中国泰凌医药集团
CHINA NT PHARMA GROUP

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

SUPPLEMENTAL ANNOUNCEMENT TO THE ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 AND INTERIM REPORT FOR THE SIX MONTHS ENDED 30 JUNE 2025

Reference is made to the annual report (the "**Annual Report**") for the year ended 31 December 2024 and the interim report (the "**Interim Report**") for the six months ended 30 June 2025 published by China NT Pharma Group Company Limited (the "**Company**", together with its subsidiaries, the "**Group**"). Unless otherwise defined, capitalised terms used in this announcement shall have the same meaning as those defined in the Announcements.

In addition to the information disclosed in the Annual Report and Interim Report, the board of directors of the Company (the "**Board**") would like to provide to the shareholders of the Company and the potential investors with the following supplementary information.

The Group is a diversified pharmaceutical company with nearly a decade of experience in the orthopedic health field, possessing extensive management expertise and a strong medical network. To adapt to the ever-changing market environment and the widespread application of artificial intelligence in healthcare, the Board has carefully considered transforming the company into a high-tech medical enterprise driven by artificial intelligence.

The Group has implemented a series of plans and measures to accelerate the restructuring and adjustment of its businesses by FY2024 and has formulated a future development strategy.

THE PRIMARY GOAL OF OUR FUTURE DEVELOPMENT STRATEGY IS TO FOCUS ON THE CORE DEVELOPMENT OF "TESTING, TREATMENT, AND REHABILITATION" IN THE FIELD OF BONE HEALTH, AND BUILDING A FULL-CYCLE INTELLIGENT HEALTH ECOSYSTEM SERVICE PLATFORM

China's aging population is driving the growth of the orthopedic market, bringing broad prospects and opportunities to the industry. The Group is committed to seizing the opportunities presented by new national orthopedic development initiatives and the advancement of artificial intelligence. Reallocating core resources to our transformation strategy, focusing on developing a full-cycle intelligent healthcare ecosystem platform for bone health in the PRC, covering the entire process of "testing, treatment and rehabilitation", is the right decision to ensure the Group's continued business development. This platform include (i) the testing business, which operate an artificial intelligence (AI) bone health diagnostic screening business in China through acquisition of the PRC Operating Company for the promoting and distributing of the AI X-Ray Bone Density System and Portable AI X-Ray Device; (ii) the treatment business, which mainly involves acting as a sales agent for orthopedic drugs such as "Teriparatide" and orthopedic health products; and (iii) the health rehabilitation business, which focuses on providing digital healthcare services and rehabilitation management solutions to corporate clients and medical institutions. This comprehensive strategy enables us to provide end-to-end solutions in the bone health field, forming a complete closed loop from advanced detection and diagnosis to effective treatment and health management.

PROGRESS ON THE BONE HEALTH "TESTING" BUSINESS

Reference is made to the Company's announcements dated 28 April 2025 and 29 April 2025 regarding the acquisition of issued shares of a certain company to establish and operate an artificial intelligence bone health diagnostic screening business in China through a PRC Operating Company. The current business scope includes two products: (i) AI X-Ray Bone Density System and (ii) Portable AI X-Ray Device.

(i) AI X-Ray Bone Density System

This product is currently the only AI-powered bone density analysis system in China compatible with any brand of digital radiography (DR) equipment (a technology that digitizes traditional X-ray images). It can be widely used for screening, accurate diagnosis, and dynamic monitoring of osteoporosis and related diseases. Possessing multiple exclusive patents and intellectual property rights, it is the sole designated bone density testing product for large-scale disease epidemiological surveys, boasting advantages such as high accuracy, low radiation exposure, rapid report generation, and low cost.

Driven by the accelerating global trend of population aging, the X-ray robot market is expected to experience continued growth. According to data from the World Health Organization, the number and proportion of the population aged 60 and above are continuously rising. Common conditions in the elderly, such as osteoarthritis and osteoporosis, can be diagnosed using X-ray equipment. Regular X-ray diagnostic examinations help assess the evolution of joint or bone damage, functional changes, or identify the development of complications. These systems can autonomously adjust the X-ray dose and imaging angle based on individual characteristics such as the patient's age, gender, and physiological condition, thereby optimizing diagnostic accuracy while minimizing radiation exposure.

