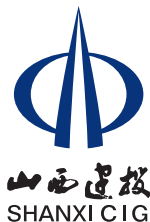


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華控康泰集團有限公司

Kontafarma China Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1312)

POSITIVE PROFIT ALERT

This announcement is made by Kontafarma China Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on a preliminary assessment of the latest unaudited consolidated management accounts of the Group for the six months ended 30 June 2023 (the “**Period**”), the Group is expected to record a consolidated net profit for the Period of approximately HK\$17.1 million to HK\$25.7 million, compared to the Group’s consolidated net loss of approximately HK\$35.1 million for the six months ended 30 June 2022 (after consolidating the Group’s loss after tax from continuing operations of approximately HK\$67.5 million and profit after tax from discontinued operation of approximately HK\$32.4 million for the six months ended 30 June 2022).

The Board considers that the turnaround in profit of the Group’s results from continuing operations for the Period was primarily attributable to (i) a one-off gain on disposal of subsidiaries by the Group of not less than HK\$105.0 million during the Period; (ii) the increase in revenue and gross profit from fitness business in Singapore following the lifting of COVID-19 control measures; and (iii) the effectiveness of the cost control measures adopted by the Group in its business operations.

The information in this announcement is based on a preliminary assessment by the management of the Company according to the unaudited consolidated management accounts of the Group for the Period. Such information has not been finalised, audited or reviewed by the Company's independent auditor, and has not been confirmed by the audit committee of the Board. Shareholders and potential investors are advised to refer to the details in the results announcement of the Company for the Period, which is expected to be published on or around 30 August 2023. There may be changes or adjustments following review of the unaudited management accounts by the independent auditor of the Company.

Shareholders and potential investors should exercise caution when dealing in the shares or other securities of the Company.

By order of the Board of
Kontafarma China Holdings Limited
Bai Pingyan
Chairman

Hong Kong, 11 August 2023

As at the date of this announcement, the Board comprises four executive directors, namely Mr. Bai Pingyan (Chairman), Mr. Chai Hongjie, Mr. Huang Yu (President) and Mr. Jiang Chaowen (Chief Executive Officer); and three independent non-executive directors, namely Mr. Chan Sze Chung, Mr. Zhang Ruibin and Mr. Zhang Junxi Jack.