations) as issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, except for the adoption of the amended HKFRS Accounting Standards as further explained in note 2 below.

This unaudited interim condensed consolidated financial information has been prepared under the historical cost convention, except for investment properties, financial assets at fair value through profit or loss ("**FVTPL**") and financial assets at fair value through other comprehensive income ("**FVTOCI**") which have been measured at fair value. This unaudited interim condensed consolidated financial information is presented in Hong Kong dollars ("**HK$**") and all values are rounded to the nearest thousand except when otherwise indicated.

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following amended HKFRS Accounting Standards for the first time for the current period's unaudited interim condensed consolidated financial information:

Amendments to HKFRS 9 and HKFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*
Amendments to HKFRS 9 and HKFRS 7	*Contracts Referencing Nature-dependent Electricity*
Annual Improvements to HKFRS Accounting Standards — Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7

The nature and impact of the amended HKFRS Accounting Standards are described below:

(a) Amendments to HKFRS 9 and HKFRS 7 *Amendments to the Classification and Measurement of Financial Instruments* clarify that a financial asset is derecognised when the entity's rights to the contractual cash flows expire or are transferred, while a financial liability is derecognised on the settlement date. The amendments introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features.

Prior to the initial application of the amendments, the Group derecognised trade payables and other payables that were settled by cheques upon the issuance of cheques to creditors. Upon applying the amendments, trade payables and other payables that were settled by cheques are derecognised on the settlement date which is the date when the cheques are cleared by banks. The change in accounting policy did not have a material impact on the Group's interim condensed consolidated financial information. The change in accounting policy will be reflected in the Group's consolidated financial statements for the year ending 31 March 2027.

(b) Amendments to HKFRS 9 and HKFRS 7 *Contracts Referencing Nature-dependent Electricity* clarify the application of the "own-use" requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity's financial performance and future cash flows. As the Group did not have any contracts that are in the scope of the amendments, the amendments did not have any impact on the interim condensed consolidated financial information.

(c) *Annual Improvements to HKFRS Accounting Standards — Volume 11* set out narrow scope amendments to HKFRS 1, HKFRS 7 (and the accompanying *Guidance on implementing HKFRS 7*), HKFRS 9, HKFRS 10 and HKAS 7. The amendments include clarifications, simplifications, corrections or changes to improve consistency in the corresponding HKFRS Accounting Standards. The amendments did not have any impact on the interim condensed consolidated financial information.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has three reportable operating segments as follows:

— production and sale of Chinese pharmaceutical and health food products and relevant services — (i) manufacture, processing and sale of traditional Chinese medicine which includes Chinese medicinal products sold under the brand name of "Wai Yuen Tong" and a range of products manufactured using selected medicinal materials with traditional prescriptions, mainly in the Chinese mainland and Hong Kong, (ii) provision of Traditional Chinese Medicine ("**TCM**") outpatient clinic services, and (iii) provision of management and promotion services ("**Chinese Pharmaceutical**");

— production and sale of Western pharmaceutical and health food products — manufacture, processing and sale of Western pharmaceutical products and personal care products under the brand names of "Madame Pearl's" and "Pearl's", respectively ("**Western Pharmaceutical**"); and

— property investment — investment in commercial premises for rental income.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit/loss before tax except that interest income from bank deposits, finance costs, fair value gains/losses from the Group's financial instruments at FVTPL as well as head office and corporate income and expenses are excluded from such measurement.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

The segmentations are based on the information about the operation of the Group that management uses to make decisions and regularly review by the chief operating decision maker for the purpose of allocating resources to segments and assessing their performance.

Six months ended 30 September

	Chinese Pharmaceutical		Western Pharmaceutical		Property Investment		Eliminations		Total	
	2026	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)
Segment revenue and income										
Sales to external customers	**296,113**	292,825	**31,557**	28,635	**828**	1,357	**–**	–	**328,498**	322,817
Intersegment sales	**–**	–	**1,493**	309	**1,595**	1,945	**(3,088)**	(2,254)	**–**	–
Total segment revenue	**296,113**	292,825	**33,050**	28,944	**2,423**	3,302	**(3,088)**	(2,254)	**328,498**	322,817
Other income and gains, net	**7,365**	1,872	**(909)**	156	**–**	31	**–**	–	**6,456**	2,059
Total	**303,478**	294,697	**32,141**	29,100	**2,423**	3,333	**(3,088)**	(2,254)	**334,954**	324,876
Segment results	**(21,475)**	(12,911)	**3,529**	6,164	**(1,191)**	5,323			**(19,137)**	(1,424)
Reconciliation:										
Interest income from bank deposits									**213**	180
Finance costs									**(7,786)**	(8,849)
Fair value gains/(losses) on financial assets at FVTPL, net									**(523)**	1,002
Corporate and other unallocated income and expenses, net									**14,461**	11,630
Profit/(loss) before tax									**(12,772)**	2,539
Income tax credit									**4**	260
Profit/(loss) for the period									**(12,768)**	2,799

