THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in China NT Pharma Group, you should at once hand this circular and the accompanying form of proxy to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

中国泰凌医药集团
CHINA NT PHARMA GROUP

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1011)

CONNECTED TRANSACTION IN RELATION TO LOAN CAPITALISATION INVOLVING SUBSCRIPTION OF SHARES UNDER SPECIFIC MANDATE, APPOINTMENT OF AUDITOR AND NOTICE OF EXTRAORDINARY GENERAL MEETING

Financial adviser to the Company

CARLYON

Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders

RAINBOW.
RAINBOW CAPITAL (HK) LIMITED
浤 博 資 本 有 限 公 司

A letter from the Board is set out on pages 9 to 37 of this circular. A letter from the Independent Board Committee is set out on pages 36 to 37 of this circular. A letter from the Independent Financial Adviser setting out its advice and recommendation to the Independent Board Committee and the Independent Shareholders is set out on pages 38 to 53 of this circular.

A notice convening the EGM to be held at Unit 2102, 21/F, West Tower, Shun Tak Centre, 168–200 Connaught Road Central, Hong Kong on Friday, 28 August 2026, 11 a.m. is set out on pages EGM-1 to EGM-4 of this circular. A form of proxy for use at the EGM is also enclosed. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk). Whether or not you are able to attend the EGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude Shareholders from attending and voting at the EGM if they so wish.

10 August 2026

CONTENTS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

"acting in concert"	has the meaning ascribed to it under the Takeovers Code
"AFRC"	the Accounting and Financial Reporting Council of Hong Kong
"Announcement"	the announcement of the Company dated 17 June 2026 in relation to the Loan Capitalisation involving subscription of Shares under Specific Mandate
"associate(s)"	has the meaning ascribed to it under the Listing Rules
"Audit Committee"	the audit committee of the Company
"Auditor Appointment"	the proposed appointment of CCTH as the auditor of the Company to fill the casual vacancy following the retirement of Moore, subject to the approval by the Shareholders at the EGM
"Auditor Appointment Announcement"	the announcement of the Company dated 7 July 2026 in relation to the Auditor Appointment
"Board"	the board of Directors
"Business Day(s)"	a day on which banks are open in Hong Kong, other than Saturday, Sunday or public holiday in Hong Kong
"CCTH"	CCTH CPA Limited
"Company"	China NT Pharma Group Company Limited (stock code: 1011), a company incorporated in the Cayman Islands with limited liability and its issued Shares of which are listed on the Stock Exchange
"Completion"	completion of the Loan Capitalisation
"connected person(s)"	has the meaning ascribed to it under Listing Rules
"Debts"	collectively, First Debt, Second Debt, Third Debt, Fourth Debt, Fifth Debt, Sixth Debt and Seventh Debt
"Director(s)"	the director(s) of the Company from time to time

"EGM"	the extraordinary general meeting of the Company to be convened at 11 a.m. on 28 August 2026 at Unit 2102, 21/F, West Tower, Shun Tak Centre, 168–200 Connaught Road Central, Hong Kong for the purpose of considering and, if thought fit, approving, among other things, the Subscription Agreements and the transactions contemplated thereunder
"Executive"	the Executive Director of the Corporate Finance Division of the SFC or any of his delegates
"Fifth Debt"	debt in the aggregate outstanding amount of HK$1,733,753.42 owed by the Company to the Fifth Subscriber as at the Latest Practicable Date
"Fifth Subscriber"	Mr. Ng Tit, chairman of the Board and an executive Director
"Fifth Subscription"	the subscription of the 4,750,009 Subscription Shares by Fifth Subscriber pursuant to the Fifth Subscription Agreement
"Fifth Subscription Agreement"	agreement entered into between the Company and the Fifth Subscriber, pursuant to which the Company has conditionally agreed to allot and issue to Fifth Subscriber, and Fifth Subscriber has conditionally agreed to subscribe for, 4,750,009 new Shares at the Subscription Price of HK$0.365 per Subscription Share for a total consideration of HK$1,733,753.29, which shall be satisfied by way of offsetting the Fifth Debt
"First Debt"	debt in the aggregate outstanding amount of HK$165,289,018.90 owed by the Company to the First Subscriber as at the Latest Practicable Date
"First Subscriber"	Golden Base Investment Limited, a company incorporated in the British Virgin Islands with limited liability
"First Subscription"	the subscription of the 452,846,627 Subscription Shares by First Subscriber pursuant to the First Subscription Agreement

"First Subscription Agreement"	agreement entered into between the Company and the First Subscriber, pursuant to which the Company has conditionally agreed to allot and issue to First Subscriber, and First Subscriber has conditionally agreed to subscribe for, 452,846,627 new Shares at the Subscription Price of HK$0.365 per Subscription Share for a total consideration of HK$165,289,018.86, which shall be satisfied by way of offsetting the First Debt
"Fourth Debt"	debt in the aggregate outstanding amount of HK$17,672,746.46 owed by the Company to the Fourth Subscriber as at the Latest Practicable Date
"Fourth Subscriber"	Ms. Ng Anna Ching Mei, an executive Director and the daughter of the Fifth Subscriber
"Fourth Subscription"	the subscription of the 48,418,483 Subscription Shares by Fourth Subscriber pursuant to the Fourth Subscription Agreement
"Fourth Subscription Agreement"	agreement entered into between the Company and the Fourth Subscriber, pursuant to which the Company has conditionally agreed to allot and issue to Fourth Subscriber, and Fourth Subscriber has conditionally agreed to subscribe for, 48,418,483 new Shares at the Subscription Price of HK$0.365 per Subscription Share for a total consideration of HK$17,672,746.30, which shall be satisfied by way of offsetting the Fourth Debt
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"HKICPA"	the Hong Kong Institute of Certified Public Accountants
"HKSA(s)"	the Hong Kong Standards on Auditing issued by the HKICPA
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Ieong Group"	collectively, Mr. Ieong Chong Mang, Mr. Ieong Iat and the Second Subscriber

"Independent Board Committee"	the independent committee of the Board comprising all independent non-executive Directors formed in compliance with the Listing Rules to advise the Independent Shareholders on the Subscription Agreements and the transactions contemplated thereunder, and the grant of the Specific Mandate
"Independent Financial Adviser" or "Rainbow Capital"	Rainbow Capital (HK) Limited, an independent financial adviser to the Independent Board Committee and the Independent Shareholders has been appointed by the Company in relation to the Subscription Agreements and the transactions contemplated thereunder, and the grant of the Specific Mandate
"Independent Shareholders"	Shareholders other than the Subscribers and their respective associates who are required under the Listing Rules to abstain from voting at the EGM to approve the Subscription Agreements and the transactions contemplated thereunder and the grant of the Specific Mandate
"Independent Third Party(ies)"	an individual(s) or a company(ies) who or which, is/are not a connected person(s) of the Company within the meaning of the Listing Rules
"Last Trading Day"	17 June 2026, being the last day of trading of the Shares on the Stock Exchange preceding the signing of the Subscription Agreements
"Latest Practicable Date"	5 August 2026, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information referred to in this circular
"Listing Committee"	has the meaning ascribed to it under the Listing Rules
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Loan Capitalisation"	the capitalisation of the Debts by way of allotment issue of the Subscription Shares to the Subscribers at the Subscription Price pursuant to the Subscription Agreements
"Moore"	Moore CPA Limited

"Ng Group"	collectively, the First Subscriber, the Third Subscriber, the Fourth Subscriber, the Fifth Subscriber and Ms. Chin Yu
"PRC"	the People's Republic of China, which for the purpose of this circular only, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Retirement Announcements"	the announcements of the Company dated 4 June 2026 and 11 June 2026 in relation to the retirement of Moore
"RMB"	Renminbi, the lawful currency of the People's Republic of China
"Second Debt"	debt in the aggregate amount of HK$91,560,166.91 owed by the Company to the Second Subscriber as at the Latest Practicable Date
"Second Subscriber"	Annie Investment Co., Ltd, a company incorporated in the British Virgin Islands with limited liability
"Second Subscription"	the subscription of the 250,849,772 Subscription Shares by Second Subscriber pursuant to the Second Subscription Agreement
"Second Subscription Agreement"	agreement entered into between the Company and the Second Subscriber, pursuant to which the Company has conditionally agreed to allot and issue to Second Subscriber, and Second Subscriber has conditionally agreed to subscribe for, 250,849,772 new Shares at the Subscription Price of HK$0.365 per Subscription Share for a total consideration of HK$91,560,166.78, which shall be satisfied by way of offsetting the Second Debt
"Seventh Debt"	debt in the aggregate amount of HK$12,561,226.03 owed by the Company to the Seventh Subscriber as at the Latest Practicable Date
"Seventh Subscriber"	Hangzhou Aisi Life Technology Co., Ltd.
"Seventh Subscription"	the subscription of the 34,414,318 Subscription Shares by Seventh Subscriber pursuant to the Seventh Subscription Agreement

"Seventh Subscription Agreement"	agreement entered into between the Company and the Seventh Subscriber, pursuant to which the Company has conditionally agreed to allot and issue to Seventh Subscriber, and Seventh Subscriber has conditionally agreed to subscribe for, 34,414,318 new Shares at the Subscription Price of HK$0.365 per Subscription Share for a total consideration of HK$12,561,226.07, which shall be satisfied by way of offsetting the Seventh Debt
"SFC"	Securities and Futures Commission of Hong Kong
"SFO"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Share(s)"	the ordinary share(s) of par value US$0.0000008 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Sixth Debt"	debt in the aggregate amount of HK$15,000,000 owed by the Company to the Sixth Subscriber as at the Latest Practicable Date
"Sixth Subscriber"	Wong Kim Shan
"Sixth Subscription"	the subscription of the 41,095,890 Subscription Shares by Sixth Subscriber pursuant to the Sixth Subscription Agreement
"Sixth Subscription Agreement"	agreement entered into between the Company and the Sixth Subscriber, pursuant to which the Company has conditionally agreed to allot and issue to Sixth Subscriber, and Sixth Subscriber has conditionally agreed to subscribe for, 41,095,890 new Shares at the Subscription Price of HK$0.365 per Subscription Share for a total consideration of HK$14,999,999.85, which shall be satisfied by way of offsetting the Sixth Debt
"Specific Mandate"	the specific mandate to be sought from the Independent Shareholders at the EGM for granting the authority to the Board for the allotment and issue of 847,565,892 Subscription Shares pursuant to the Subscription

"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscribers"	collectively, First Subscriber, Second Subscriber, Third Subscriber, Fourth Subscriber, Fifth Subscriber, Sixth Subscriber and Seventh Subscriber
"Subscription Agreements"	collectively, First Subscription Agreement, Second Subscription Agreement, Third Subscription Agreement, Fourth Subscription Agreement, Fifth Subscription Agreement, Sixth Subscription Agreement and Seventh Subscription Agreement
"Subscription Price"	HK$0.365 per Subscription Share
"Subscription Share(s)"	a total of 847,565,892 new Shares to be allotted and issued by the Company to the Subscribers pursuant to the Subscription Agreements
"Subscriptions"	collectively, First Subscription, Second Subscription, Third Subscription, Fourth Subscription, Fifth Subscription, Sixth Subscription and Seventh Subscription
"substantial shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"Takeovers Code"	the Hong Kong Code on Takeovers and Mergers issued by the SFC, as amended, supplemented or otherwise modified from time to time
"Third Debt"	debt in the aggregate amount of HK$5,544,639.61 owed by the Company to the Third Subscriber as at the Latest Practicable Date
"Third Subscriber"	Mr. Ng Andy Ching Kit, the son of the Fifth Subscriber
"Third Subscription"	the subscription of the 15,190,793 Subscription Shares by Third Subscriber pursuant to the Third Subscription Agreement

"Third Subscription Agreement"	agreement entered into between the Company and the Third Subscriber, pursuant to which the Company has conditionally agreed to allot and issue to Third Subscriber, and Third Subscriber has conditionally agreed to subscribe for, 15,190,793 new Shares at the Subscription Price of HK$0.365 per Subscription Share for a total consideration of HK$5,544,639.45, which shall be satisfied by way of offsetting the Third Debt

* *the conversion of HK$ and RMB in this announcement was based on an exchange rate of RMB1 = HK$1.16*

* *The English names of the Chinese entities are translation of their Chinese names and are included herein for identification purpose only. In the event of any inconsistency, the Chinese names prevail.*

中国泰凌医药集团
CHINA NT PHARMA GROUP

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1011)

Executive Directors:
Mr. Ng Tit *(Chairman)*
Ms. Ng Anna Ching Mei

Non-executive Directors:
Dr. Qian Wei
Ms. Chin Yu
Mr. Lou Yongbin

Independent non-executive Directors:
Mr. Yu Tze Shan Hailson
Mr. Kwok Che Chung
Dr. Zhao Yubiao

Registered office:
Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman
KY1-1111
Cayman Islands

Principal Place of Business and Headquarters in Hong Kong:
Unit 2102, 21/F
West Tower, Shun Tak Centre
168–200 Connaught Road Central
Hong Kong

10 August 2026

To the Shareholders,

CONNECTED TRANSACTION IN RELATION TO LOAN CAPITALISATION INVOLVING SUBSCRIPTION OF SHARES UNDER SPECIFIC MANDATE, APPOINTMENT OF AUDITOR AND NOTICE OF EXTRAORDINARY GENERAL MEETING

1. INTRODUCTION

Reference is made to the Announcement, the Retirement Announcements and the Auditor Appointment Announcement.

The purpose of this circular is to provide you with, among other matters, (i) details of the Subscription Agreements and the transactions contemplated thereunder, including the Subscriptions, the Loan Capitalisation and the grant of the Specific Mandate; (ii) details of the Auditor Appointment; (iii) a letter of advice from the Independent Board Committee; (iv) a letter of advice from the Independent Financial Adviser; and (v) a notice of the EGM together with the form of proxy.