The PRC Operating Company assembles and manufactures complete all-in-one products using some outsourced customized machine parts and its own proprietary artificial intelligence patented software in its own factory. Then, the PRC Operating Company installs and uses the product in various medical institutions through distribution partnerships with nationwide distributors or through its sales team. Medical institutions charge users a standard fee per person per test, and subsequently pay the PRC Operating Company for the technical services provided, including testing and reporting. Based on the PRC Operating Company's operational experience, most service costs are fixed costs such as machine depreciation, and the unit cost is expected to gradually decrease as the number of tests increases.

Prior to the completion of the acquisition of the target company's equity, the Group had signed a nationwide agency sales and distribution agreement with PRC Operating Company. As the general agent for the product, the Group is authorized to actively promote the installation and use of the product in all provinces and cities across the country on behalf of PRC Operating Company, and to collect corresponding service fees from the China Operating Company based on the sales performance of the product.

(ii) Portable AI X-Ray Device

This product is a proprietary X-ray diagnostic device with a compact design, providing lighter, safer, and more efficient equipment for special scenarios such as ocean voyages, elderly care, medical care, various emergency rescue and disaster relief, military exercises, and island operations. Weighing only about 11 kilograms, it is extremely convenient to transport and carry, and can be quickly deployed in various complex environments. Notably, this product boasts excellent battery life, capable of continuously capturing over 150 images even in the event of a power outage. This fully meets the long-term usage needs in environments lacking stable power, such as in the field, ocean voyages, and remote areas, providing reliable support for the continuous operation of medical work.

The market size and trends of portable X-ray diagnostic device have seen significant growth. The irreversible trend of global population aging, coupled with advancements in digital imaging technology, has driven the widespread adoption of portable X-ray examinations, making them standard equipment in rural medical institutions and addressing the problem of access to healthcare in remote areas. The increasing demand for mobile X-ray diagnostic device is fueling market expansion. Furthermore, with the widespread deployment of 5G networks, this product can now achieve faster and more stable data transmission and large-scale digital model analysis. This technological breakthrough significantly improves the efficiency and quality of remote diagnosis, while extending medical support to underdeveloped areas with scarce medical resources.

The PRC Operating Company assembles the complete all-in-one machine using some outsourced, customized machine parts and its own proprietary AI patented software in its own factory. Then, through its sales team, the PRC Operating Company promotes the equipment to clients such as emergency response departments, shipbuilders, and community-level medical institutions, aiming to facilitate sales partnerships and supply. Customized designs and production plans are developed based on customer order requirements, and the equipment is delivered according to schedule.

Currently, the Zhejiang Provincial Food and Drug Administration has issued the medical device registration certificate and production license for the Portable AI X-Ray Device. The PRC Operating Company will soon officially start production and sales, with plans to launch the system and deliver it to customers in mid-to-late December 2025.

Providing comprehensive and systematic training to users after product launch can be costly, and regular equipment performance maintenance is also required. The Group plans to increase investment in equipment upgrades and technology research and development, while strengthening after-sales platform support services to mitigate potential risks when entering new markets.

PROGRESS ON THE BONE HEALTH "TREATMENT" PHARMACEUTICAL AND HEALTH PRODUCT BUSINESS

The Group will continue to leverage its existing online and offline channels to distribute and promote therapeutic drugs for bone health and osteoporosis, as well as related health products. This will ensure that the Group maintains and expands its strong sales and service performance in these therapeutic areas. The Group currently offers a variety of health products through various channels, including (i) acting as the sales agent of therapeutic drug Teriparatide for charging corresponding service fees, and (ii) selling health products online, such as FourM Type II Collagen Gel, FourM Vitamin D3 100 Drops, and NT Health Golden NMN.

(i) Teriparatide

This product is a therapeutic drug for osteoporosis, primarily working by stimulating bone matrix synthesis through activating osteoblast activity and regulating osteoclast function to improve bone metabolism in both directions.

The Group has entered into an exclusive marketing agreement for this product with a subsidiary of a Hong Kong-listed company in select provinces and cities in China. The Group will provide marketing services such as product promotion and patient follow-up.

The partner company manufactures the product in its own factory and then distributes it to medical institutions and pharmacies throughout the region. The Group, through its sales team, is responsible for providing product marketing and patient follow-up services to medical institutions and pharmacies within the designated area, and charges the partner company corresponding service fees based on the promotional results and targets achieved within the designated area.