4. REVENUE, OTHER INCOME AND GAINS, NET

An analysis of the Group's revenue is as follows:

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Revenue from contracts with customers	**327,670**	321,460
Revenue from other sources		
Gross rental income from investment property operating leases	**828**	1,357
Total	**328,498**	322,817

Disaggregated revenue information for revenue from contracts with customers

For the six months ended 30 September 2026

Segments

	Chinese Pharmaceutical *HK$'000* (Unaudited)	Western Pharmaceutical *HK$'000* (Unaudited)	Total *HK$'000* (Unaudited)
Types of goods or services			
Sales of goods	**284,212**	**31,557**	**315,769**
Management and promotion services	**6,210**	**–**	**6,210**
TCM outpatient clinic services	**5,691**	**–**	**5,691**
Total	**296,113**	**31,557**	**327,670**
Geographical markets			
Hong Kong	**211,683**	**17,058**	**228,741**
Chinese mainland	**57,929**	**11,200**	**69,129**
Macau	**25,852**	**2,912**	**28,764**
Others	**649**	**387**	**1,036**
Total	**296,113**	**31,557**	**327,670**
Timing of revenue recognition			
Goods or services transferred at a point in time	**289,903**	**31,557**	**321,460**
Services transferred over time	**6,210**	**–**	**6,210**
Total	**296,113**	**31,557**	**327,670**

For the six months ended 30 September 2025

Segments

	Chinese Pharmaceutical *HK$'000* (Unaudited)	Western Pharmaceutical *HK$'000* (Unaudited)	Total *HK$'000* (Unaudited)
Types of goods or services			
Sales of goods	281,912	28,635	310,547
Management and promotion services	5,455	–	5,455
TCM outpatient clinic services	5,458	–	5,458
Total	292,825	28,635	321,460
Geographical markets			
Hong Kong	224,260	18,267	242,527
Chinese mainland	45,365	7,234	52,599
Macau	22,600	2,960	25,560
Others	600	174	774
Total	292,825	28,635	321,460
Timing of revenue recognition			
Goods or services transferred at a point in time	287,370	28,635	316,005
Services transferred over time	5,455	–	5,455
Total	292,825	28,635	321,460

Set out below is the reconciliation of the revenue from contracts with customers to the amounts disclosed in the segment information:

For the six months ended 30 September 2026

Segments

	Chinese Pharmaceutical *HK$'000* **(Unaudited)**	**Western Pharmaceutical** *HK$'000* **(Unaudited)**	**Total** *HK$'000* **(Unaudited)**
Revenue from contracts with customers			
External customers	**296,113**	**31,557**	**327,670**
Intersegment sales	**–**	**1,493**	**1,493**
Subtotal	**296,113**	**33,050**	**329,163**
Intersegment adjustments and eliminations	**–**	**(1,493)**	**(1,493)**
Total	**296,113**	**31,557**	**327,670**

For the six months ended 30 September 2025

Segments

	Chinese Pharmaceutical *HK$'000* (Unaudited)	Western Pharmaceutical *HK$'000* (Unaudited)	Total *HK$'000* (Unaudited)
Revenue from contracts with customers			
External customers	292,825	28,635	321,460
Intersegment sales	–	309	309
Subtotal	292,825	28,944	321,769
Intersegment adjustments and eliminations	–	(309)	(309)
Total	292,825	28,635	321,460

An analysis of the Group's other income and gains, net is as follows:

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Other income		
Interest income from loans receivable from China Agri-Products Exchange Limited	**14,790**	14,790
Interest income from loans receivable from Wang On Group Limited	**2,753**	5,014
Interest income from bank deposits	**213**	180
Finance income on net investments in subleases	**157**	171
Dividend income from equity investments at FVTOCI	**48**	–
Government subsidies *(note)*	**578**	100
Others	**5,672**	3,203
Total other income	**24,211**	23,458
Gains, net		
Gain on disposal of items of property, plant and equipment, net	**–**	31
Exchange gains, net	**732**	–
Total gains, net	**732**	31
Total other income and gains, net	**24,943**	23,489

Note: Government subsidies during the six months ended 30 September 2026 and 2025 represented subsidies granted to support business promotion and market expansion. The Group has complied with all attached conditions before 30 September 2026 and 2025.