BACKGROUND OF THE LOAN CAPITALISATION

As at the Latest Practicable Date, the Company was indebted to:

(i) the First Subscriber in the aggregate outstanding amount of HK$165,289,018.90 (including HK$114,839,848.23 principal amount and HK$50,449,170.67 interest amount which the Company and the First Subscriber agreed to accrue up to the date of the First Subscription Agreement only). On 1 January 2023, the First Subscriber as lender and the Company as borrower entered into a loan facility agreement pursuant to which the First Subscriber agreed to grant to the Company a loan facility in the amount of up to HK$100 million. The loan facility was unsecured, with interest accrued at 12% per annum and would be repayable upon demand by First Subscriber. As at the Latest Practicable Date, the outstanding principal amount of the loan facility was HK$19,839,848.23 and the outstanding accrued interest was HK$884,529.53 (i.e. aggregated outstanding amount of HK$20,724,377.76). In addition, the Second Subscriber as a placee subscribed 218,579,000 convertible preference shares issued by the Company at the subscription price of HK$1.83 per convertible preference share (i.e. total subscription consideration of HK$399,999,570) on 13 June 2017 upon completion of placing of convertible preference shares as disclosed in the announcement of the Company dated 13 June 2017. Pursuant to the terms of the convertible preference shares, holder of the convertible preference shares should have the right to require the Company to redeem with cash all the outstanding convertible preference shares with a redemption price calculated based on the annualized internal rate of return of 5% for the nominal value of the outstanding convertible preference shares less the corresponding dividends for such convertible preference shares paid by the Company. On 2 August 2018, the Company repaid HK$7,650,265 interest amount to the Second Subscriber. The convertible preference shares was matured on 13 June 2020. On 30 September 2020 and 30 November 2020, the Company repaid HK$60,000,000 and HK$100,000,000 principal amount to the Second Subscriber respectively. On 28 February 2026, the outstanding amount under the convertible preference shares amounted to HK$364,240,015 and the Second Subscriber assigned part of the debt under the convertible preference shares in the amount of HK$136,590,250 (including HK$90,000,000 principal amount and HK$46,590,250 interest amount) to the First Subscriber. As at the date of the Announcement, the outstanding amount under the convertible preference shares assigned to the First Subscriber was HK$137,934,085.62 (including HK$90,000,000 principal amount and HK$47,934,085.62 interest amount). On 7 August 2020, Ms. Suek Jennifer Wing Wo as lender, the Company as borrower and the Fifth Subscriber as guarantor entered into a loan agreement pursuant to which the lender agreed to grant and the Company has drawn down a total loan facility of HK$10 million. The total outstanding principal and interest amount under the loan was HK$5 million and HK$1,413,888.85 as at 31 March 2026. On 31 March 2026, Ms. Suek Jennifer Wing Wo entered into a debt assignment agreement to assign all her rights under the loan to the First Subscriber. As at the date of the Announcement, the outstanding amount under the loan assigned to the First Subscriber was HK$ $6,630,555.52 (including HK$5,000,000 principal amount and HK$1,630,555.52 interest amount);

(ii) the Second Subscriber in the aggregate outstanding amount of HK$91,560,166.91 (including HK$60,000,000 principal amount and HK$31,560,166.91 interest amount which the Company and the Second Subscriber agreed to accrue up to the date of the Second Subscription Agreement only) under convertible preference shares. The Second Subscriber as a placee subscribed 218,579,000 convertible preference shares issued by the Company at the subscription price of HK$1.83 per convertible preference share (i.e. total subscription consideration of HK$399,999,570) on 13 June 2017 upon completion of placing of convertible preference shares as disclosed in the announcement of the Company dated 13 June 2017. Pursuant to the terms of the convertible preference shares, holder of the convertible preference shares should have the right to require the Company to redeem with cash all the outstanding convertible preference shares with a redemption price calculated based on the annualized internal rate of return of 5% for the nominal value of the outstanding convertible preference shares less the corresponding dividends for such convertible preference shares paid by the Company. On 2 August 2018, the Company repaid HK$7,650,265 interest amount to the Second Subscriber. The convertible preference shares was matured on 13 June 2020. On 30 September 2020 and 30 November 2020, the Company repaid HK$60,000,000 and HK$100,000,000 principal amount to the Second Subscriber respectively. On 28 February 2026, the outstanding amount under the convertible preference shares amounted to HK$364,240,015 and the Second Subscriber assigned part of the debt under the convertible preference shares in the amount of HK$136,590,250 (including HK$90,000,000 principal amount and HK$46,590,250 interest amount) to the First Subscriber and the remaining outstanding amount of HK$227,649,765 under the convertible preference shares remained to be owed by the Company to the Second Subscriber. As at the date of the Announcement, the outstanding amount under the convertible preference shares owing by the Company to the Second Subscriber was HK$229,878,925.31 (including HK$149,999,570 principal amount and HK$79,879,355.31 interest amount). The Company and the Second Subscriber agrees to enter into the Second Subscription Agreement to capitalise part of the outstanding amount of HK$91,560,166.91 (including HK$60,000,000 principal amount and HK$31,560,166.91 interest amount) owing by the Company to the Second Subscriber under the convertible preference shares;

(iii) the Third Subscriber in the aggregate outstanding amount of HK$5,544,639.61 (including HK$4,950,000 principal amount and HK$594,639.61 interest amount which the Company and the Third Subscriber agreed to accrue up to the date of the Third Subscription Agreement only). On 25 May 2021, the Third Subscriber as lender entered into a loan agreement (as supplemented by the supplemental loan agreement dated 25 June 2021) with the Company as borrower pursuant to which the Third Subscriber agreed to make a loan to the Company in the principal amount of HK$1 million. The loan was unsecured, with interest accrued at 12% per annum and was due on 24 June 2021. Repayment in the principal amount of HK$50,000 was made by the Company to the Third Subscriber on 15 February 2024. As at the date of the Announcement, the outstanding loan principal amount and interest amount was HK$950,000 and HK$594,639.61 (i.e. total outstanding amount of HK$1,544,639.61).

On 26 July 2024, Mr. Kee Kin Wing entered into a subscription agreement to subscribe a bond in the principal amount of HK$5 million with interest of 1% per annum. The Company issued the bond to Mr. Kee Kin Wing on 1 August 2024 and the bond was due on 31 January 2026. On 31 January 2026, Mr. Kee Kin Wing assigned the debt under the bond in the total outstanding principal amount of HK$4,000,000 and all the interest amount to the Third Subscriber and the Third Subscriber agreed to waive all the interest amount under the bond. The remaining outstanding principal amount of HK$1,000,000 has been settled between the Company and Mr. Kee Kin Wing;

(iv) the Fourth Subscriber in the aggregate outstanding amount of HK $17,672,746.46 (with outstanding principal amount of HK$15,000,000 and interest amount of HK$2,672,746.46 which the Company and the Fourth Subscriber agreed to accrue up to the date of the Fourth Subscription Agreement only). On 21 February 2025, the Fourth Subscriber as lender and the Company as borrower entered into a loan agreement pursuant to which the Fourth Subscriber provided a loan to the Company in the principal amount of HK$15 million. The loan accrued interest at 12% per annum and was due on 21 February 2026. As at the date of the Announcement, the outstanding amount under the loan was HK$17,672,746.46 (including HK$15,000,000 principal amount and HK$2,672,746.46 interest amount);

(v) the Fifth Subscriber in the aggregate outstanding amount of HK $1,733,753.42. On 27 November 2021, the Company issued a bond in the principal amount of HK$2 million to Mr. Tsui Pee Tak with an interest of 12% per annum. The bond was due on 26 November 2022. The Company repaid Mr. Tsui Pee Tak part of the principal amount of the bond of HK$500,000 on 29 December 2023. On 1 March 2025, Mr. Tsui Pee Tak, the Company and the Fifth Subscriber entered into a debt assignment agreement pursuant to which Mr. Tsui Pee Tak assigned the debt under the above bond to the Fifth Subscriber at the consideration of HK$1.5 million. As at the date of the Announcement, the outstanding amount of the bond was HK$1,733,753.42 (comprising of outstanding principal amount of HK$1,500,000 and interest amount of HK$233,753.42 which the Company and the Fifth Subscriber agreed to accrue up to the date of the Fifth Subscription Agreement only);

(vi) the Sixth Subscriber in the aggregate outstanding amount of HK$15,000,000. On 16 April 2025, the Sixth Subscriber as the lender and the Company as borrower entered into a loan agreement pursuant to which the Sixth Subscriber provided a loan to the Company in the principal amount of HK$15 million with interest at the rate of 16% per annum. The loan was unsecured and was due on 15 April 2026. The Company and the Sixth Subscriber agreed to accrue interest under the loan agreement up to the date of the Sixth Subscription Agreement only and such interest will be settled by the Company in cash while the outstanding principal amount of HK$15 million will be capitalised under the Sixth Subscription Agreement as full settlement of the loan; and

(vii) the Seventh Subscriber in the aggregate outstanding amount of approximately HK$12,561,226.03 (comprising of outstanding principal amount of HK$12,350,000 and interest amount of HK$211,226.03 which the Company and the Seventh Subscriber agreed to accrue up to the date of the Seventh Subscription Agreement only). On 23 January 2026, the Seventh Subscriber as the lender and the Company as the borrower entered into a loan agreement pursuant to which the Seventh Subscriber provided a loan in the principal amount of HK$7.35 million to the Company. The loan was unsecured, with an interest of 5% per annum and was due on 30 April 2026. On 28 February 2026, the Seventh Subscriber as the lender and the Company as the borrower entered into another loan agreement pursuant to which the Seventh Subscriber provided a loan in the principal amount of HK$5 million to the Company. The loan was unsecured, with an interest of 5% per annum and was due on 30 April 2026. As at the date of the Announcement, the outstanding amount under the above two loans was HK$12,561,226.03 (including HK$12,350,000 principal amount and HK$211,226.03 interest amount).

CONNECTED TRANSACTION IN RELATION TO LOAN CAPITALISATION INVOLVING THE SUBSCRIPTION OF SHARES UNDER SPECIFIC MANDATE

On 17 June 2026 (after trading hours), the Company entered into:

(i) First Subscription Agreement with First Subscriber, pursuant to which the Company has conditionally agreed to allot and issue to First Subscriber, and First Subscriber has conditionally agreed to subscribe for, 452,846,627 new Shares at the Subscription Price of HK$0.365 per Subscription Share for a total consideration of HK$165,289,018.86, which shall be satisfied by way of offsetting the First Debt;

(ii) Second Subscription Agreement with Second Subscriber, pursuant to which the Company has conditionally agreed to allot and issue to Second Subscriber, and Second Subscriber has conditionally agreed to subscribe for, 250,849,772 new Shares at the Subscription Price of HK$0.365 per Subscription Share for a total consideration of HK$91,560,166.78, which shall be satisfied by way of offsetting the Second Debt;

(iii) Third Subscription Agreement with Third Subscriber, pursuant to which the Company has conditionally agreed to allot and issue to Third Subscriber, and Third Subscriber has conditionally agreed to subscribe for, 15,190,793 new Shares at the Subscription Price of HK$0.365 per Subscription Share for a total consideration of HK$5,544,639.45, which shall be satisfied by way of offsetting the Third Debt;

(iv) Fourth Subscription Agreement with Fourth Subscriber, pursuant to which the Company has conditionally agreed to allot and issue to Fourth Subscriber, and Fourth Subscriber has conditionally agreed to subscribe for, 48,418,483 new Shares at the Subscription Price of HK$0.365 per Subscription Share for a total consideration of HK$17,672,746.30, which shall be satisfied by way of offsetting the Fourth Debt;

(v) Fifth Subscription Agreement with Fifth Subscriber, pursuant to which the Company has conditionally agreed to allot and issue to Fifth Subscriber, and Fifth Subscriber has conditionally agreed to subscribe for, 4,750,009 new Shares at the Subscription Price of HK$0.365 per Subscription Share for a total consideration of HK$1,733,753.29, which shall be satisfied by way of offsetting the Fifth Debt;

(vi) Sixth Subscription Agreement with Sixth Subscriber, pursuant to which the Company has conditionally agreed to allot and issue to Sixth Subscriber, and Sixth Subscriber has conditionally agreed to subscribe for, 41,095,890 new Shares at the Subscription Price of HK$0.365 per Subscription Share for a total consideration of HK$14,999,999.85, which shall be satisfied by way of offsetting the Sixth Debt; and

(vii) Seventh Subscription Agreement with Seventh Subscriber, pursuant to which the Company has conditionally agreed to allot and issue to Seventh Subscriber, and Seventh Subscriber has conditionally agreed to subscribe for, 34,414,318 new Shares at the Subscription Price of HK$0.365 per Subscription Share for a total consideration of HK$12,561,226.07, which shall be satisfied by way of offsetting the Seventh Debt.

Loan Capitalisation

The Subscriptions are inter-conditional upon each other. Pursuant to the Subscription Agreements, the Company will allot and issue to the Subscribers the Subscription Shares at the Subscription Price, which shall be satisfied by capitalising and setting off against the Debts in full on a dollar-for-dollar basis upon completion of the Loan Capitalisation.

Subscription Shares

The total number of the Subscription Shares will be 847,565,892 new Shares. Assuming that there will be no changes in the total number of issued Shares between the date of the Announcement and the allotment and issue of the Subscription Shares, the Subscription Shares represent:

(i) approximately 89.31% of the total number of issued Shares as at the date of the Announcement; and

(ii) approximately 47.18% of the total number of issued Shares as enlarged by the allotment and issue of the Subscription Shares.

The Subscription Shares to be allotted and issued to the Subscribers will be allotted and issued under the Specific Mandate to be obtained at the EGM.

Ranking of the Subscription Shares

The Subscription Shares, when allotted and issued, shall rank pari passu in all respects among themselves and with the Shares then in issue.

The Subscription Price

The Subscription Shares will be allotted and issued at the Subscription Price of HK$0.365 per Subscription Share, which represents:

(i) a premium of approximately 10.61% to the closing price of HK$0.33 per Share as quoted on the Stock Exchange on the Latest Practicable Date;

(ii) a discount of approximately 20.65 % to the closing price of HK$0.46 per Share as quoted on the Stock Exchange on the Last Trading Day;

(iii) a discount of approximately 20.13% to the average closing price of HK$0.457 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Subscription Agreements;

(iv) a discount of approximately 22.30% to the average closing price of HK$0.474 per Share as quoted on the Stock Exchange for the last ten consecutive trading days immediately prior to the date of the Subscription Agreements; and

(v) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of approximately 9.74%, represented by the theoretical diluted price of approximately HK$0.415 per Share to the benchmarked price of approximately HK$0.46 per Share (as defined under Rule 7.27B of the Listing Rules, taking into account the higher of (i) the closing price of the Shares as quoted on the Stock Exchange on the date of the Subscription Agreements of HK$0.46 per Share; and (ii) the average closing price of the Shares as quoted on the Stock Exchange for the five consecutive trading days immediately prior to the date of the Subscription Agreements of HK$0.457 per Share).

The Subscription Price was determined after arm's length negotiations between the Company and the Subscribers with reference to (i) the recent and historical market prices of the Shares, in particular, the closing prices of the Shares for the last 30 trading days prior to the date of the Subscription Agreement were within the range of HK$0.36 to HK$0.42 per Share, with an average of HK$0.397 per Share; (ii) the outstanding amount of the Debts; (iii) the market conditions, which suggest that it would be difficult for the Company to pursue sizeable equity financing alternative in the stock market; and (iv) the financial position of the Group, having considered that the audited net liabilities of the Group of approximately RMB273,833,000 as at 31 December 2025.