The Group is also exploring similar marketing service partnerships with other companies to expand the distribution and promotion opportunities for the therapeutic drug and increase revenue streams.

(ii) Health Products

With the global population aging, the demand for health products is growing rapidly. Furthermore, the post-COVID-19 pandemic era has led to increased emphasis on health and immunity, further driving demand for related products. According to the latest research, the global health and functional product market grew by 20% in 2023, and the cross-border imported health product market is projected to reach tens of billions of yuan by 2025.

The Group are expanding our bone health product business, and e-commerce is a crucial channel for the Group to establish and promote its brand among consumers. Therefore, we are developing and selling several health products with exclusive trademarks and patents, including FourM Type II Collagen Gel, FourM Vitamin D3 100 Drops, and NT Health Gold NMN. These products are primarily functional health products that regulate bone health and activate cellular energy metabolism.

The Group operates several self-operated online stores on major Chinese e-commerce platforms such as Pinduoduo, Meituan, and Douyin, mainly for the direct sales of bone health products. After the Group commissions contract manufacturers to produce the health products, they are transported to a bonded warehouse in Guangzhou for storage. Consumers place orders online through e-commerce platforms, and the products are directly delivered to consumers via warehouse consignment.

The Group is also exploring the development of more bone health products and such collaboration opportunities, which could further expand the scale and revenue of this business.

PROGRESS ON THE BONE HEALTH "REHABILITATION" SMART HEALTH MANAGEMENT BUSINESS

In May 2025, the Group partnered with a Chinese State-Owned Company to launch the establishment of a smart health management center. Upon completion, this center will provide customized health management services to the state-owned company, requiring employees to undergo health checkups at the center at least once a year. It will also utilize tools such as a digital health record system to continuously track employee health and provide health-related information. Upon completion of these services, the Group will charge the state-owned company a service fee based on the number of checkups and health risk assessments performed. This business is expected to commence operations by the end of the first quarter of 2026.

Furthermore, in the fourth quarter of 2025, the Group entered into a collaboration with a Chinese Company, focusing on bone health and jointly developing a digital health service project. The collaboration includes producing engaging bone health education videos and related information to support the Chinese Company's market research and promotion plans in the bone health field. The Chinese Company will submit its requirements for developing bone health education videos and information. The Group will then produce and deliver the videos and information according to the Chinese Company's requirements within the stipulated timeframe. Upon completion of the service, the Group will charge the company a service fee based on the type of digital health service provided.

AFTER TWO TO THREE YEARS OF BUSINESS PREPARATION, THE GROUP HAS COMPLETED ITS COMPREHENSIVE NEW BUSINESS LAYOUT. IN THE FORESEEABLE FUTURE, THESE INNOVATIVE BUSINESSES WILL NOT ONLY ATTRACT A WIDER CUSTOMER BASE BUT ALSO BRING EXPECTED AND RELIABLE RETURNS TO THE GROUP. SIMULTANEOUSLY, TO ACHIEVE THE AFOREMENTIONED STRATEGIC PLAN, THE GROUP HAS ALSO MADE A SERIES OF ADJUSTMENTS AND RESTRUCTURINGS TO ITS BUSINESS OPERATIONS OVER THE PAST FISCAL YEARS.

(i) Disposal of the pharmaceutical manufacturing business

In 2020, the Group sold its orthopedic generic drug manufacturing assets to a Shanghai Stock Exchange A-share listed company and established a joint venture, Beijing Kangchen Biotechnology Co., Ltd. ("**Beijing Kangchen**"), in which the Group held a 40% equity stake, at the time. During the performance commitment period, the Group discussed with the major shareholder of Beijing Kangchen, a related party, outsourcing the product sales or distribution business of the joint venture to the Group. However, in 2024, after the major shareholder of Beijing Kangchen (whose major shareholder further acquired a portion of the equity in the joint venture, giving the Group a 25.3% equity stake) took over the joint venture, their intention was changed and adjusted, and the joint venture continued to operate independently. Therefore, the outsourcing plan was terminated.

In the first half of 2025, the Group received a proposal from the major shareholder of Beijing Kangchen to split the joint venture's assets and operate them independently. The Group immediately issued an announcement and dispatched a team to discuss the matter with the major shareholder. However, due to its own circumstances, the major shareholder of Beijing Kangchen subsequently unilaterally shelved the plan. The Group still hopes to fully withdraw its equity in the joint venture in the future, recover funds, and further reduce debt. The Group will disclose the progress of the disposal as soon as both parties reach a relevant consensus. For details, please refer to the "Voluntary Announcement" issued by the Group on May 12, 2025.