5. PROFIT/(LOSS) BEFORE TAX

The Group's profit/(loss) before tax is arrived at after charging/(crediting):

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Cost of inventories recognised as an expense (including allowance for obsolete inventories of HK$102,000 (six months ended 30 September 2025: HK$1,675,000))	**132,310**	144,593
Cost of services provided	**12,481**	12,928
Depreciation of owned assets	**16,465**	16,390
Depreciation of right-of-use assets	**22,291**	25,048
Total	**38,756**	41,438
Foreign exchange differences, net	**(732)**	87*
Impairment losses/(reversal of impairment losses) on financial assets, net:		
Trade receivables	**(533)**	(951)
Other receivables	**722**	–
Total	**189**	(951)
Gross rental income	**(828)**	(3,454)
Less: Direct outgoing expenses	**7**	315
Net rental income	**(821)**	(3,139)

* These expenses are included in "Other expenses, net" in the condensed consolidated statement of profit or loss and other comprehensive income.

6. FINANCE COSTS

An analysis of finance costs is as follows:

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Interest on bank borrowings	**5,998**	6,428
Interest on lease liabilities	**1,788**	2,421
Total	**7,786**	8,849

7. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (six months ended 30 September 2025: 16.5%) on the estimated assessable profits arising in Hong Kong during the period. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Current — Hong Kong profits tax		
Overprovision in prior periods	**(120)**	(240)
Deferred taxation	**116**	(20)
Total tax credit for the period	**(4)**	(260)

8. DIVIDENDS

The Board does not recommend the payment of any interim dividend for the six months ended 30 September 2026 (six months ended 30 September 2025: Nil).

On 26 November 2026, the Board declared a special dividend of HK9.0 cents per ordinary share, amounting to a total of approximately HK$100,294,000.

9. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings/(loss) per share amounts is based on the profit/(loss) for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 1,114,382,888 (six months ended 30 September 2025: 1,125,102,888) outstanding during the period.

No adjustment has been made to the basic earnings/(loss) per share amounts presented for the six months ended 30 September 2026 and 2025 as the Group had no potentially dilutive ordinary shares outstanding during the periods.

The calculations of basic and diluted earnings/(loss) per share are based on:

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Earnings/(loss)		
Profit/(loss) attributable to ordinary equity holders of the parent, used in the basic and diluted earnings/(loss) per share calculation	**(12,781)**	2,772

	Number of shares	
	Six months ended 30 September	
	2026	2025
Shares		
Weighted average number of ordinary shares outstanding during the period used in the basic and diluted earnings/(loss) per share calculation	**1,114,382,888**	1,125,102,888

10. TRADE RECEIVABLES

	30 September	31 March
	2026	2026
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Trade receivables	**65,733**	58,939
Impairment	**(3,180)**	(3,631)
Net carrying amount	**62,553**	55,308

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period ranges from 7 to 120 days. Each customer has a maximum credit limit and the credit limit is reviewed regularly. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	30 September 2026	31 March 2026
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Within 1 month	**38,477**	38,058
Over 1 month but within 3 months	**16,927**	16,054
Over 3 months but within 6 months	**7,126**	957
Over 6 months	**23**	239
Total	**62,553**	55,308

11. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	30 September 2026	31 March 2026
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Within 1 month	**19,685**	13,537
Over 1 month but within 3 months	**10,399**	2,915
Over 3 months but within 6 months	**3,812**	718
Over 6 months	**3,156**	4,106
Total	**37,052**	21,276

The trade payables are non-interest-bearing. The trade payables have average terms of 30 to 60 days. The Group has financial risk management policies in place to ensure that all payables are within the credit time frame.