In light of the Group's ongoing operational pressure and the repayment pressure presented by the debts of the Group, while the Subscription Price of HK$0.365 per Share represents a 12-month low, the Board views this pricing as a realistic reflection and appropriate measure to address the Group's distressed financial state, net liabilities position, recent sluggish market sentiment and thin low trading volumes. To persuade creditors to forfeit their legal rights to cash repayments and instead subscribe for Shares in the Company, it is commercially necessary to offer a price aligned with the market low. This pricing is further justified by the absence of better alternatives, for instance, the Company had difficulties in finding investors or placing agents for equity financing with significant fund raising size for repayment of loans; and that the net liabilities position of the Group had made the Company difficult to obtain additional bank borrowings or debt financing for its business and operations, whereas options like rights issues were also ruled out as these methods require additional time and incur higher costs.

Ultimately, the benefits of the Loan Capitalisation outweigh the concerns over the pricing of the Subscription Shares. The Loan Capitalisation will eliminate approximately 59.38% of the Group's total debt, effectively reduces the debt-to-assets ratio from 129.29% to a manageable 52.52% while halting further interest accrual. It is beneficial to the Company as it will significantly reduce liabilities of the Group which have been overdue, and therefore will reduce liquidity pressure and improve the financial conditions of the Group. Furthermore, the interests under the Debts would only be accrued up to the date of the Subscription Agreements and would not be accrued further, and the Loan Capitalisation would set off the Debts in full. By providing a concrete solution to avert liquidation and restore balance sheet solvency, the Board believes the Subscription Price is fair, reasonable, and in the interest of the Company and its shareholders as a whole.

Conditions Precedent

Completion of the Subscriptions is conditional upon satisfaction of the following conditions:

(a) the Listing Committee having granted the approval for the listing of and permission to deal in the Subscription Shares and such approval and permission having not subsequently been revoked;

(b) the passing by the Independent Shareholders of all resolution(s) at the EGM approving the Subscription Agreements and the transactions contemplated thereunder (including the Specific Mandate);

(c) all necessary consents and approvals required to be obtained on the part of the Company in respect of the Subscription Agreements and the transactions contemplated thereunder having been obtained; and

(d) all necessary consents and approvals required to be obtained on the part of the Subscribers in respect of the Subscription Agreements and the transactions contemplated thereunder having been obtained.

None of the above conditions can be waived by any party to the Subscription Agreements. In the event that the above conditions precedent have not been satisfied on or before 30 September 2026 (or such other date as may be agreed by the Company and the Subscribers in writing), all liabilities of the Company and the Subscribers under the Subscription Agreements shall terminate (save for those specified to survive termination) and no party will have any claim against any other party for costs, damages, compensation or otherwise save for any antecedent breaches.

Save for the consents and approvals required to be obtained by the Company as set out in conditions (a) and (b) above, there is no other governmental, regulatory and corporate consents and approvals required to be obtained in respect of conditions (c) and (d) above. As at the Latest Practicable Date, the above condition (d) has been fulfilled and all other conditions have yet to be satisfied.

As the completion of the Loan Capitalisation is subject to the fulfilment of the conditions precedent as stated in the Subscription Agreements and as set out above, the Loan Capitalisation may or may not proceed. Shareholders of the Company and potential investors are advised to exercise caution when dealing in the Shares.

Completion of the Subscriptions

Completion of the Subscriptions shall take place within three Business Days (or such other date and time as may be agreed by the Company and the Subscribers) upon the satisfaction of the conditions under the Subscription Agreements, upon which (i) the Company shall allot and issue the Subscription Shares to the Subscribers; and (ii) the parties shall enter into the deed of set-off to set off the aggregate Subscription Price against the Debts in full on a dollar-for-dollar basis.

SPECIFIC MANDATE

The allotment and issue of the Subscription Shares are subject to approval by the Independent Shareholders at the EGM to be convened and held. Resolution(s) will be proposed at the EGM to approve, among other things, the Specific Mandate to allot and issue the Subscription Shares under the Subscription Agreements.

INFORMATION OF THE GROUP

The Group is principally engaged in two main areas, namely investment and physical pharmaceutical business. The investment business focuses on investing in internationally leading innovative targeted drugs and pharmaceutical companies' equity. At the same time, the Group is digitizing and diversifying its existing physical pharmaceutical assets and business, with the aim of creating a specialized digital pharmaceutical group focused on bone health. The Group principally operates in Hong Kong and Mainland China.

The Group has been operating in the field of osteopathy treatment for more than 10 years, serving more than 10,000 terminal medical institutions for various osteopathies, and has rich terminal pharmaceutical promotion, excellent team management experience and channel network resources. The deepening of the aging of the country's population will promote the development of China's orthopedics market to a certain extent, and the prospects for the future orthopedics market are very broad. The Group will seize the opportunity in the new era of the country's promotion of the development of orthopedics. From 2023, it has innovatively created a bone health 4M (Medicine, Multinational E-Health, Medical Device, Medical Digital Platform) model by focusing on the company's core capabilities and resources. It has also established Fuaimeng's

"Specialist Orthopedic Health Platform" and vigorously developed business modules covering the supply and promotion of bone disease drugs and health products, bone disease rehabilitation management and digital medical full-process closed-loop treatment and management platform.

The following is a summary of the key financial data of the Group for each of the year ended 31 December 2025 and 31 December 2024 based on the audited consolidated financial statements prepared in accordance with all applicable Hong Kong Financial Reporting Standards:

	For the year ended	
	31 December 2025	**31 December 2024**
	(Audited)	(Audited)
	RMB'000	*RMB'000*
Revenue	24,158	37,960
Loss before taxation	(26,255)	(53,480)
Loss after taxation	(26,255)	(53,357)

As at 31 December 2025, the audited consolidated net liabilities of the Group was approximately RMB273,833,000.

INFORMATION OF THE SUBSCRIBERS

First Subscriber

First Subscriber is a company established in the British Virgin Islands with limited liability and a substantial shareholder of the Company, holding 303,925,563 Shares, representing approximately 32.03% of the issued share capital of the Company as at the Latest Practicable Date. First Subscriber is principally engaged in investment holding and has no other significant investment, assets or business operation as at the Latest Practicable Date. As at the Latest Practicable Date, First Subscriber was legally and beneficially owned as to 50% by the Fifth Subscriber, the chairman of the Board and an executive Director, and 50% Ms. Chin Yu, a non-executive Director and the spouse of the Fifth Subscriber.

Second Subscriber

Second Subscriber is a company incorporated in British Virgin Islands with limited liability, which is legally and beneficially and wholly owned by Ms. Shum Ning, the spouse of Mr. Ieong Chong Mang. As at the Latest, the Second Subscriber is holding 170,000 Shares, representing approximately 0.02% of the issued share capital of the Company. The Second Subscriber is principally engaged in investment holding and has no other significant investment, assets or business operation as at the Latest Practicable Date.

Third Subscriber

Third Subscriber is the son of the Fifth Subscriber and Ms. Chin Yu, who are Directors.

Fourth Subscriber

Fourth Subscriber is an executive Director and the daughter of the Fifth Subscriber and Ms. Chin Yu.

Fifth Subscriber

Fifth Subscriber is the chairman of the Board and an executive Director.

Sixth Subscriber

Sixth Subscriber is an Independent Third Party.

Seventh Subscriber

Seventh Subscriber is a company established in the PRC and is principally engaged in information technology, software development, and technical consulting services in the PRC. The Seventh Subscriber is wholly and beneficially owned by Huang Xuehua and Guan Shao'e. To the best knowledge, information and belief of the Board having made all reasonable enquiries, the Seventh Subscriber and its ultimate beneficial owner(s) are Independent Third Parties.

FUND-RAISING IN THE PAST TWELVE MONTHS

In the twelve months immediately preceding the Subscriptions, the Group did not participate in any fund-raising on any issue of equity securities.

REASONS FOR AND BENEFITS OF THE SUBSCRIPTION AGREEMENTS

As disclosed in the annual report of the Company for the year ended 31 December 2025, (i) the net current liabilities and net liabilities as at 31 December 2025 were approximately RMB605,734,000 and RMB273,833,000, respectively. The debt-to-assets ratio of the Group as at 31 December 2025 was approximately 129.29% (which is calculated by total debt of approximately RMB449,100,000 divided by total assets of RMB347,348,000); (ii) the cash and bank balances were significantly lower than the total borrowings and the amount of financial guarantee contracts. The Group's total debts amounted to approximately RMB449.1 million as at 31 December 2025 (including borrowings of approximately RMB316.1 million and financial guarantee contracts of RMB133 million), while its unrestricted cash and bank balances amounted to approximately RMB7,221,000 as at 31 December 2025; (iii) with recent sluggish stock market sentiment, thin trading volume of the Shares and net liabilities position of the Group, the Group had difficulties in finding investors or placing agents for equity financing with significant fund raising size for repayment of loans; and (iv) net liabilities position of the Group had made the

Company difficult to obtain additional bank borrowings or debt financing for its business and operations. The recent sluggish sentiment in the stock market is evidenced by the downward trend of the Company's share price. The highest closing price of the Shares at the beginning of the year, in January 2026, was HK$0.88, whereas the closing price immediately preceding the Subscriptions (i.e. on 16 June 2026) was HK$0.46, representing a significant decline of approximately 47.73%. Whereas, the thin trading volume of the Shares is evidenced by the average daily trading volume during the first six months of the year (from January 2026 to June 2026) of approximately 241,825 Shares, with several individual days recording zero Shares trade.

Furthermore, as disclosed in the annual report of the Company for the year ended 31 December 2025, the auditors of the Group have considered the operation of the Group on a going concern basis. However, the net current liabilities and net liabilities positions of the Group, as well as the financial condition that the total borrowings exceeding the unrestricted cash and bank balances indicated the existence of material uncertainties which may cast doubt on the Group's ability to continue as a going concern.

The Group did not selectively identify specific creditors to participate in the Loan Capitalisation. Instead, the Group approached all of its creditors with identical loan capitalisation proposals based on the same terms. Among all the creditors of the Group, the Subscribers (representing seven out of thirteen total creditors) agreed to enter into the Subscription Agreements and the transactions contemplated thereunder. The remaining six creditors did not participate due to their respective considerations, including individual commercial concerns and/or being unable to reach an agreement on the Subscription Price. As a result, no subscription agreements were entered into between the Company and the remaining creditors for the capitalisation of their respective debts. The size of the Loan Capitalisation and the selection of the loans were therefore determined by the creditors' willingness to participate, rather than any preferential selection by the Company. The remaining outstanding debts owed to Second Subscriber, Fifth Subscriber and Seventh Subscriber (see the breakdown of the remaining outstanding debts on page 20 of this circular) were not included in the Loan Capitalisation for the following reasons:

(i) in respect of the Second Subscriber, to maintain the Company's ongoing compliance with the minimum public float requirement under Rule 8.08(1)(a) of the Listing Rules, which requires the Company to maintain at least 25% of the total issued Shares in the hands of the public;

(ii) the remaining outstanding debt owed to the Fifth Subscriber represents a separate debt independent of the Fifth Debt, which arises from a separate loan originally granted by an independent third party to the Company that matured on 2 August 2024 and was subsequently assigned to the Fifth Subscriber on 1 May 2025. Given that this debt carries a higher interest rate (2.8% per month) compared to the Fifth Debt, it offers a higher return profile to the Fifth Subscriber and therefore the Fifth Subscriber agreed with the Loan Capitalisation with respect to the Fifth Debt only but not the remaining outstanding debt mentioned in the above; and

(iii) the remaining outstanding debt owed to the Seventh Subscriber represents a separate debt independent of the Seventh Debt, which arises from a separate loan agreement entered into between the Company and the Seventh Subscriber in 2026, which has not yet matured. Given that this debt has not yet matured, the Company did not propose the Loan Capitalisation to the Seventh Subscriber in respect of this debt.

Whereas the timing of entering into the Subscription Agreements and the transactions contemplated thereunder, was driven purely by commercial progression immediately following the conclusion of arm's length negotiations with creditors and the reaching of a consensus with the Subscribers. The aggregated amount of Debts to be capitalised under the Loan Capitalisation are HK$309,361,551.33 (equivalent to approximately RMB266.69 million), which represents approximately 59.38% of total debt of approximately RMB449.1 million as at 31 December 2025. Upon completion of the Loan Capitalisation, and assuming the Completion took place on 31 December 2025, the total debt of the Group as at 31 December 2025 would be reduced from approximately RMB449.1 million to RMB182.41 million. Debt-to-assets ratio would be reduced from approximately 129.29% to 52.52% (which is calculated by total debt of approximately RMB182,410, 000 divided by the total assets of RMB347,348,000 as at 31 December 2025). As at the Latest Practicable Date, save for trade payables and the Debts, the remaining outstanding indebtedness of the Group comprised nine outstanding debts. The breakdown of the nine outstanding debts is set out below:

	Creditor	Amount of debt as at the Latest Practicable Date *(HK$)*	Maturity Date
1.	A licensed money lending company in Hong Kong	39,691,805.10	Overdue
2.	A commercial bank in the PRC	153,138,202	Overdue
3.	Fifth Subscriber	9,241,662	Overdue
4.	Independent individual creditor A	2,649,200.00	Overdue
5.	Independent individual creditor B	1,527,565.70	Overdue
6.	Independent individual creditor C	12,076,164.38	Overdue
7.	Independent individual creditor D	3,540,109.59	Mature within 1–5 years
8.	Second Subscriber	138,318,758.40	Overdue

	Creditor	Amount of debt as at the Latest Practicable Date (HK$)	Maturity Date
9.	Seventh Subscriber	4,742,865.75	Mature within 1–5 years

Save as disclosed above, the Group does not have any outstanding debts.