(ii) Termination of the pharmaceutical R&D business

The Group originally planned to begin research and development and commercialization of Orticumab, a drug for the treatment of cardiovascular diseases, in 2023, and planned to complete Phase II clinical trials in February 2024. However, due to uncontrollable objective factors, the project is no longer sustainable and is inconsistent with the Group's overall future development strategy and actions. Therefore, the Group has decided to terminate its cooperation with the licensor. For details, please refer to the "Supplementary Announcement to Termination of the Very Significant Acquisition and the Annual Report for the Year Ended 31 December 2023" issued by the Group on October 9, 2024.

(iii) Termination of other projects

The Group originally planned to enter into a cooperation agreement with a US-based Company, TMP, in 2023 to obtain exclusive distribution rights for its health products in Hong Kong and mainland China. Simultaneously, it also planned to cooperate with a Chinese Company, Beijing Bohui Technology Co., Ltd, to sell bone health products. However, due to geopolitical factors and changes in the equity and business strategies of its partners, the Group terminated the cooperation on the distribution of these health products in the first quarter of 2024.

In the same year, the Group also planned to apply for OEM production licenses for bone health drugs and to commercialize its self-developed traditional Chinese medicine heat patches for orthopedics in 2024. Later, due to new policies and regulations issued by the Hainan Provincial Government of China, which terminated the approval of all MAH (Marketing Authorization Holder) applications in the province, the Group had to terminate the development and production of the aforementioned products in Hainan Province in the third quarter of 2024.

Furthermore, the Group originally hoped to cooperate with Chinese In vitro Diagnostics (**IVD**) company to launch a bone metabolism testing project in Chinese medical institutions in 2024. However, during the project's progress, the project was suspended in the second quarter of 2024 because the partner's products did not obtain the necessary approvals from Chinese medical institutions. Both parties decided to wait for the relevant approvals before resuming cooperation.

(iv) Termination of related party business

In 2023, the Group entered into a market service partnership with Jing Mei Holdings Limited (owned by Ms. Ng, Anna Jingmei, daughter of Mr. Ng Tit, Executive Director of the Group), providing health industry analysis and support services and receiving related service fees. However, given that Ms. Ng, Anna Jingmei officially joined the Group as an executive director in January 2024, and to avoid potential related-party transactions and conflicts of interest, the Group, after careful consideration, decided to terminate the partnership with Jing Mei Holdings Limited. The Group have always adhered to the principles of openness, fairness, and impartiality, and strictly complied with relevant laws, regulations, and regulatory requirements to safeguard the legitimate rights and interests of all shareholders. The Group has successfully provided digital healthcare and health management services to other clients, replacing or mitigating the impact of terminating the partnership with Jing Mei Holdings Limited.

The Group has gradually completed the disposal of its heavy industrial assets and the adjustment and integration of its past fiscal year businesses, significantly reducing the company's debt burden. Adapting to the widespread application of artificial intelligence in the healthcare field and the new opportunities in the medical industry, the Group has clarified its strategic planning and development positioning. In the future, the Group will focus on building a full-cycle smart health ecosystem platform covering "testing, treatment, and rehabilitation" in the bone health field. The Board is confident in this and has made all necessary preparations for its continued development in the future.

The Company has been actively exploring new opportunities and possibilities with an aim to promote return to its shareholders. Announcement(s) will be made on the Group's development in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (where applicable) as and when appropriate.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
China NT Pharma Group Company Limited
NG TIT
Chairmen

Hong Kong, 24 November 2025

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

This announcement contains forward-looking statements that reflect the Company's beliefs, plans or expectations about the future or future events. These statements are based on a number of assumptions, current estimates and projections, and are subject to risks, uncertainties and factors which may be beyond control. Actual outcomes may differ. These statements is not, and shall not be, relied upon as any assurance or representation as to the future or as a representation or warranty otherwise. Neither the Company nor its directors, officers, employees, agents, affiliates, advisers or representatives assume any responsibility to update these statements or to adapt them to future events or developments or to provide supplemental information in relation thereto or to correct any inaccuracies.