DIVIDENDS

The Board does not recommend the payment of any interim dividend for the six months ended 30 September 2026 (six months ended 30 September 2025: Nil).

A special dividend of HK9.0 cents per ordinary share (the "**Special Dividend**"), totalling approximately HK$100.3 million, was declared by the Board on 26 November 2026. The Special Dividend is not recognised as dividend payable in the unaudited interim condensed consolidated financial information as at 30 September 2026 (31 March 2026: Nil).

It is expected that the Special Dividend will be payable on Monday, 18 January 2027 to the shareholders of the Company whose names are listed on the register of members of the Company on Thursday, 17 December 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL RESULTS

Revenue

For the six months ended 30 September 2026 (the "**Period**"), total revenue of the Group increased by approximately HK$5.7 million or approximately 1.8% to approximately HK$328.5 million, as compared to approximately HK$322.8 million for the six months ended 30 September 2025, which was mainly attributable to strong growth in Chinese Medicine and health supplement cross-border e-commerce sales.

Gross profit

The Group's gross profit increased by approximately HK$18.4 million or approximately 11.1% to approximately HK$183.7 million for the Period as compared to approximately HK$165.3 million for the six months ended 30 September 2025. The increase was mainly due to strong growth in Chinese Medicine and health supplement cross-border e-commerce sales. The GP% increased by 4.7% point to approximately 55.9% for the Period from approximately 51.2% for the six months ended 30 September 2025. The increase was mainly due to change of sales mix, and the growth of cross-border e-commerce which has a higher gross profit margin.

Other income and gains, net

Net other income and gains of the Group increased by approximately HK$1.4 million or approximately 6.0% from approximately HK$23.5 million for the six months ended 30 September 2025 to approximately HK$24.9 million for the Period. The increase was mostly because of increase in exchange gains on RMB and sundry income as compared with the corresponding period in 2025.

Selling and distribution expenses

Selling and distribution expenses increased by approximately HK$24.8 million or approximately 18.8% from approximately HK$131.7 million for the six months ended 30 September 2025 to approximately HK$156.5 million for the Period. The increase was mainly owing to increase of marketing cost for expansion of e-commerce business.

Administrative expenses

Administrative expenses increased by approximately HK$2.8 million or approximately 5.2% from approximately HK$54.0 million for the six months ended 30 September 2025 to approximately HK$56.8 million for the Period. The increase was mainly due to inflationary pressures which led to higher staff costs, utility expenses, rental-related costs, and other operating expenditures.

Profit/(loss) for the Period attributable to owners of the parent

During the Period, the Group recorded a loss attributable to owners of the parent of approximately HK$12.8 million (six months ended 30 September 2025: profit attributable to owners of the parent of approximately HK$2.8 million). Such decrease was mainly attributable to a significant increase in selling and distribution, and administrative expenses and a significant decrease in net fair value gains on investment properties.

BUSINESS REVIEW

Chinese Pharmaceutical and Health Food Products and Relevant Services

During the Period, Hong Kong's retail and consumer market remained competitive, with consumers continuing to be selective in their discretionary spending. Against this backdrop, the Group continued to leverage the heritage and reputation of the "Wai Yuen Tong" brand, optimise its product portfolio, enhance customer engagement and strengthen its presence across retail, wholesale, e-commerce and cross-border channels.

The revenue of the Chinese Pharmaceutical for the Period was approximately HK$296.1 million, representing an increase of approximately 1.1% as compared with the corresponding period in 2025. The performance was supported by sales of health supplements and flagship proprietary Chinese medicine products, together with the continued development of cross-border e-commerce and the Chinese mainland distribution channels. During the Period the cross-border e-commerce business of the Group has experienced substantial growth by approximately 77.5%, driven by enhanced marketing strategies and the expansion of the distribution channels. These positive factors were partially offset by the challenging retail environment and continued cautious consumer sentiment.

The Period marked the commencement of programs celebrating the Group's 130th anniversary. The Group launched and planned a series of new marketing programs, anniversary activities and product promotions to strengthen customer engagement and enhance the vitality of the Wai Yuen Tong brand. The Group also continued to invest in social media, content marketing and cross-border e-commerce platforms to broaden its reach to consumers in Hong Kong and the Chinese mainland.