The Company has been, and will continue to take measures to mitigate the liquidity pressure and to improve the Group's financial position, including but not limited to: (i) actively engaging in negotiations with its creditors regarding potential debt extensions, refinancing arrangements, and mutually agreeable settlement plans (ii) developing the Group into an integrated platform enterprise that covers Full Management of Osteopathic Diagnosis and Treatment; (iii) taking active measures to control administrative costs through various channels including human resources optimization and containment of capital expenditures; and (iv) actively negotiating with external parties to obtain new sources of financing or strategic capital investments. The Company is also optimistic and expects the acquisition of Zhejiang Kangyuan Medical Device Co. Ltd. (浙江康源醫療器械有限公司) ("**Kangyuan**") completed on 25 March 2026 will enable the Company to generate sales revenue from the business of Kangyuan by combining its established sales network with Kangyuan's AI medical devices, thereby improving the overall operational efficiency and the financial situation of the Group (for further details of the acquisition, please refer to the circular published by the Company on 24 December 2025). Furthermore, the Company maintains positive relationships and regular dialogue with its creditors, to align their expectations and to formulate reasonable settlement proposals. As a result of the ongoing efforts, the Company successfully reached an agreement with a creditor in the first half of 2026 for extension of a debt in the amount of HK$3.5 million. The Company aims to conclude further agreements in respect of new financing and/or strategic investments in the second half of 2026. At the same time, the Company has been engaged in ongoing discussions with its controlling Shareholders to secure financial support from them. As at the Latest Practicable Date, no definitive agreements or concrete terms have been finalised in respect of the aforementioned repayment plans and source of financial support. The timing and execution of such plans remain uncertain.

The working capital sufficiency of the Group to repay the outstanding debt due within one year will be subject to the progress of the abovementioned plans and measures, and (i) reaching agreed repayment schedules with the creditors, and (ii) obtaining continuous financial support from the controlling Shareholders.

The Directors consider that the Loan Capitalisation is beneficial to the Company as it will significantly reduce liabilities of the Group which have been overdue, and therefore will reduce liquidity pressure and improve the financial conditions of the Group. Furthermore, the interest under the Debts would only be accrued up to the date of the Subscription Agreements and would not be accrued further, and the Loan Capitalisation would set off the Debts in full. The settlement of the Debts would be beneficial to the Group especially as the Group recorded a loss of RMB26.3 million for the year ended 31 December 2025.

The Company has considered other financing methods such as debt financing and equity financing. The Company has discussed with two banks and one financial institution with a view to obtaining debt financing. The Company either received no feedback or was rejected. Regarding equity financing, the Company has considered conducting placing for fund raising purpose but has not been able to find placing agents or underwriters to conduct placing with a significant amount of fund raising. While both an open offer and a rights issue would allow Shareholders to subscribe for new Shares and maintain their respective pro-rata shareholdings in the Company, these methods require additional time and incur higher costs. The fund raising activities including an open offer and a right issue require preparing extensive underlying legal documents (including underwriting agreement, circular and prospectus documents) resulting in a longer period of documents vetting process, scheduling shareholders' meeting and mandating a minimum acceptance period of 10 to 15 business days, and hence will require additional time to complete (at least three to four months to complete) as compared with the Loan Capitalisation (around two to three months to complete). In addition, the Company will incur higher costs to conduct fund raising activities including an open offer and a right issue (around HK$2 million) due to additional printing fees (due to additional prospectus documents), legal/documentation expenses (higher legal fees due to longer transaction period) and additional services fees of other professional parties including underwriter, branch share registrar of the Company in Hong Kong as receiving agent and auditors of the Company for preparation of relevant financial information in the relevant listing documents as compared with the Loan Capitalisation (around HK$1 million). Moreover, finding an underwriter willing to underwrite any unsubscribed Shares with a significant fund raising size is difficult, given the net liabilities position and poor financial performance of the Group. Save as disclosed in this announcement, no other financing methods were considered by the Company.

Having considered the above, the Directors (other than the Fifth Subscriber and the Fourth Subscriber, the two executive Directors, and Ms. Chin Yu and Dr. Qian Wei, the two non-executive Directors, who have material interest in the Loan Capitalisation under the Subscription Agreements and have abstained from voting on the resolutions in relation thereto) consider that the Loan Capitalisation and the terms of the Subscription Agreements are fair and reasonable and are in the interest of the Company and the Shareholders as a whole.

APPOINTMENT OF AUDITOR

Reference is made to the announcements of the Company dated 4 June 2026, 11 June 2026 and 7 July 2026 in relation to, among other things, the poll results of the annual general meeting of the Company held on 4 June 2026 (the "**AGM**"), the retirement of Moore CPA Limited ("**Moore**") as the auditor of the Company and the proposed appointment of a new auditor.

As disclosed in the announcement of the Company dated 4 June 2026, the ordinary resolution regarding the re-appointment of Moore as the auditor of the Company was not passed at the AGM. Accordingly, Moore retired as the auditor of the Company with effect from the conclusion of the AGM. Moore's retirement resulted from the ordinary resolution for its re-appointment not being passed and took effect upon the expiry of its term of office; it was not a resignation during its term of office. Moore has confirmed in writing that there are no matters in relation to its retirement that need to be brought to the attention of the Shareholders. The Board and the Audit Committee have also confirmed that there are no unresolved matters between the Company and Moore in respect of Moore's retirement which should be brought to the attention of the Shareholders.

The Board, having considered the recommendation of the Audit Committee, has resolved to appoint CCTH CPA Limited ("**CCTH**") as the auditor of the Company to fill the casual vacancy following the retirement of Moore, subject to the approval by the Shareholders at the EGM. If approved, CCTH will hold office with effect from the passing of the relevant ordinary resolution at the EGM until the conclusion of the next annual general meeting of the Company.

In assessing the proposed appointment of CCTH, the Audit Committee has considered the Guidelines for Effective Audit Committees – Selection, Appointment and Reappointment of Auditors published by the Accounting and Financial Reporting Council of Hong Kong (the "**AFRC**") and the Guidance Notes on Change of Auditors published by the AFRC. The Audit Committee has also reviewed and discussed with CCTH its audit proposal, including its proposed audit approach, timetable, staffing arrangement, quality control arrangements, independence and audit fee. In particular, the Audit Committee has considered the following factors:

(a) CCTH is registered with the AFRC as a public interest entity auditor. CCTH has confirmed its independence from the Group and its compliance with the applicable ethical requirements, including the Code of Ethics for Professional Accountants issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**"). As at the Latest Practicable Date, no non-audit services by CCTH are currently proposed;

(b) CCTH has experience in auditing more than 40 companies listed in Hong Kong, including companies in the healthcare sector. It has demonstrated its understanding of the Group's business, applicable financial reporting standards and the audit requirements of listed companies;

(c) CCTH has discussed with the Audit Committee its proposed risk-based audit approach. Based on its preliminary understanding of the Group, CCTH's proposed audit planning includes procedures designed to address areas expected to be significant to the audit for the financial year ending 31 December 2026, including the initial audit engagement and opening balances, going concern, revenue recognition and impairment of trade receivables. The actual audit scope and procedures will be determined by CCTH in accordance with the Hong Kong Standards on Auditing issued by the HKICPA (the "**HKSAs**") and its risk assessment; and

(d) the Audit Committee has reviewed CCTH's proposed audit timetable, staffing arrangement and estimated resources, and is satisfied that CCTH has sufficient manpower, expertise, time and resources to perform the audit.

Proposed audit timetable and resources

CCTH's current proposed audit timetable is as follows:

(i) early July 2026 to late August 2026: client acceptance procedures, engagement planning and completion of the shareholder approval process for the change of auditor;

(ii) early December 2026 to late December 2026: attendance at physical inventory count(s), as applicable, audit procedures in relation to opening balances, receipt of the financial statements and preparation and arrangement of bank and other confirmations;

(iii) mid-January 2027 to late February 2027: audit fieldwork and other audit procedures;

(iv) early March 2027 to mid-March 2027: review of adjusted financial statements, comparative analysis, confirmation of audit adjustments, preparation of notes to the financial statements by the Company, and summarisation and review of audit work and working papers;

(v) mid-March 2027 to late March 2027: finalisation of draft consolidated financial statements, communication and completion meeting with the Audit Committee and publication of the Company's 2026 annual results; and

(vi) early April 2027 to late April 2027: publication of the Company's 2026 annual report.

CCTH currently proposes to deploy an audit team of seven members with an estimated total of approximately 1,669 audit hours, comprising (i) one engagement director with approximately 37 hours; (ii) one quality control director with approximately 18 hours; (iii) one senior manager or manager with approximately 176 hours; (iv) one senior auditor with approximately 466 hours; (v) two auditors with approximately 960 hours in aggregate; and (vi) one technical staff member with approximately 12 hours. Approximately half of the proposed audit team members are qualified certified public accountants. The final composition of the audit team and allocation of audit hours may be adjusted having regard to the progress of the audit and CCTH's risk assessment, while maintaining appropriate senior supervision, technical support and resources.

Audit fee

The estimated audit fee quoted by CCTH for the audit of the consolidated financial statements of the Group for the financial year ending 31 December 2026 is approximately RMB880,000, exclusive of out-of-pocket expenses. The estimated audit fee was determined after due consideration and arm's length negotiations between the Company and CCTH, taking into account, among other things:

(a) the size, nature and complexity of the Group's business operations and its current business plan, including its bone health treatment, testing and smart healthcare businesses;

(b) the expected scope of the audit, including the audit of the Group's consolidated financial statements, procedures in relation to opening balances and the expected significant audit areas referred to above;

(c) the proposed audit timetable and the reporting deadlines for the Company's 2026 annual results and annual report;

(d) the size, structure, experience and estimated audit hours of the proposed audit team, and the level and mix of professional staff to be deployed; and

(e) the composition of CCTH's proposed audit fee by reference to staff seniority and business segments, as well as fee proposals from other audit firms.

The estimated audit fee is based on the current expected audit scope, the Group's current structure and business operations, the proposed audit timetable and the current regulatory and financial reporting requirements, and assumes that the Group will provide the necessary books, records, information and assistance to CCTH in a timely manner. If there is any material change in the Group's structure, business operations, accounting policies, regulatory requirements, audit scope or audit timetable, the final audit fee may be adjusted accordingly.

The Audit Committee is satisfied that the proposed audit fee is commensurate with the expected audit scope, audit timetable and resources to be committed by CCTH, and that it will not compromise audit quality. The Board and the Audit Committee are of the view that the appointment of CCTH as the auditor of the Company would maintain audit quality and enhance the effectiveness of the Company's annual audit, and is in the interests of the Company and the Shareholders as a whole.

Accordingly, the Board recommends that the Shareholders vote in favour of the ordinary resolution to be proposed at the EGM to approve the appointment of CCTH as the auditor of the Company.

INDEPENDENT FINANCIAL ADVISER'S OPINION

The Independent Financial Adviser considered the Subscription Price to be fair and reasonable so far as the Independent Shareholders are concerned and the potential dilution effect on the shareholding interests of the existing minority Shareholders being acceptable. For details of the Independent Financial Adviser's analysis, please refer to the letter of the Independent Financial Adviser set out in this circular.

USE OF PROCEEDS

As the Subscription Price will be satisfied by way of offsetting the Debts owed by the Company to the Subscribers, there will be no cash proceeds (or any other form of proceeds save for set-off of the Debts) from the allotment and issue of the Subscription Shares available to be utilised by the Company.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

As at the Latest Practicable Date, other than 948,997,694 Shares in issue, the Company has no outstanding convertible securities, options or warrants in issue or derivatives which confer any right to subscribe for, convert or exchange into Shares.

The shareholding structure of the Company (a) as at the Latest Practicable Date; and (b) immediately after completion of the Loan Capitalisation assuming that there is no other change to the share capital and shareholding structure of the Company from the Latest Practicable Date up to the Completion, are set out below:

	As at the Latest Practicable Date		**Immediately after completion of the Loan Capitalisation assuming that there is no other change to the share capital and shareholding structure of the Company from the Latest Practicable Date up to the Completion**	
	Number of Shares	*Approximate % of the number of Shares in issue*	*Number of Shares*	*Approximate % of the number of Shares in issue*
First Subscriber *(Note 1)*	303,925,563	32.03	756,772,190	42.12
Ms. Chin Yu *(Note 2)*	273,333	0.03	273,333	0.02
Fifth Subscriber *(Note 3)*	–	–	4,750,009	0.26
Third Subscriber *(Note 4)*	–	–	15,190,793	0.85
Fourth Subscriber *(Note 5)*	–	–	48,418,483	2.70
Sub-total	**304,198,896**	**32.06**	**825,404,808**	**45.95**
Mr. Ieong Iat	146,520,146	15.44	146,520,146	8.16
Mr. Ieong Chong Mang	54,762,300	5.77	54,762,300	3.05
Second Subscriber *(Note 6)*	170,000	0.02	251,019,772	13.97
Sub-total	**201,452,446**	**21.23**	**452,302,218**	**25.18**

	As at the Latest Practicable Date		Immediately after completion of the Loan Capitalisation assuming that there is no other change to the share capital and shareholding structure of the Company from the Latest Practicable Date up to the Completion	
	Number of Shares	*Approximate % of the number of Shares in issue*	*Number of Shares*	*Approximate % of the number of Shares in issue*
Public Shareholders				
Sixth Subscriber	–	–	41,095,890	2.29
Seventh Subscriber	–	–	34,414,318	1.91
Other public Shareholders	443,346,352	46.71	443,346,352	24.67
Sub-total	**443,346,352**	**46.71**	**518,856,560**	**28.87**
Total	**948,997,694**	**100.00**	**1,796,563,586**	**100.00**

Notes:

1. The First Subscriber is legally and beneficially owned as to 50% by the Fifth Subscriber and 50% by Ms. Chin Yu, the spouse of the Fifth Subscriber.

2. Ms. Chin Yu is a non-executive Director and the spouse of the Fifth Subscriber.

3. The Fifth Subscriber is the chairman of the Board and an executive Director.

4. The Third Subscriber is the son of the Fifth Subscriber and Ms. Chin Yu.

5. The Fourth Subscriber is an executive Director and the daughter of the Fifth Subscriber and Ms. Chin Yu.

6. The Second Subscriber is wholly and beneficially owned by Ms. Shum Ning, the spouse of Mr. Ieong Chong Mang.

The Board has conducted a holistic assessment in balancing the effects and impacts of the Subscriptions and the transactions contemplated thereunder against the commercial necessity thereof.

In light of the Group's ongoing operational and repayment pressures, the difficulties in identifying independent investors or placing agents for equity financing of a significant size, and the fact that the net liabilities position of the Group renders it difficult for the Company to obtain additional bank borrowings or debt financing for its business and operations, the Board considers the Subscriptions and the transactions contemplated thereunder to be commercially necessary. The immediate benefits of the Loan Capitalisation outweigh the dilution impact, as the transactions will set off the Debts in full, eliminate a substantial portion of the Group's outstanding indebtedness, halt further interest accrual from the date of the Subscription Agreements, and effectively avert the risk of liquidation by restoring balance sheet solvency.