In product innovation, the Group continued to develop and promote its five major Chinese pharmaceutical product lines, comprising proprietary Chinese medicines, healthcare products, medicated food products, herbal decoction pieces and lifestyle products. Its portfolio includes flagship products such as Angong Niuhuang Wan (安宮牛黃丸), Young Yum Pill (養陰丸) and Hou Tsao Powder (猴棗除痰散). Complemented by newer and upgraded health supplement products, Ultimate Bone & Joint Revive (塑骨強關素) which targeting bone and joint health, FemNest Harmony (月巢舒) to addresses four women's health issues 'nest, cradle, skin, and period', Liver Guardian (護肝康) for liver health, and nicotinamide mononucleotide (NMN) product "Queen's Secret" (女王之御方) which helps improve skin elasticity and hydration.

The Group continued to leverage the simplified approval procedure for traditional Chinese oral patent medicines already registered in Hong Kong. Certain Wai Yuen Tong products were identified as eligible under the procedure, with Hou Tsao Powder (猴棗除痰散) having become the first Hong Kong oral Chinese patent medicine approved for listing in the Chinese mainland under the simplified procedure. During the Period, the Group continued to advance the registration process for additional eligible products and strengthen its Chinese mainland distribution arrangements.

The Group also continued the roll-out of its "Smart TCM" (智能中醫) initiatives. The system combines the clinical experience of the Group's TCM practitioner team with digital analysis to provide health profiling and personalised wellness recommendations. During the Period, the Group extended the system to additional stores and continued to assess further roll-out opportunities, with a view to enhancing service efficiency, customer experience and engagement with younger consumer groups.

In respect of its retail network, the Group continued to review the performance and strategic positioning of individual stores. It adopted a disciplined approach to store openings, renewals, relocations and closures, while exploring asset-light expansion opportunities, including the franchise model. As at 30 September 2026, the Group operated approximately 91 stores in Hong Kong and Macau.

Western Pharmaceutical and Personal Care Products

The operating environment of the pharmaceutical market in Hong Kong remained challenging and highly competitive during the Period. Revenue from the Western Pharmaceutical amounted to approximately HK$31.6 million, representing an increase of approximately 10.5% as compared with the corresponding period in 2025.

The Group continued to strengthen the market position of Madame Pearl's cough syrup through integrated marketing campaigns, enhanced in-store displays and closer collaboration with major pharmacy chains, community pharmacies and distributors. Madame Pearl's cough syrup continued to rank No. 1 in sales in Hong Kong for the 16th consecutive year. To further strengthen this market leadership, the Group continued to broaden Madame Pearl's product portfolio to address more specific consumer needs and reinforce its professional image in respiratory health.*

In the Chinese mainland, the Group continued to deepen the distribution of Madame Pearl's products through its network of chain pharmacies, hospitals, clinics and e-commerce platforms. During the Period, the Group focused on enhancing distributor management such as converting from a national agent to a more diversified provincial and multi-level distribution network, with the aim of broadening market coverage, improving distribution effectiveness and leveraging the channel synergies between its Chinese and Western pharmaceutical businesses.

The Group also continued to pursue new business development opportunities, including the development of new over-the-counter pharmaceutical products and Western health supplements to enrich Luxembourg Medicine's product portfolio, with a view to strengthening the brand's market presence and creating additional growth opportunities in Hong Kong and the Chinese mainland.

For the personal care business, the Group continued to promote Pearl's mosquito repellent products through seasonal campaigns, prominent in-store displays and collaborations with popular intellectual property characters. These initiatives helped reinforce Pearl's brand visibility and consumer engagement, particularly among families and younger consumers, while maintaining its competitiveness in the personal care market.

* Based on retail survey reports on cough syrup sales at key chain stores, supermarkets, convenience stores and pharmacies in Hong Kong, conducted by Nielsen from January 2010 to December 2019 and IQVIA from January 2020 to December 2025.

Property Investment

As at 30 September 2026, the Group owned 4 properties in Hong Kong which are all retail properties. The majority of these properties were used as the retail shops under self-operating and franchise modes. The net fair value gains on investment properties for the Period amounted to approximately HK$0.4 million (six months ended 30 September 2025: approximately HK$6.2 million) as a result of weakening retail market conditions leading to a fluctuation in property valuations.