The Board considers that the interests of the minority Shareholders are well-preserved and will not be prejudiced by the Subscriptions for the reasons that (i) Shareholders who are connected persons or have material interests in the Subscription Agreements and the transactions contemplated thereunder will abstain from voting at the EGM; and (ii) Independent Shareholders are provided with all necessary information regarding the Subscription Agreements and the transactions contemplated thereunder, including the detailed financial effects and potential dilution impacts. Accordingly, the minority Shareholders can freely decide whether to vote for or against the relevant resolutions at the EGM based on their own judgment and evaluation of the benefits to the Company's financial position against the dilution impact.

APPLICATION FOR LISTING

An application will be made by the Company to the Listing Committee for the listing of, and permission to deal in, the Subscription Shares.

As at the Latest Practicable Date, (i) the Fifth Subscriber is the chairman of the Board and an executive Director; (ii) the Third Subscriber is the son of the Fifth Subscriber; (iii) the Fourth Subscriber is an executive Director and the daughter of the Fifth Subscriber; (iv) the First Subscriber is a company beneficially owned as to 50% by the Fifth Subscriber and 50% by Ms. Chin Yu, the spouse of the Fifth Subscriber; and (v) the First Subscriber, the Third Subscriber, the Fourth Subscriber, the Fifth Subscriber and Ms. Chin Yu (i.e. Ng Group) are all parties acting in concert.

As at the Latest Practicable Date, Ng Group is interested in approximately 32.06% of the issued share capital of the Company. Under the relevant Subscription Agreements, the First Subscriber, the Third Subscriber, the Fourth Subscriber and the Fifth Subscriber will subscribe for a total of 521,205,912 Subscription Shares. Assuming that there will be no changes in the total number of issued Shares between the date of the Announcement and the allotment and issue of the Subscription Shares, the aggregate shareholding interest of Ng Group will increase from 304,198,896 Shares, representing approximately 32.06% of the issued share capital of the Company as at the Latest Practicable Date, to 825,404,808 Shares, representing approximately 45.95% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares immediately after completion of the transactions contemplated under the Subscription Agreements.

As at the Latest Practicable Date, (i) the Second Subscriber is wholly and beneficially owned by Ms. Shum Ning, the spouse of Mr. Ieong Chong Mang; (ii) Mr. Ieong Iat is a substantial Shareholder holding 146,520,146 Shares, representing approximately 15.44% of the issued share capital of the Company; (iii) Mr. Ieong Chong Mang, the father of Mr. Ieong Iat, is a Shareholder holding 54,762,300 Shares, representing approximately 5.77% of the issued share capital of the Company; and (iv) Mr. Ieong Chong Mang, Mr. Ieong Iat and the Second Subscriber (i.e. Ieong Group) are all parties acting in concert.

As at the Latest Practicable Date, Ieong Group is interested in approximately 21.23% of the issued share capital of the Company. Under the relevant Subscription Agreement, the Second Subscriber will subscribe a total of 250,849,772 Subscription Shares. Assuming that there will be no changes in the total number of issued Shares between the date of the Announcement and the allotment and issue of the Subscription Shares, the aggregate shareholding interest of Ieong Group will increase from 201,452,446 Shares, representing approximately 21.23% of the issued share capital of the Company as at the Latest Practicable Date, to 452,302,218 Shares, representing approximately 25.18% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares immediately after completion of the transactions contemplated under the Subscription Agreements.

The Fifth Subscriber and Mr. Ieong Chong Mang entered into a confirmatory deed on 3 June 2026 pursuant to which they acknowledge and confirm that Ng Group and Ieong Group have been acting in concert with each other (i.e. a concert party group). As at the Latest Practicable Date, Ng Group and Ieong Group collectively hold approximately 53.29% of the issued share capital of the Company immediately before the Loan Capitalisation and Ng Group and Ieong Group will collectively hold approximately 71.13% of the issued share capital of the Company immediately after the Loan Capitalisation. Immediately before and after completion of the Loan Capitalisation, the leader of the concert party group remains to be Ng Group.

Upon completion of the Loan Capitalisation, the shareholding interests of Ng Group in the Company will increase from approximately 32.06% to 45.95% (and hence increasing its collective holding of voting rights of the Company by more than 2%), and as such Ng Group will be required to make a mandatory general offer under Rule 26.1 of the Takeovers Code for all the issued Shares (other than those already owned or agreed to be acquired by Ng Group), except with the granting of a waiver by the Executive.

The First Subscriber has applied to the Executive for the grant of a waiver for Ng Group from the obligation to make a general offer under Rule 26 of the Takeovers Code with respect to the Loan Capitalisation and the Executive has granted such waiver to the First Subscriber from the obligation to make a general offer under Rule 26 of the Takeovers Code with respect to the Loan Capitalisation on 12 June 2026.

LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, (i) the First Subscriber is a substantial shareholder of the Company and an associate of the Fifth Subscriber and Ms. Chin Yu, who are Directors, (ii) the Second Subscriber is wholly and beneficially owned by Ms. Shum Ning, the spouse of Mr. Ieong Chong Mang, and Mr. Ieong Iat, the son of Mr. Ieong Chong Mang, is a substantial shareholder of the Company interested in 146,520,146 Shares, representing approximately 15.44% of the issued share capital of the Company; (iii) the Third Subscriber is the son of the Fifth Subscriber; (iv) the Fourth Subscriber is an executive Director and the daughter of the Fifth Subscriber; and (v) the Fifth Subscriber is the chairman of the Board and an executive Director. Each of the First Subscriber, the Second Subscriber, the Third Subscriber, the Fourth Subscriber and the Fifth Subscriber is therefore a connected person of the Company. As at the Latest Practicable Date, Ng Group holds 304,198,896 Shares representing 32.06% of the issued share capital of the Company, and Ieong Group holds 201,452,446 Shares representing 21.24% of the issued share capital of the Company, collectively, Ng Group and Ieong Group hold approximately 53.29% of the issued share capital of the Company immediately before the Loan Capitalisation and Ng Group and Ieong Group will collectively hold approximately 71.13% of the issued share capital of the Company immediately after the Loan Capitalisation. The Subscription Agreements entered into between each of the First Subscriber, the Second Subscriber, the Third Subscriber, the Fourth Subscriber and the Fifth Subscriber and the Company and the transactions contemplated thereunder constitute a connected transaction of the Company under Chapter 14A of the Listing Rules and will be subject to announcement, reporting, circular and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Subscription Shares will be allotted and issued under the Specific Mandate to be obtained at the EGM. Ng Group (including the First Subscriber and Ms. Chin Yu) and the Second Subscriber and their associates (including Mr. Ieong Chong Mang and Mr. Ieong Iat) shall abstain from voting in respect of the resolution(s) relating to the Subscription Agreements and the transactions contemplated thereunder at the EGM.

The Fourth Subscriber, the Fifth Subscriber, Ms. Chin Yu, being the spouse of the Fifth Subscriber and Dr. Qian Wei, a non-executive Director and the brother of Ms. Chin Yu, have abstained from voting on the Board resolution(s) approve the Subscription Agreements and the transactions contemplated thereunder. Save as disclosed above, (i) no other Director has a material interest in the Subscription Agreements and the transactions contemplated thereunder or is required to abstain from voting of the Board resolution(s) in relation to the aforesaid matters; (ii) to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, save as disclosed in this announcement, no other Shareholder has any material interest in the Subscription Agreements and the transactions contemplated thereunder (including the grant of the Specific Mandate) and therefore, no other Shareholder is required to abstain from voting at the EGM in respect of the resolution(s) relating to the Subscription Agreements and the transactions contemplated thereunder.

ESTABLISHMENT OF THE INDEPENDENT BOARD COMMITTEE AND APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER

Pursuant to the Listing Rules, the Independent Board Committee (comprising all the independent non-executive Directors who have no direct or indirect interest in the Subscriptions, namely Mr. Yu Tze Shan Hailson, Mr. Kwok Che Chung and Dr. Zhao Yubiao) has been formed to advise the Independent Shareholders on whether the Subscriptions are fair and reasonable and as to voting from the perspective of Listing Rules.

The Independent Financial Adviser, Rainbow Capital, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, has been appointed with the approval of the Independent Board Committee to advise the Independent Board Committee and the Independent Shareholders in this regard.

GENERAL

The EGM will be convened to consider and, if thought fit, approve (i) the Subscription Agreements and the transactions contemplated thereunder, including the Subscriptions, the Loan Capitalisation and the grant of the Specific Mandate; and (ii) the Auditor Appointment.

A notice convening the EGM to be held at Unit 2102, 21/F, West Tower, Shun Tak Centre, 168–200 Connaught Road Central, Hong Kong on 28 August 2026 at 11 a.m. is set out on pages EGM-1 to EGM-4 of this circular. A form of proxy for use at the EGM is also enclosed. Such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (http://www.hkexnews.hk) and the Company (https://www.ntpharma.com).

Whether or not Shareholders are able to attend the EGM, you are requested to complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM (i.e. not later than 11 a.m. on 26 August 2026). To be effective, all forms of proxy must be lodged with Tricor Investor Services Limited before the deadline. Completion and return of the form of proxy will not preclude the Shareholders from attending and voting in person at the EGM if you so wish.

The Subscribers, their respective associates, any parties acting in concert with each of them and the Shareholders who are involved in or interested in the Subscription Agreements and the transactions contemplated thereunder (i.e. the Subscriptions, the Loan Capitalisation and the Specific Mandate), will be required to abstain from voting in respect of the resolution(s) to approve the Subscription Agreements and the transactions contemplated thereunder (i.e. the Subscriptions, the Loan Capitalisation and the Specific Mandate) at the EGM. Ng Group (including the First Subscriber and Ms. Chin Yu) and the Second Subscriber and their associates (including Mr. Ieong Chong Mang and Mr. Ieong Tat) shall abstain from voting in respect of the resolution(s) to approve the aforesaid matters at the EGM.

The abstention requirements set out above relate solely to the resolution(s) concerning the Subscription Agreements and the transactions contemplated thereunder. To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, no Shareholder has a material interest in the Auditor Appointment and no Shareholder is required to abstain from voting on the resolution in relation to the Auditor Appointment at the EGM.

RECOMMENDATION

Your attention is drawn to (i) the letter of advice from the Independent Board Committee to the Independent Shareholders in relation to the Subscription Agreements; and (ii) the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders on the Subscription Agreements.

In light of (i) First Subscriber being owned by the Fifth Subscriber and Ms. Chin Yu, the Fourth Subscriber being their daughter and Dr. Qian Wei being the brother of Ms. Chin Yu, who have all abstained from voting on the Board resolutions in relation to the Subscription Agreements and the transactions contemplated thereunder; and (ii) other than the Fifth Subscriber and the Fourth Subscriber, the two executive Directors, the Board only comprises of non-executive Directors and independent non-executive Directors, the Board will defer its view on the Subscription Agreements and the transactions contemplated thereunder, including the granting of the Specific Mandate to the Mr. Lou Yongbin, a non-executive Director and Independent Board Committee.

Mr. Lou Yongbin and each members of the Independent Board Committee, to whom the Directors has deferred its view and whose view is set out in their respective letters set out in the appendices of this circular, believe that the Subscription Agreements are fair, reasonable and on normal commercial terms, and are in the interests of the Company and the Independent Shareholders as a whole; and considers that (i) the execution, delivery and performance of the Subscription Agreements; (ii) the allotment and issue of the Subscription Shares in accordance with the Subscription Agreements; (iii) the Specific Mandate under which the Subscription Shares will be issued; and (iv) the Subscriptions are fair and reasonable, and are in the interests of the Company and the Independent Shareholders as a whole, accordingly, recommends that the Independent Shareholders vote in favour of the resolution(s) relating thereto at the EGM.

In relation to the Auditor Appointment, the Board, having considered the recommendation of the Audit Committee, considers that the appointment of CCTH as the auditor of the Company is in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the ordinary resolution in relation to the Auditor Appointment at the EGM.

For the avoidance of doubt, the advice and recommendation of the Independent Board Committee and the Independent Financial Adviser relate solely to the Subscription Agreements and the transactions contemplated thereunder, and do not extend to the Auditor Appointment.

ADDITIONAL INFORMATION

Your attention is drawn to the letter from the Independent Board Committee as set out on pages 36 to 37 of this circular which contains its recommendation to the Independent Shareholders as to voting at the EGM and to the letter of advice from Rainbow Capital as set out on pages 38 to 53 of this circular which contains its advice to the Independent Board Committee and the Independent Shareholders in relation to the Subscription Agreements and the transactions contemplated thereunder.

Your attention is also drawn to the additional information set out in Appendix I to this circular.

For and on behalf of
China NT Pharma Group Company Limited
Ng Tit
Chairman of the Board

The following is the text of a letter of the Independent Board Committee to the Independent Shareholders in respect of the Subscription Agreements and the transactions contemplated thereunder, including the grant of the Specific Mandate for inclusion in this circular.

中国泰凌医药集团
CHINA NT PHARMA GROUP

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1011)

10 August 2026

To the Independent Shareholders

Dear Sir or Madam,

CONNECTED TRANSACTION IN RELATION TO LOAN CAPITALISATION INVOLVING SUBSCRIPTION OF SHARES UNDER SPECIFIC MANDATE

We have been appointed to form the Independent Board Committee to consider and advise you on the Subscription Agreements and the transactions contemplated thereunder, including the grant of the Specific Mandate, details of which are set out in the circular issued by the Company to the Shareholders dated 10 August 2026 (the "**Circular**"), of which this letter forms part. Terms defined in the Circular will have the same meanings when used herein unless the context otherwise requires.

We wish to draw your attention to the letter from the Board and the letter of advice from the Independent Financial Adviser set out on pages 9 to 37 and pages 38 to 53 of the Circular, respectively, and the additional information set out in the appendices to the Circular.

Having taken into account the terms of the Subscription Agreements and the principal factors and reasons considered by the Independent Financial Adviser, we concur with the view of the Independent Financial Adviser and consider that although the Subscription Agreements are not in the ordinary and usual course of business of the Company, the Subscription Agreements and the transactions contemplated thereunder including the Subscriptions, the Loan Capitalisation and the Specific Mandate are fair and reasonable so far as the Independent Shareholders are concerned and have been entered into on normal commercial terms, and in the interests of the Company and the Independent Shareholders as a whole.

Accordingly, we recommend you to vote in favour of all the resolutions to be proposed at the EGM.

Yours faithfully,
Independent Board Committee

Mr. Yu Tze Shan Hailson	**Mr. Kwok Che Chung**	**Dr. Zhao Yubiao**
Independent non-executive Director	*Independent non-executive Director*	*Independent non-executive Director*

The following is the full text of a letter of advice from Rainbow Capital, the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, in relation to the Subscription Agreements and the Specific Mandate which has been prepared for the purpose of inclusion in this circular.

Rainbow Capital (HK) Limited

10 August 2026

Dear Sirs,

CONNECTED TRANSACTION IN RELATION TO LOAN CAPITALISATION INVOLVING SUBSCRIPTION OF SHARES UNDER SPECIFIC MANDATE

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Subscription Agreements and the Specific Mandate, details of which are set out in the letter from the Board (the "**Letter from the Board**") contained in the circular of the Company to the Shareholders dated 10 August 2026 (the "**Circular**"), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in the Circular unless the context otherwise requires.

The Company is indebted to the Subscribers for the Debts. On 17 June 2026 (after trading hours), the Company entered into the Subscription Agreements with the Subscribers. Pursuant to the Subscription Agreements, the Company will allot and issue to the Subscribers the Subscription Shares, being 847,565,892 new Shares, at the Subscription Price of HK$0.365 per Subscription Share, which shall be satisfied by capitalising and setting off against the Debts in full on a dollar-for-dollar basis upon completion of the Loan Capitalisation.

Assuming that there will be no changes in the total number of issued Shares between the Latest Practicable Date and the date of the allotment and issue of the Subscription Shares, the Subscription Shares represent (i) approximately 89.31% of the total number of issued Shares as at the Latest Practicable Date; and (ii) approximately 47.18% of the total number of issued Shares as enlarged by the allotment and issue of the Subscription Shares.

As at the Latest Practicable Date, (i) the First Subscriber is a substantial shareholder of the Company and an associate of the Fifth Subscriber and Ms. Chin Yu, who are Directors; (ii) the Second Subscriber is wholly and beneficially owned by Ms. Shum Ning, the spouse of Mr. Ieong Chong Mang, and Mr. Ieong Iat, the son of Mr. Ieong Chong Mang is a substantial shareholder of the Company interested in 146,520,146 Shares, representing approximately 15.44% of the issued share capital of the Company; (iii) the Third Subscriber is the son of the Fifth Subscriber; (iv) the Fourth Subscriber is an executive Director and the daughter of the Fifth Subscriber; and

(v) the Fifth Subscriber is the chairman of the Board and an executive Director. Each of the First Subscriber, the Second Subscriber, the Third Subscriber, the Fourth Subscriber and the Fifth Subscriber is therefore a connected person of the Company. As at the Latest Practicable Date, Ng Group holds 304,198,896 Shares representing 32.06% of the issued share capital of the Company, and Ieong Group holds 201,452,446 Shares representing 21.24% of the issued share capital of the Company, collectively, Ng Group and Ieong Group hold approximately 53.29% of the issued share capital of the Company immediately before the Loan Capitalisation and Ng Group and Ieong Group will collectively hold approximately 71.13% of the issued share capital of the Company immediately after the Loan Capitalisation. The Subscription Agreements entered into between each of the First Subscriber, the Second Subscriber, the Third Subscriber, the Fourth Subscriber and the Fifth Subscriber and the Company and the transactions contemplated thereunder constitute a connected transaction of the Company under Chapter 14A of the Listing Rules and will be subject to announcement, reporting, circular and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. The Subscription Shares will be allotted and issued under the Specific Mandate to be obtained at the EGM.

Pursuant to the Listing Rules, the Independent Board Committee (comprising all the independent non-executive Directors who have no direct or indirect interest in the Subscriptions, namely Mr. Yu Tze Shan Hailson, Mr. Kwok Che Chung and Dr. Zhao Yubiao) has been formed to advise the Independent Shareholders on whether the Subscriptions are fair and reasonable and as to voting from the perspective of Listing Rules. We, Rainbow Capital, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in the same regard.

As at the Latest Practicable Date, we did not have any relationships with or interests in the Group or the Subscribers that could reasonably be regarded as relevant to our independence. In the last two years, there was no engagement between the Group or the Subscribers and us. Apart from normal professional fees paid or payable to us in connection with this appointment as the Independent Financial Adviser, no other arrangements exist whereby we had received any fees or benefits from the Group or the Subscribers. Accordingly, we are independent from the Company pursuant to the requirement under Rule 13.84 of the Listing Rules and therefore we are qualified to give independent advice in respect of the Subscription Agreements and the Specific Mandate.

BASIS OF OUR OPINION

In formulating our opinion and advice, we have considered, among other things, (i) the information and facts contained or referred to in this Circular; (ii) the information and opinions provided by the Directors and the management of the Group; and (iii) our review of the relevant public information. We have assumed that all the information provided and representations and opinions expressed to us or contained or referred to in this Circular were true, accurate and complete in all material respects as at the date thereof and may be relied upon. We have also assumed that all statements contained and representations made or referred to in this Circular are true in all material respects at the time they were made and continue to be true in all material respects as at the Latest Practicable Date and all such statements of belief, opinions and intentions of the Directors and the management of the Group and those as set out or referred to in this Circular were reasonably made after due and careful enquiry. We have no reason to doubt the truth, accuracy and completeness of such information and representations provided to us by the Directors and the management of the Group.

We consider that we have reviewed sufficient information currently available to reach an informed view and to justify our reliance on the accuracy of the information contained in this Circular so as to provide a reasonable basis for our recommendation. We have not, however, carried out any independent verification of the information provided, representations made or opinion expressed by the Directors and the management of the Group, nor have we conducted any form of in-depth investigation into the business, affairs, operations, financial position or future prospects of the Company, the Subscribers or any of their respective subsidiaries and associates.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and recommendation in respect of the Subscription Agreements and the Specific Mandate, we have taken into account the following principal factors and reasons:

1. Background of the Group

The Company is an investment holding company, and its subsidiaries are principally engaged in the treatment business mainly focusing on the sales agency of orthopedic drugs and orthopedic health products, the testing business of artificial intelligence bone health diagnosis and testing robots, and the provision of smart medical and health business to enterprises, centering on the full-cycle smart health ecological field of "testing, treatment and rehabilitation" in the bone health field in the PRC.

(i) Financial performance

Set out below is a summary of the audited financial information of the Group for the years ended 31 December 2023, 2024 and 2025 ("**FY2023**", "**FY2024**" and "**FY2025**", respectively) as extracted from the annual reports of the Company for FY2024 and FY2025:

	FY2023	**FY2024**	**FY2025**
	RMB'000	*RMB'000*	*RMB'000*
	(audited)	(audited)	(audited)
Revenue	7,366	37,960	24,158
Cost of services	–	(32,700)	(14,548)
Gross profit	**7,366**	**5,260**	**9,610**
Other income, gains and losses, net	2,346	(6,023)	(127)
Share of results of associates	37,039	10,244	–

	FY2023	FY2024	FY2025
	RMB'000	*RMB'000*	*RMB'000*
	(audited)	(audited)	(audited)
Gain on disposal of subsidiaries	12,272	–	–
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)	–
Changes in fair value of financial asset at fair value through profit or loss	–	23,563	14,076
Selling and distribution expenses	–	–	(8,236)
General and administrative expenses	(63,574)	(18,486)	(13,738)
Finance costs	(28,818)	(31,544)	(27,840)
Loss before income tax	**(33,369)**	**(53,480)**	**(26,255)**
Loss for the year	**(33,491)**	**(53,357)**	**(26,255)**

The Group's revenue experienced significant fluctuations during the three years ended 31 December 2025. The Group recorded revenue of RMB7.4 million for FY2023. It surged sharply to RMB38.0 million in FY2024 due to the contribution of new digital service business, but subsequently decreased by 36.4% to RMB24.2 million in FY2025. Despite the volatile revenue, the gross profit for FY2025 reached RMB9.6 million, representing an increase of 82.7% compared to RMB5.3 million in FY2024. This improvement was primarily driven by a substantial reduction in the cost of services, which dropped from RMB32.7 million in FY2024 to RMB14.6 million in FY2025, expanding the gross profit margin from 13.9% to 39.8%.

The Group is burdened by severe financing pressures. Finance costs remained high at RMB28.8 million, RMB31.5 million, and RMB27.8 million for FY2023, FY2024, and FY2025, respectively, which exceeded the gross profit generated by the business. Due to depressed revenues, high operating expenses, and substantial finance costs, the Group recorded net losses of RMB33.5 million in FY2023, RMB53.4 million in FY2024, and RMB26.3 million in FY2025.

(ii) Financial position

Set out below is a summary of the consolidated statements of financial position of the Group as at 31 December 2023, 2024 and 2025 as extracted from the annual reports of the Company for FY2024 and FY2025:

	As at 31 December		
	2023	**2024**	**2025**
	RMB'000	*RMB'000*	*RMB'000*
	(audited)	(audited)	(audited)
Non-current assets	316,845	317,890	331,986
Current assets	12,277	16,185	15,362
Current liabilities	665,087	725,065	621,096
Non-current liabilities	3,600	8,118	85
Net liabilities	**339,565**	**399,108**	**273,833**

As at 31 December 2025, the Group had net current liabilities and net liabilities of RMB605.7 million and RMB273.8 million, respectively. As at 31 December 2025, the Group's total borrowings amounted to RMB316.1 million, of which approximately RMB42.7 million, RMB245.3 million and RMB28.1 million were overdue for repayment, repayable on demand and due for repayment within the next twelve months, respectively, while the Group's total cash and bank balances amounted to only RMB7.2 million. In addition, the Group is liable for financial guarantee contracts with a carrying amount of approximately RMB133.0 million as at 31 December 2025.

2. Background of the Subscribers

First Subscriber is a company established in the British Virgin Islands with limited liability and a substantial shareholder of the Company. First Subscriber was legally and beneficially owned as to 50% by the Fifth Subscriber, the chairman of the Board and an executive Director, and 50% by Ms. Chin Yu, a non-executive Director and the spouse of the Fifth Subscriber.

Second Subscriber is a company incorporated in British Virgin Islands with limited liability, which is legally and beneficially and wholly owned by Ms. Shum Ning, the spouse of Mr. Ieong Chong Mang.

Third Subscriber is the son of the Fifth Subscriber and Ms. Chin Yu, who are Directors.

Fourth Subscriber is an executive Director and the daughter of the Fifth Subscriber and Ms. Chin Yu.

Fifth Subscriber is the chairman of the Board and an executive Director.

Each of the First Subscriber, the Second Subscriber, the Third Subscriber, the Fourth Subscriber and the Fifth Subscriber is a connected person of the Company.

Sixth Subscriber is an Independent Third Party.

Seventh Subscriber is a company established in the PRC and is principally engaged in information technology, software development, and technical consulting services in the PRC. The Seventh Subscriber is wholly and beneficially owned by Huang Xuehua and Guan Shao'e. To the best knowledge, information and belief of the Board having made all reasonable enquiries, the Seventh Subscriber and its ultimate beneficial owner(s) are Independent Third Parties.

3. Reasons and benefits for the Subscriptions

As disclosed in the Company's annual report for FY2025, 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:

(i) 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;

(ii) 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;

(iii) 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.

The Group did not selectively identify specific creditors to participate in the Loan Capitalisation. Instead, the Group approached all of its creditors with identical loan capitalisation proposals based on the same terms. Among all the creditors of the Group, the Subscribers (representing seven out of thirteen total creditors) agreed to enter into the Subscription Agreements and the transactions contemplated thereunder. The remaining six creditors did not participate due to their respective considerations, including individual commercial concerns and/or being unable to reach an agreement on the Subscription Price. The size of the Loan Capitalisation and the selection of the loans were therefore determined by the creditors' willingness to participate, rather than any preferential selection by the Company. Whereas the timing of entering into the Subscription Agreements and the transactions contemplated thereunder, was driven purely by commercial progression immediately following the conclusion of arm's length negotiations with creditors and the reaching of a consensus with the Subscribers.

We consider that the size and selection of the loans to be capitalised, as well as the timing of entering into the Subscription Agreements, are fair and reasonable, given that (i) the Group offered identical loan capitalisation proposals to all thirteen of its creditors; (ii) the final size of the Loan Capitalisation and the specific loans selected were determined entirely by the creditors' voluntary participation; and (iii) the timing of entering into the Subscription Agreements reflects the natural conclusion of reaching a consensus with the willing Subscribers, rather than any arbitrary or preferential scheduling by the Company.

The aggregated amount of Debts to be capitalised under the Loan Capitalisation are HK$309,361,551.33 (equivalent to approximately RMB266.69 million), which represents approximately 59.38% of the Group's total debt of approximately RMB449.1 million as at 31 December 2025. Upon completion of the Loan Capitalisation, and assuming the Completion took place on 31 December 2025, the total debt of the Group as at 31 December 2025 would be reduced from approximately RMB449.1 million to RMB182.41 million. Debt-to-assets ratio would be reduced from approximately 129.29% to 52.52%, which is calculated by total debt of approximately RMB182,410,000 divided by the total assets of RMB347,348,000 as at 31 December 2025.

Other financing methods

The Company has considered other financing methods such as debt financing and equity financing.

The Company has discussed with two banks and one financial institution with a view to obtaining debt financing, but either received no feedback or was rejected. Given (i) the Group's consecutive years of net losses and its current net liability position, and its involvement in litigations and claims related to former subsidiaries; and (ii) its default status and lack of sufficient fixed assets for pledging, we consider that it is difficult for the Group to secure external borrowings at reasonable interest rates. Even if such financing were obtained, the high interest rates required to compensate for the Group's credit risks and the resulting finance costs would further deteriorate the Group's financial performance and financial position. Using new debts to settle outstanding debts serves only as a temporary postponement of the Group's repayment obligations. Given the Group's persistent net losses, debt financing fails to address the Group's solvency issue, and the Group would inevitably default on the new debts in the long run.

Regarding equity financing, the Company has considered conducting a placing for fundraising purpose but has not been able to find placing agents or underwriters to conduct placing with a significant amount of fund raising. While both an open offer and a rights issue would allow Shareholders to subscribe for new Shares and maintain their respective pro rata shareholdings in the Company, these methods require additional time and incur higher costs. The fund raising activities including an open offer and a right issue require preparing extensive underlying legal documents (including underwriting agreement, circular and prospectus documents) resulting in a longer period of documents vetting process, scheduling shareholders' meeting and mandating a minimum acceptance period of 10 to 15 business days, and hence will require additional time to complete (at least three to four months to complete) as compared with the Loan Capitalisation (around two to three months to complete). In addition, the Company will incur higher costs to conduct fund raising activities including an open offer and a right issue (around HK$2 million) due to additional printing fees (due to additional prospectus documents), legal/documentation expenses (higher legal fees due to longer transaction period) and additional services fees of other professional parties including underwriter, branch share registrar of the Company in Hong Kong as receiving agent and auditors of the Company for preparation of relevant financial information in the relevant listing documents as compared with the Loan Capitalisation (around HK$1 million). Moreover, finding an underwriter willing to underwrite any unsubscribed Shares with a significant fund-raising size is difficult, given the net liabilities position and poor financial performance of the Group. Taking into account (i) the Group's financial position; (ii) the substantial size of the Debts; (iii) the overall downward trajectory of the Share price since 5 September 2025 as discussed in the section headed "Historical closing prices of the Shares" below; and (iv) the thin trading volume of the Shares as discussed in the section headed "Average daily trading volume of the Shares" below, we consider that it would be difficult for the Group to raise funds of a comparable scale through a placing or a rights issue/open offer, or it might necessitate a deeper discount to attract potential investors.