FINANCIAL REVIEW

Liquidity and Financial Resources

As at 30 September 2026, the Group had total assets of approximately HK$1,644.7 million (31 March 2026: approximately HK$1,626.6 million) which were financed by current liabilities of approximately HK$292.7 million (31 March 2026: approximately HK$428.5 million), non-current liabilities of approximately HK$185.2 million (31 March 2026: approximately HK$17.5 million) and shareholders' equity of approximately HK$1,166.8 million (31 March 2026: approximately HK$1,180.5 million).

As at 30 September 2026, the Group's total of cash and cash equivalents were approximately HK$131.3 million, of which approximately HK$119.0 million was denominated in HKD, approximately HK$6.6 million was denominated in RMB, and approximately HK$5.7 million was denominated in other currencies mainly in MOP (31 March 2026: approximately HK$133.3 million, of which approximately HK$116.0 million was denominated in HKD, approximately HK$7.7 million was denominated in RMB, and approximately HK$9.6 million was denominated in other currencies mainly in MOP).

As at 30 September 2026, the Group's total interest-bearing debts amounted to approximately HK$254.4 million, of which approximately HK$118.8 million was matured within 1 year or repayable on demand and approximately HK$135.6 million was matured after 1 year but within 3 years (31 March 2026: approximately HK$279.3 million, all were matured within 1 year or repayable on demand), all of which bore interest at floating interest rates and were denominated in Hong Kong dollars. The effective interest rate for these bank loans with floating rates was approximately 4.6% per annum for the Period (31 March 2026: approximately 4.3% per annum).

The current ratio, being a ratio of total current assets to total current liabilities, was approximately 3.1 (31 March 2026: approximately 1.4). The net gearing ratio, being the ratio of total interest-bearing debts net of cash and cash equivalents to equity attributable to owners of the parent, was approximately 10.5% (31 March 2026: approximately 12.4%). The Group always adopts a conservative approach in its financial management.

As at 30 September 2026 and 31 March 2026, the Company's issued share capital was approximately HK$11.1 million and HK$11.3 million, which were divided into 1,114,382,888 and 1,125,102,888 ordinary shares of HK$0.01 each respectively.

Foreign Exchange

The Board is of the opinion that the Group has limited foreign exchange exposure in RMB. All the bank borrowings are denominated in Hong Kong dollars. The revenue of the Group, mostly denominated in Hong Kong dollars and RMB, matches the currency requirements of the Group's operating expenses. Currently, the Group does not have a foreign currency hedging policy.

The activities of the Group are exposed to foreign currency risks mainly arising from its operations in the Chinese mainland. The RMB exposure of the Group is mainly derived from currency translation risk arising from the net assets of our Chinese mainland subsidiaries. The re-translation of these net assets denominated in RMB into Hong Kong dollars using the exchange rate as at 30 September 2026 resulted in a re-translation gain of approximately HK$0.2 million (six months ended 30 September 2025: approximately HK$0.4 million). The re-translation gain was recognised in other comprehensive income/ exchange reserve.

Treasury Policy

To ensure adequate financial resources are available for business growth while maintaining a prudent capital structure, the Group manages its financial risks including currency risk, interest rate risk and price risk. The Group invests its surplus funds in fixed deposits, debt investments, equity investments and fund investments to maximise assets efficiency.

Capital Commitments

As at 30 September 2026, the Group had capital commitments of approximately HK$0.4 million (31 March 2026: approximately HK$2.6 million) in respect of the acquisition of property, plant and equipment, which were contracted for but not provided for in the unaudited interim condensed consolidated financial information.

Pledge of Assets

As at 30 September 2026, certain bank loans of the Group were secured by the Group's property, plant and equipment, investment properties and certain rental income generated therefrom and the equity interests in certain subsidiaries of the Company, with a total carrying value of approximately HK$242.5 million (31 March 2026: approximately HK$298.6 million).

Financial Guarantee and Contingent Liabilities

The Group did not have any material contingent liabilities as at 30 September 2026 (31 March 2026: Nil).

Other Significant Investments Held, Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures and Future Plans for Material Investments or Capital Assets

Save as disclosed, there was no significant investment held, nor was there any material acquisition or disposal of subsidiaries, associates and joint ventures during the Period. As at 30 September 2026, the Group did not have any concrete plan for material investments or capital assets nor acquisition or disposal of subsidiaries, associates or joint ventures.

Events After Reporting Period

Subsequent to 30 September 2026, the disposal of the entire issued share capital of 冠尊(深圳)商貿發展有限公司 (Guanzun (Shenzhen) Trade Development Co., Ltd.*), an indirect wholly-owned subsidiary of the Company which holds an industrial property in Shenzhen (the "**Disposal**"), was completed on 13 November 2026. Based on the information currently available and subject to finalisation, the Group expects to recognise a gain on the Disposal of approximately HK$46.5 million in the second half of the financial year ending 31 March 2027. Details of the Disposal are further set out in the announcement of the Company dated 16 July 2026 and the circular of the Company dated 21 August 2026.

RELATIONSHIP WITH EMPLOYEES, SUPPLIERS AND CUSTOMERS

The Group recognises our employees as a key element contributing to the Group's success. As at 30 September 2026, the Group had 753 (31 March 2026: 691) employees, of whom approximately 86.3% (31 March 2026: approximately 88.1%) were located in Hong Kong and Macau and the rest were located in the Chinese mainland. The Group remunerates our employees based on industry practices, individual performance and experience. In addition to regular remuneration, discretionary bonus and share options may also be granted to selected staff by reference to the Group's performance, where appropriate, as well as the individual's contributions. The Group also provides a defined contribution to the Mandatory Provident Fund as required under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) for eligible employees in Hong Kong and pays retirement contributions in accordance with the statutory requirements for staff in Macau and the Chinese mainland. Additional benefits include medical and retirement plans and structured training programs. Meanwhile, the Group endeavors to provide a safe workplace to our employees. The Board believes that the Group maintains excellent relations with its employees.

* *For identification purpose only*

The Group also understands the importance of maintaining good relationships with stakeholders, including business partners, suppliers, customers, shareholders, investors and bankers to support long-term business growth and sustainable development. With the aim of enhancing the competitiveness of its brands, the Group endeavors to offer a consistently high quality and wide range of products to its customers; while building and maintaining trustworthy and long-term relationships with its suppliers.

PROSPECTS

Chinese Pharmaceutical and Health Food Products and Relevant Services

Looking ahead, the Group remains cautiously optimistic about the long-term development of the TCM sector. Population ageing, increased health awareness, growing interest in preventive healthcare and the development of the Greater Bay Area continue to provide structural opportunities for high-quality Chinese pharmaceutical and health food products.

Building on its 130-year heritage, the Group will continue to reinforce the positioning of Wai Yuen Tong as a trusted Chinese pharmaceutical and healthcare brand. It intends to roll out further anniversary-related promotions and product initiatives, while maintaining a disciplined approach to promotional expenditure and return on investment.

The Group will continue to take full advantage on the simplified approval procedure for traditional oral Chinese patent medicines in the Greater Bay Area. Following the approval of Hou Tsao Powder (猴棗除痰散), the Group plans to advance the registration of additional eligible products, subject to regulatory approval. It will also develop the Chinese mainland distribution through provincial and municipal agency arrangements and strengthen its presence across pharmacies, hospitals, clinics and e-commerce platforms.

Innovation and digitalisation will remain important drivers of the Group's development. The Group will continue to invest selectively in product research and development, "Smart TCM" (智能中醫), customer relationship management, data analysis, social media and cross-border e-commerce. These initiatives are intended to improve customer engagement, support precision marketing and facilitate the development of products that respond to changing consumer needs.

At the same time, the Group will continue to review the productivity of its retail network and supply chain, maintain appropriate inventory levels and implement cost-control and operational-efficiency measures. It will balance investment in future growth with prudent financial and working-capital management.

Western Pharmaceuticals and Health Food Products

For the Western pharmaceutical business, the Group will strengthen its collaboration with distributors and deepen its relationships with major pharmacy chains, community pharmacies and other healthcare channels in Hong Kong and Macau. The Group will continue to enhance in-store visibility, consumer reach and the effectiveness of its promotional programs.

In the Chinese mainland, the Group intends to broaden and deepen the distribution of Madame Pearl's products and make greater use of the complementary distribution capabilities of its Chinese and Western pharmaceutical businesses. It will also explore new brands and new over-the-counter products to expand the product portfolio of Luxembourg Medicine.

For the personal care business, the Group will continue to use seasonal promotion packs, retail activation and collaborations with suitable intellectual property characters to sustain the competitiveness and brand awareness of Pearl's products.