Having considered the above, we concur with the Directors that the Loan Capitalisation in the interest of the Company and the Shareholders as a whole. It is an appropriate way to alleviate the financial burden faced by the Company.

4. Assessment of the Subscription Price

The Subscription Price of HK$0.365 represents:

(i) a premium of approximately 10.61% to the closing price of HK$0.33 per Share as quoted on the Stock Exchange on the Latest Practicable Date;

(ii) a discount of approximately 20.65% to the closing price of HK$0.46 per Share as quoted on the Stock Exchange on 17 June 2026, being the last trading date prior to signing of the Subscription Agreements on 17 June 2026 (the "**Last Trading Date**");

(iii) a discount of approximately 20.13% to the average closing price of HK$0.457 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the Last Trading Date;

(iv) a discount of approximately 22.30% to the average closing price of HK$0.474 per Share as quoted on the Stock Exchange for the last ten consecutive trading days immediately prior to the Last Trading Date; and

(v) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of approximately 9.74%, represented by the theoretical diluted price of approximately HK$0.415 per Share to the benchmarked price of approximately HK$0.46 per Share (as defined under Rule 7.27B of the Listing Rules, taking into account the higher of (i) the closing price of the Shares as quoted on the Stock Exchange on the date of the Subscription Agreements of HK$0.46 per Share; and (ii) the average closing price of the Shares as quoted on the Stock Exchange for the five consecutive trading days immediately prior to the date of the Subscription Agreements of HK$0.457 per Share).

The Subscription Price was determined after arm's length negotiations between the Company and the Subscribers with reference to (i) the recent and historical market prices of the Shares; (ii) the outstanding amount of the Debts; (iii) the market conditions, which suggest that it would be difficult for the Company to pursue sizeable equity financing alternative in the stock market; and (iv) the financial position of the Group, having considered that the audited net liabilities of the Group of approximately RMB273,833,000 as at 31 December 2025.

With respect to market conditions, the determination of the Subscription Price was influenced by the lack of viable fundraising alternatives for the Group. As discussed in the section headed "3. Reasons and benefits for the Subscriptions", for a company in a net liability position with ongoing legal disputes, securing a standard placing, rights issue, or open offer would require offering a deep discount to attract third-party investors. As for debt financing, the Company has discussed with two banks and one financial institution with a view to obtaining debt financing, but either received no feedback or was rejected.

(i) Historical closing prices of the Shares

We have reviewed the daily closing prices of the Shares during the period from 17 June 2025 up to and including the Last Trading Date (the "**Review Period**"), being a one-year period. We consider that the Review Period is sufficient and representative to reflect the general market sentiment, and effectively illustrates the historical trend and price movement of the Shares.

As shown above, the closing price of the Shares was above the Subscription Price at all times during the Review Period, ranging from HK$0.40 per Share on 27 June 2025 to HK$1.28 per Share on 5 September 2025. In other words, the discounts of the Subscription Price to the closing prices of the Shares ranged from approximately 8.8% to 71.5% during the Review Period.

The closing price of the Shares surged from the lowest of HK$0.40 per Share on 27 June 2025 to the peak of HK$1.28 per Share on 5 September 2025. Based on our review of the Company's announcements published on the website of the Stock Exchange, save for the acquisition (the "**Acquisition**") of Zhejiang Kangyuan Medical Equipment Co., Ltd announced in April 2025, we are not aware of any specific information that might have caused such a surge in the closing price of the Shares, particularly given that the Group's financial performance and position showed no signs of improvement, as disclosed in the Company's interim results published on 8 August 2025.

Subsequently, the closing prices of the Shares embarked on an overall downward trajectory. Although the Acquisition was approved by the Shareholders on 15 January 2026 and completed on 25 March 2026, the closing price of the Shares did not reverse its downward trend. There remains uncertainty as to whether Zhejiang Kangyuan Medical Equipment Co., Ltd. will be able to achieve the profit forecast made at the time of the Acquisition.

The Share price closed at HK$0.46 per Share on the Last Trading Date, to which the Subscription Price represents a discount of approximately 20.65%. Please refer to the subsection headed "(iv) Comparable transactions" below for our further analysis of the discounts represented by the Subscription Price to the prevailing Share price.

(ii) Average daily trading volume of the Shares

The following table sets out the average daily trading volume of the Shares for each month or period and the percentages of such average daily trading volume to the total number of Shares in issue and held by the public during the Review Period:

	Number of trading days	Approximate average daily trading volume	Approximate percentage of average daily trading volume to total number of Shares in issue	Approximate percentage of average daily trading volume to total number of Shares held by the public
2025				
From 17 June to 30 June	10	317,440	0.0471%	0.1883%
July	22	2,061,386	0.3057%	1.2227%
August	21	1,164,536	0.1727%	0.6907%
September	22	2,830,030	0.4197%	1.6786%
October	20	885,143	0.1313%	0.5250%
November	20	215,198	0.0319%	0.1276%
December	21	326,717	0.0485%	0.1938%
2026				
January	21	348,907	0.0517%	0.2070%
February	17	255,003	0.0378%	0.1513%
March	22	175,743	0.0185%	0.0396%
April	19	257,221	0.0271%	0.0580%
May	19	334,634	0.0353%	0.0755%
From 1 June to 17 June	13	209,996	0.0221%	0.0474%

The average daily trading volume for the respective month or period during the Review Period ranged from approximately 175,743 Shares in March 2026 to approximately 2,830,030 Shares in September 2025, representing approximately 0.0185% to 0.4197% of the total number of the Shares in issue and approximately 0.0396% to 1.6786% of the total number of the Shares held by the public, respectively.

The thin trading liquidity of the Shares during the Review Period suggests that when the Company explores substantial equity financing in the stock market, potential investors are likely to seek more significant incentives, including a substantial discount on the subscription price relative to the prevailing market price of the Shares, to encourage their participation in these fundraising activities. As such, we consider that it is reasonable for the Subscription Price to be set at a discount to the prevailing historical closing prices of the Shares to balance the low liquidity of the Shares during the Review Period.

(iii) Comparable companies

Given that the Group has recorded net loss for FY2025, remains in a net liability position as at 31 December 2025, and has experienced significant fluctuations in its revenue during the three years ended 31 December 2025, we consider that the commonly used valuation multiples, such as price-to-earnings (P/E), price-to-book (P/B), and price-to-sales (P/S) ratios, are not applicable to the Company. Accordingly, we have not conducted a comparable company analysis.

(iv) Comparable transactions

In order to further assess the fairness and reasonableness of the Subscription Price, we have reviewed recent market practices involving subscription of new shares for debt capitalisation which (a) were announced by the companies listed on the Main Board of the Stock Exchange during the Review Period; and (b) have been completed as at the Last Trading Date. We have identified an exhaustive list of 10 transactions (the "**Comparable Transactions**"). We consider that the aforesaid review period of approximately one year is adequate and appropriate to (a) capture the recent market practice involving subscription of new shares for debt capitalisation under the prevailing market conditions; and (b) provide a sufficient sample for comparison with the Subscriptions. As illustrated in the table below, save for BGMC International Limited, the discounts of the loan capitalisations for Alpha Professional Holdings Limited, China Qidian Guofeng Holdings Limited, and China Kingstone Mining Holdings Limited, which did not involve connected persons, were higher than those of other loan capitalisations involving connected persons. This may be attributable to the fact that independent creditors require greater discount incentives compared to connected persons. Nevertheless, we did not exclude these non-connected loan capitalisations from the Comparable Transactions, as they also reflect the general fair market discounts required by listed companies to successfully capitalise outstanding loans under prevailing market conditions. Market capitalisation was not included as one of the selection criteria, given that, as shown in the table below, there is no distinct correlation between the premiums/discounts and the market capitalisations of the companies.

The details of the Comparable Transactions are set out below:

Date of announcement	Company name (stock code)	Subscription size *(HK$ million)*	Net asset/ liability value *(HK$ million) (Note 2)*	Market capitalisation *(HK$ million) (Note 3)*	Connected transaction	Premium/ (discount) of the subscription price to the closing price on the last trading date prior to signing of the subscription agreement *(%)*	Premium/ (discount) of the subscription price to average closing price for the last five trading days prior to the date of the subscription agreement *(%)*	Premium/ (discount) of the subscription price to average closing price for the last ten trading days prior to the date of the subscription agreement *(%)*
5 March 2026	China HK Power Smart Energy Group Limited (931)	260.00	314.05	2,676.84	Y	0.00	(0.27)	(2.17)
12 February 2026	Alpha Professional Holdings Limited (948)	9.80	(94.32)	124.50	N	(15.15)	(20.68)	(22.01)
6 January 2026	China Qidian Guofeng Holdings Limited (1280)	5.61	220.28	6,508.57	N	(15.73)	(15.63)	(17.99)
31 December 2025/6 January 2026	BGMC International Limited (1693) *(Note 1)*	86.25	(17.62)	87.10	N	6.68	0.00	6.50
28 November 2025	Central Development Holdings Limited (475)	35.00	(20.45)	171.01	Y	(3.61)	(8.05)	(8.68)
31 October 2025	JX Energy Ltd. (3395)	63.00	(164.17)	184.86	Y	(1.64)	(1.32)	(2.60)
24 October 2025	Chuanglian Holdings Limited (2371)	36.00	158.79	236.33	Y	8.57	9.20	7.65
25 August 2025	New Concepts Holdings Limited (2221) *(Note 1)*	10.00	377.66	160.83	Y	13.64	14.94	12.36
24 June 2025	China Kingstone Mining Holdings Limited (1380)	2.41	87.59	63.22	N	(9.09)	(10.24)	(5.40)

Date of announcement	Company name (stock code)	Subscription size *(HK$ million)*	Net asset/ liability value *(HK$ million) (Note 2)*	Market capitalisation *(HK$ million) (Note 1)*	Connected transaction	Premium/ (discount) of the subscription price to the closing price on the last trading date prior to signing of the subscription agreement *(%)*	Premium/ (discount) of the subscription price to average closing price for the last five trading days prior to the date of the subscription agreement *(%)*	Premium/ (discount) of the subscription price to average closing price for the last ten trading days prior to the date of the subscription agreement *(%)*
18 June 2025	New City Development Group Limited (456)	13.85	327.94	64.28	Y	(4.95)	(7.53)	(12.99)
	Minimum					(15.73)	(20.68)	(22.01)
	Maximum					13.64	14.94	12.36
	Average					(2.13)	(3.96)	(4.53)
	Median					(2.63)	(4.43)	(4.00)
17 June 2026	**The Company**	**309.36**	**(314.75)**	**436.54**	**Y**	**(20.65)**	**(20.13)**	**(22.30)**

Notes:

1. BGMC International Limited announced two debt capitalisations on 31 December 2025 and 6 January 2026, respectively, both of which were priced based on the average closing price for the last five consecutive trading days prior to the date of the respective subscription agreement. Given the close proximity in timing and the identical pricing basis, we have aggregated these two transactions and adopted their average premium for the purpose of our analysis.

2. Based on the latest published financial results prior to the date of the subscription agreements.

3. Based on the closing price and number of issued shares as at the date of the subscription agreements.

We note that:

(a) the discount of approximately 20.65% to the closing price on the Last Trading Date exceeds the maximum discount of 15.73% among the Comparable Transactions;

(b) the discount of approximately 20.13% to the 5-day average closing price prior to the Last Trading Date falls within the range of the Comparable Transactions (which spans from a discount of 20.68% to a premium of 14.94%) and is at the deeper end of the range; and

(c) the discount of approximately 22.30% to the 10-day average closing price prior to the Last Trading Date is slightly deeper than the maximum discount of 22.01% among the Comparable Transactions.

Although the discounts represented by the Subscription Price are slightly higher than or close to the maximum discounts of the Comparable Transactions, we consider that such discounts and the Subscription Price are fair and reasonable. This is primarily because such discounts reflect the Group's imminent need to deleverage amid continuous net losses and its net liability position. As discussed in the section headed "1. Background of the Group" above, the Group's finance costs remained high at RMB28.8 million, RMB31.5 million, and RMB27.8 million for FY2023, FY2024, and FY2025, respectively, which exceeded the gross profit generated by the business. The Loan Capitalisation will eliminate approximately 59.38% of the Group's total debt, effectively reduces the debt-to-assets ratio from 129.29% to 52.52%. As illustrated in table above, the Company has both the largest scale of net liabilities and the largest amount of debt to be capitalised among all the subject companies of the Comparable Transactions. Given that the Loan Capitalisation involves no cash outflow and will immediately alleviate the Group's heavy finance costs, the Loan Capitalisation is in the interest of the Company and its Independent Shareholders as a whole.

OPINION AND RECOMMENDATION

In arriving at our opinion and recommendation, we have considered the principal factors and reasons as discussed above and in particular the following:

- There are material uncertainties which may cast significant doubt about the Group's ability to continue as a going concern.

- 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.

- 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. The Group assumed contingent liabilities of approximately RMB133.0 million due to financial guarantee contracts.

- The Group is not able to raise funds effectively through debt financing, placing, rights issue and open offer as discussed in the section headed "Reasons and benefits for the Subscription".

- The parties to the Subscription Agreements and the Company agreed that the interest under the Debts would only be accrued up to the date of the Subscription Agreements and would not be accrued further, thereby further reducing the financial burden of the Company.

- The Subscription Price is fair and reasonable after considering the following:

  - the thin trading liquidity of the Shares during the Review Period; and

  - although the discounts represented by the Subscription Price are slightly higher than or close to the maximum discounts of the Comparable Transactions, this is primarily because such discounts reflect the Group's imminent need to deleverage amid continuous net losses and its net liability position. The Company has both the largest scale of net liabilities and the largest amount of debt to be capitalised among all the subject companies of the Comparable Transactions.

- Given that the Loan Capitalisation involves no cash outflow and will immediately alleviate the Group's heavy finance costs, the Loan Capitalisation is in the interest of the Company and its Independent Shareholders as a whole.