Overall Outlook

The Group expects the operating environment to remain competitive and subject to uncertainties arising from consumer sentiment, changes in spending patterns, raw material and operating costs, and regulatory developments. The Group will closely monitor market conditions and maintain a prudent approach to capital expenditure, liquidity, inventory and cost management.

By leveraging its established brands, diversified product portfolio, product development capabilities, retail and distribution network, and growing presence in the Chinese mainland, the Group will strive to enhance operating efficiency, strengthen the quality of earnings and deliver sustainable long-term value to its shareholders.

To commemorate the upcoming 130th anniversary of the Wai Yuen Tong brand, the Board declared the Special Dividend, totalling approximately HK$100.3 million. The Special Dividend serves as a token of appreciation to the shareholders of the Company for their long-standing support and participation in the Group's growth and development throughout its 130-year heritage, marking this significant milestone in the Group's history.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the six months ended 30 September 2026, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including treasury shares, if any). As at 30 September 2026, the Company and its subsidiaries did not hold any treasury shares of the Company.

Prior to the reporting period, the Company repurchased a total of 10,720,000 Shares on the Stock Exchange in March 2026, all of which were cancelled on 23 April 2026.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to maintaining high standards of corporate governance within a practical framework with a strong emphasis on transparency, accountability, integrity and independence. This commitment aims to enhance the Company's competitiveness and operational efficiency, ensure sustainable development and increase shareholder value.

The Board has reviewed the corporate governance practices of the Company and is satisfied that the Company has applied the principles and complied with the code provisions set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Listing Rules throughout the Period, except for the following deviation:

Code Provision C.2.1

Code provision C.2.1 stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. During the Period, Mr. Tang Ching Ho ("**Mr. Tang**"), the chairman of the Board, also assumed the role of managing Director, which deviates from code provision C.2.1 of the CG Code. Mr. Tang brings extensive management experience in corporate management and is responsible for overall corporate planning, strategic policy making for the Group. This arrangement significantly enhances efficiency in adapting to a dynamic business environment. Furthermore, daily operations are managed by the Board which comprises three executive Directors and three independent non-executive Directors with balance of skill and experience appropriate for the Group's further development. The Company does not propose to comply with code provision C.2.1 of the CG Code for the time being but will continue to review such deviation to enhance the best interest of the Group as a whole.

The Group continues to review and propose, as and when appropriate, by taking into consideration of such deviation and any other relevant factors.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted its code of conduct for securities transactions by Directors, on the terms no less exacting than the required standard set forth in the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules. Having made specific enquiries of all Directors, the Directors confirmed that they had complied with the required standard set out in the Model Code throughout the Period and no incident of non-compliance by the Directors was noted by the Company during the Period.

AUDIT COMMITTEE

The Company has established the Audit Committee with specific terms of reference (as amended from time to time) in compliance with Rule 3.21 of the Listing Rules for the purposes of reviewing and providing supervision over, among other things, the Group's financial reporting process, internal controls, risk management and other corporate governance issues. The Audit Committee has reviewed with the Company's management the unaudited condensed consolidated financial information of the Group for the six months ended 30 September 2026. The Audit Committee comprises three independent non-executive Directors, namely Mr. Li Ka Fai, David, Professor Sit Wing Hang and Professor Chan Wing Kwong, and Mr. Li Ka Fai, David is the chairman of the Audit Committee.

CLOSURE OF REGISTER OF MEMBERS

The register of members will be closed from Tuesday, 15 December 2026 to Thursday, 17 December 2026, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the Special Dividend, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Monday, 14 December 2026.

PUBLICATION OF RESULTS ANNOUNCEMENT AND DESPATCH OF INTERIM REPORT

The interim results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.wyth.net). The 2026 interim report containing all the information required by the Listing Rules will be despatched to the shareholders of the Company and available on the above websites in due course.

By Order of the Board
WAI YUEN TONG MEDICINE HOLDINGS LIMITED
(位元堂藥業控股有限公司*)
Tang Ching Ho
Chairman and Executive Director

Hong Kong, 26 November 2026

As at the date of this announcement, the executive Directors are Mr. Tang Ching Ho, Ms. Tang Wai Man and Ms. Law Man Yee, Anita and the independent non-executive Directors are Mr. Li Ka Fai, David, Professor Sit Wing Hang and Professor Chan Wing Kwong.

* *For identification purpose only*