Based on the above, we consider that the Subscriptions are on normal commercial terms, and the Subscriptions and the Specific Mandate are fair and reasonable so far as the Independent Shareholders are concerned. We also consider that the Subscriptions and the Specific Mandate are in the interests of the Company and the Independent Shareholders as a whole. Accordingly, we advise the Independent Board Committee to recommend, and we ourselves recommend, the Independent Shareholders to vote in favour of the resolutions to be proposed at the EGM.

Yours faithfully,
For and on behalf of
Rainbow Capital (HK) Limited
Larry Choi
Managing Director

Mr. Larry Choi is a licensed person and a responsible officer of Rainbow Capital (HK) Limited registered with the Securities and Futures Commission to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO. He has over 10 years of experience in the corporate finance industry.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

(i) Directors and Chief Executive of the Company

Save as disclosed below, as at the Latest Practicable Date, none of the Directors and chief executives of the Company had any interest or short position in the Shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register of the Company referred to therein; or (iii) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, to be notified to the Company and the Stock Exchange.

Name of Director/ Chief Executive	Personal Interests	Corporate Interests	Family Interests	Approximate percentage of the issued Shares *(Note 3)*
Chin Yu	273,333	303,925,563 *(Note 1)*		32.06%
Fifth Subscriber	–	303,925,563 *(Note 1)*	273,333 *(Note 2)*	32.06%

Note 1: An aggregate of 303,925,563 shares of the Company are beneficially owned by the First Subscriber. Fifth Subscriber and Ms. Chin Yu are the controlling shareholders of First Subscriber.

Note 2: Ms. Chin Yu owns 273,333 shares of the Company. Ms. Chin Yu is the spouse of the Fifth Subscriber.

Note 3: The percentage is calculated on the basis of 948,997,694 Shares in issue as at the Latest Practicable Date.

(ii) Substantial Shareholders

Save as disclosed below, as at the Latest Practicable Date, so far as was known to the Directors or chief executive of the Company, none of the shareholders (other than Directors or chief executive of the Company) who had, or was deemed to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO, or which were required to be recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

Name of Director/ Chief Executive	Personal Interests	Corporate Interests	Family Interests	Approximate percentage of the issued Shares
First Subscriber	303,925,563	–	–	32.03%
Second Subscriber *(Note 1)*	170,000	–	–	0.02%
Shum Ning	–	170,000	54,762,300	5.77%
Ieong Chong Mang	54,762,300	–	170,000	5.77%
Ieong Iat	146,520,146	–	–	15.44%

Note 1: The Second Subscriber is a company wholly-owned by Shum Ning ("**Ms. Shum**"), who is the beneficial owner as to 170,000 Shares. Ieong Chong Mang ("**Mr. Ieong**") is the beneficial owner as to 54,762,300 Shares (representing approximately 5.77% of the entire issued share capital as at the Latest Practicable Date). Ms. Shum is the spouse of Mr. Ieong. Under the SFO, Ms. Shum is deemed to be interested in all the shares and underlying shares in which Mr. Ieong is interested in and vice versa.

3. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered or was proposing to enter into a service contract with any member of the Group which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

4. COMPETING INTERESTS

As at the Latest Practicable Date, to the best knowledge and belief of the Directors after having made all reasonable enquiries, none of the Directors and their respective close associates had an interest in a business, which competes or may compete with the businesses of the Company and any other conflicts of interest which any such person has or may have with the Company which would be required to be disclosed under Rule 8.10 of the Listing Rules.

5. DIRECTORS' INTERESTS IN ASSETS

None of the Directors had any direct or indirect interest in any assets which had been acquired or disposed of by or leased to any member of the Group or proposed to be so acquired, disposed of or leased to any member of the Group since 31 December 2025, being the date to which the latest published audited accounts of the Company were made up, and up to the Latest Practicable Date.

6. DIRECTORS' INTERESTS IN CONTRACTS/ARRANGEMENTS

Save for the Subscription Agreements as disclosed in this circular, none of the Directors is materially interested in any contract or arrangement entered into by the Company or any of its subsidiaries which contract or arrangement is subsisting at the Latest Practicable Date and which is significant in relation to the business of the Group taken as a whole.

7. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, to the best knowledge of the Directors, the Directors confirm that there were no material adverse changes in the financial or trading position of the Group since 31 December 2025, being the date to which the latest published audited consolidated accounts of the Group were made up.

8. QUALIFICATION AND CONSENT OF EXPERT

The following is the qualification of the expert who has given opinion or advice, which are contained or referred to in this circular:

Name	Qualification
Rainbow Capital	A licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO

Rainbow Capital has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter and references to its name in the form and context in which it appears.

As at the Latest Practicable Date, Rainbow Capital did not have any beneficial shareholding in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities of any member of the Group.

As at the Latest Practicable Date, the expert statement made by Rainbow Capital was made for incorporation in this circular.

As at the Latest Practicable Date, Rainbow Capital did not have any direct or indirect interest in any assets which had been acquired or disposed of by or leased to any member of the Group or proposed to be so acquired or disposed of or leased since 31 December 2025, being the date to which the latest published audited accounts of the Company were made up, and up to the date of this circular.

9. DOCUMENTS ON DISPLAY

Copies of the Subscription Agreements will be published on the websites of the Stock Exchange (http://www.hkexnews.hk) and the Company (www.ntpharma.com) for a period of 14 days from the date of this circular up to and including the date of EGM.

10. MISCELLANEOUS

The English text of this circular shall prevail over its Chinese text in case of inconsistency.

中国泰凌医药集团
CHINA NT PHARMA GROUP

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1011)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the "**Meeting**") of China NT Pharma Group Company Limited (the "**Company**") will be held on Friday, 28 August 2026, 11 a.m. at Unit 2102, 21/F, West Tower, Shun Tak Centre, 168–200 Connaught Road Central, Hong Kong for the purpose of considering and, if thought fit, passing with or without amendments, the following resolutions of the Company:

ORDINARY RESOLUTIONS

1. "**THAT**, subject to the fulfilment of the terms and conditions set out in (i) the subscription agreement dated 17 June 2026 (the "**First Subscription Agreement**", copy of which has been produced to this meeting marked "A" and initialed by the Chairman for the purpose of identification) entered into between the Company and Golden Base Investment Limited, a company incorporated in the British Virgin Islands with limited liability (the "**First Subscriber**"), pursuant to which the Company has conditionally agreed to allot and issue to First Subscriber, and First Subscriber has conditionally agreed to subscribe for, 452,846,627 new Shares (the "**First Subscription Shares**") at the Subscription Price of HK$0.365 per Subscription Share for a total consideration of HK$165,289,018.86, which shall be satisfied by way of offsetting the debt in the aggregate outstanding amount of HK$165,289,018.90 owed by the Company to the First Subscriber as at 17 June 2026; (ii) the subscription agreement dated 17 June 2026 (the "**Second Subscription Agreement**", copy of which has been produced to this meeting marked "B" and initialed by the Chairman for the purpose of identification) entered into between the Company and Annie Investment Co., Ltd, a company incorporated in the British Virgin Islands with limited liability (the "**Second Subscriber**"), pursuant to which the Company has conditionally agreed to allot and issue to Second Subscriber, and Second Subscriber has conditionally agreed to subscribe for, 250,849,772 new Shares (the "**Second Subscription Shares**") at the Subscription Price of HK$0.365 per Subscription Share for a total consideration of HK$91,560,166.78, which shall be satisfied by way of offsetting the debt in the aggregate amount of HK$91,560,166.91 owed by the Company to the Second Subscriber as at 17 June 2026; (iii) the subscription agreement dated 17 June 2026 (the "**Third Subscription Agreement**", copy of which has been produced to this meeting marked "C" and initialed by the Chairman for the purpose of identification) entered into between the Company and Mr. Ng Andy Ching Kit, the son of Mr. Ng Tit (the "**Third Subscriber**"), pursuant to which the Company has conditionally agreed to allot and issue to Third Subscriber, and Third Subscriber has conditionally agreed to

subscribe for, 15,190,793 new Shares (the "**Third Subscription Shares**")at the Subscription Price of HK$0.365 per Subscription Share for a total consideration of HK$5,544,639.45, which shall be satisfied by way of offsetting the debt in the aggregate amount of HK$5,544,639.61 owed by the Company to the Third Subscriber as at the date of 17 June 2026; (iv) the subscription agreement dated 17 June 2026 (the "**Fourth Subscription Agreement**", copy of which has been produced to this meeting marked "D" and initialed by the Chairman for the purpose of identification) entered into between the Company and Ms. Ng Anna Ching Mei (the "**Fourth Subscriber**"), an executive Director and the daughter of Mr. Ng Tit, pursuant to which the Company has conditionally agreed to allot and issue to Fourth Subscriber, and Fourth Subscriber has conditionally agreed to subscribe for, 48,418,483 new Shares (the "**Fourth Subscription Shares**") at the Subscription Price of HK$0.365 per Subscription Share for a total consideration of HK$17,672,746.30, which shall be satisfied by way of offsetting the debt in the aggregate amount of HK$17,672,746.46 owed by the Company to Fourth Subscriber as at the date of 17 June 2026; (v) the subscription agreement dated 17 June 2026 (the "**Fifth Subscription Agreement**", copy of which has been produced to this meeting marked "E" and initialed by the Chairman for the purpose of identification) entered into between the Company and Ms. Ng Tit (the "**Fifth Subscriber**"), pursuant to which the Company has conditionally agreed to allot and issue to Fifth Subscriber and Fifth Subscriber has conditionally agreed to subscribe for, 4,750,009 new Shares (the "**Fifth Subscription Shares**")at the Subscription Price of HK$0.365 per Subscription Share for a total consideration of HK$1,733,753.29, which shall be satisfied by way of offsetting the debt in the aggregate amount of HK$1,733,753.42 owed by the Company to Fifth Subscriber as at the date of 17 June 2026; (vi) the subscription agreement dated 17 June 2026 (the "**Sixth Subscription Agreement**", copy of which has been produced to this meeting marked "F" and initialed by the Chairman for the purpose of identification) entered into between the Company and Mr. Wong Kim Shan (the "**Sixth Subscriber**"), pursuant to which the Company has conditionally agreed to allot and issue to the Sixth Subscriber, and the Sixth Subscriber has conditionally agreed to subscribe for, 41,095,890 new Shares (the "**Sixth Subscription Shares**") at the Subscription Price of HK$0.365 per Subscription Share for a total consideration of HK$14,999,999.85, which shall be satisfied by way of offsetting the debt in the aggregate amount of HK$15,000,000 owed by the Company to Sixth Subscriber as at the date of 17 June 2026; (vii) the subscription agreement dated 17 June 2026 (the "**Seventh Subscription Agreement**", copy of which has been produced to this meeting marked "G" and initialed by the Chairman for the purpose of identification, together with First Subscription Agreement, Second Subscription Agreement, Third Subscription Agreement, Fourth Subscription Agreement, Fifth Subscription Agreement and Sixth Subscription Agreement, the "**Subscription Agreements**") entered into between the Company and Hangzhou Aisi Life Technology Co., Ltd. (the "**Seventh Subscriber**", together with First Subscriber, Second Subscriber, Third Subscriber, Fourth Subscriber, Fifth Subscriber and Sixth Subscriber, the "**Subscribers**"), pursuant to which the Company has conditionally agreed to allot and issue to the Seventh Subscriber, and the Seventh Subscriber has conditionally agreed to subscribe for, 34,414,318 new Shares (the "**Seventh Subscription Shares**", together with First Subscription Shares, Second Subscription Shares, Third Subscription Shares, Fourth Subscription Shares, Fifth Subscription Shares and Sixth Subscription Shares, the "**Subscription Shares**") at the Subscription Price of HK$0.365 per Subscription Share for a total consideration of HK$12,561,226.07, which shall be satisfied by way of offsetting the debt in the aggregate amount of HK$12,561,226.03 owed by the Company to the Seventh Subscriber as at the date of 17 June 2026:

(a) the Subscription Agreements and the matters contemplated thereunder be and are hereby approved, confirmed and ratified;

(b) all the transactions contemplated under the Subscription Agreements, including but not limited to the specific mandate to allot and issue the Subscription Shares by the Company to the Subscribers pursuant to the Subscription Agreements, be and are hereby approved and the Directors be and are hereby authorised to allot and issue the Subscription Shares to the Subscribers pursuant to the Subscription Agreements; and

(c) any one or more of the Directors be and is/are hereby authorised to do all such acts and things and execute all such documents which he/she/they consider necessary, desirable or expedient for the purpose of, or in connection with the implementation of and giving effect to the Subscription Agreements and the transactions contemplated thereunder."

2. "**THAT** CCTH CPA Limited be and is hereby appointed as the auditor of the Company to fill the casual vacancy following the retirement of Moore CPA Limited, with effect from the passing of this resolution, to hold office until the conclusion of the next annual general meeting of the Company, and that the board of directors of the Company be and is hereby authorised to fix their remuneration."

Yours faithfully,
For and on behalf of
China NT Pharma Group Company Limited
Ng Tit
Chairman of the Board

Hong Kong, 10 August 2026

Notes:

1. A member entitled to attend and vote at the Meeting is entitled to appoint one or more proxy to attend and, subject to the provisions of the articles of association of the Company, to vote on his/her/its behalf. A proxy need not be a member of the Company but must be present in person at the Meeting to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.

2. A form of proxy for use at the Meeting is enclosed. Whether or not you intend to attend the Meeting in person, you are encouraged to complete and return the enclosed form of proxy in accordance with the instructions printed thereon. Completion and return of a form of proxy will not preclude a member from attending in person and voting at the Meeting or any adjournment thereof, should he/she/it so wish.

3. In order to be valid, the form of proxy, together with a power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority must be deposited at 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, not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof.

4. The register of members of the Company will be closed from 25 August 2026 to 28 August 2026 (both days inclusive), during which period no transfer of shares will be effected. In order to qualify for the entitlement to attend and vote at the above meeting, all 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, not later than 4:30 p.m. on 24 August 2026 for registration.

5. If typhoon signal No. 8 or above, or a "black" rainstorm warning is in effect any time after 7:00 a.m. on the date of the Meeting, the meeting will be postponed. The Company will publish a circular on the website of the Company at https://www.ntpharma.com and on the Stock Exchange website at http://www.hkexnews.com to notify shareholders of the Company of the date, time and place of the rescheduled meeting.

6. As at the date hereof, the Board comprised:

   Executive Directors:
   Mr. Ng Tit *(Chairman)*
   Ms. Ng Anna Ching Mei

   Non-executive Directors:
   Dr. Qian Wei
   Ms. Chin Yu
   Mr. Lou Yongbin

   Independent non-executive Directors:
   Mr. Yu Tze Shan Hailson
   Mr. Kwok Che Chung
   Dr. Zhao Yubiao