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HONY MEDIA GROUP

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 419)

DISCLOSEABLE TRANSACTION – DISPOSAL OF A WHOLLY-OWNED SUBSIDIARY

THE SALE AND PURCHASE AGREEMENT

On 30 January 2026 (after trading hours), the Seller (as the vendor) and the Purchaser (as the purchaser) entered into the Sale and Purchase Agreement, pursuant to which (i) the Seller has agreed to dispose of, and the Purchaser has agreed to acquire, the Sale Shares; and (ii) the Seller has agreed to assign to the Purchaser, and the Purchaser has agreed to receive the assignment of, the Shareholder's Loan at an aggregate Consideration of HK$1.

Upon Completion, the Company will dispose its entire equity interest of the Target Company, and therefore the Target Company will cease to be a subsidiary of the Group. The Disposal Group's financial results, assets and liabilities will no longer be consolidated into the consolidated financial statements of the Group.

Completion took place on 30 January 2026 (after trading hours).

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Disposal exceeds 5% but is less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

INTRODUCTION

On 30 January 2026 (after trading hours), the Seller (as the vendor) and the Purchaser (as the purchaser) entered into the Sale and Purchase Agreement, pursuant to which (i) the Seller has agreed to dispose of, and the Purchaser has agreed to acquire, the Sale Shares; and (ii) the Seller has agreed to assign to the Purchaser, and the Purchaser has agreed to receive the assignment of, the Shareholder's Loan at an aggregate Consideration of HK$1.

THE SALE AND PURCHASE AGREEMENT

Details of the Sale and Purchase Agreement are set out below.

Date	30 January 2026 (after trading hours)
Parties	(1) The Seller, as the vendor; and (2) Mr. XU Chun Sheng (徐春生), as the purchaser.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Purchaser is an Independent Third Party.

Assets to be disposed of

Pursuant to the Sale and Purchase Agreement, the Seller shall (i) sell and transfer to the Purchaser, and the Purchaser shall purchase from the Seller, the Sale Shares; and (ii) assign to the Purchaser, and the Purchaser shall receive assignment of, the Shareholder's Loan.

The Sale Shares represent the entire issued share capital of the Target Company as at the date of the Sale and Purchase Agreement.

The Shareholder's Loan represents an aggregate sum of approximately HK$141.68 million due and owing by the Target Company to the Seller as at the date of the Sale and Purchase Agreement, and it is non-interest bearing. Such Shareholder's Loan was utilized by the Disposal Group to support its operations in the past few years.

Consideration

Pursuant to the Sale and Purchase Agreement, the Consideration for the Sale Shares is a nominal amount of HK$1, which shall be settled by the Purchaser in cash at Completion.

The Consideration was determined after arm's length negotiations between the Seller and the Purchaser taking into account (i) the unaudited net liabilities (excluding the Shareholder's Loan due and owing by the Target Company to the Seller, which shall be assigned to the Purchaser upon Completion) of the Disposal Group of approximately HK$6.75 million as at 30 June 2025; (ii) the consecutive loss-making performance and financial position of the Disposal Group since year 2022; and (iii) the assignment of the Shareholder's Loan to the Purchaser.

Completion

Completion of the Sale and Purchase Agreement is not subject to any condition precedent and shall take place on the date of the Sale and Purchase Agreement (or such other date as may be agreed in writing between the Purchaser and the Seller). Upon and following Completion, the Target Company will cease to be a subsidiary of the Company.

Completion took place on 30 January 2026 (after trading hours).

INFORMATION ON THE PARTIES

The Company and the Group

The Company is an investment holding company. The Group (before Completion) is principally engaged in (i) digitized operation services in healthcare industry; (ii) smart healthcare services platform; and (iii) entertainment and media business.

The Purchaser

The Purchaser is a Hong Kong individual and a businessman.

INFORMATION ON THE DISPOSAL GROUP

The Target Company is a company incorporated in Hong Kong with limited liability and is principally engaged in investment holding. Immediately prior to the Disposal, the Target Company is wholly-owned by the Seller. The Target Company together with its subsidiaries (i.e. the Disposal Group) are principally engaged in the operation of internet platform for pharmaceutical ecommerce and smart healthcare and medical services business. The operation of the Disposal Group was classified as one of the Group's operating segments, namely "Smart healthcare services platform".

Set out below is the unaudited consolidated financial information of the Disposal Group as extracted from its unaudited consolidated management accounts prepared in accordance with the Hong Kong Financial Reporting Standards for the two financial years ended 31 December 2023 and 2024. Such financial information of the Disposal Group has been included in the audited consolidated financial statements of the Group for the same periods.

	For the year ended 31 December	
	2024	**2023**
	HK$'000	*HK$'000*
	(unaudited)	*(unaudited)*
Revenue	145,851	399,413
Net loss before taxation	(6,988)	(45,880)
Net loss after taxation	(6,988)	(45,880)

	As at 31 December	
	2024	**2023**
	HK$'000	*HK$'000*
	(unaudited)	*(unaudited)*
Total assets	27,540	49,267
Total liabilities (*note*)	31,153	41,901
Net assets/(liabilities) (*note*)	(3,613)	7,366

As at 30 June 2025, the unaudited total assets, total liabilities (*note*) and net liabilities (*note*) of the Disposal Group amounted to approximately HK$70.36 million, HK$77.11 million and HK$6.75 million, respectively.

Note: excluding the corresponding amount of Shareholder's Loan due and owing by the Target Company to the Seller, which shall be assigned to the Purchaser upon Completion.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Company has been evaluating the Group's current businesses strategies with a view to enhancing overall performance. Despite continuous effort to improve its operation, the Disposal Group's smart healthcare services platform operations have recorded unsatisfactory financial performance, with consecutive net losses for the three years ended 31 December 2024 and for the six months ended 30 June 2025. At the same time, the Disposal Group recorded net liabilities (excluding the Shareholder's Loan due and owing by the Target Company to the Seller, which shall be assigned to the Purchaser upon Completion) of approximately HK$6.75 million as at 30 June 2025, exerting an adverse impact on the Group's overall financial position.

The Disposal enables the Group to rationalise its asset allocation and focus on areas and businesses with stronger growth potential. It also enhances the Group's overall financial flexibility by removing a loss-making business and allowing the Group to redeploy internal resources to support the development of its existing principal businesses – (i) entertainment and media; and (ii) the digitized operation services in healthcare industry.

Having considered the above reasons and benefits, the Directors consider that the terms of the Sale and Purchase Agreement are fair and reasonable and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

None of the Directors has a material interest in the Disposal and hence no Director was required to abstain from voting on the Board resolution(s) for approving the Disposal.

FINANCIAL EFFECT OF THE DISPOSAL

Upon Completion, the Company will dispose its entire equity interest of the Target Company, and therefore the Target Company will cease to be a subsidiary of the Group. The Disposal Group's financial results, assets and liabilities will no longer be consolidated into the consolidated financial statements of the Group. Following Completion, the Group will cease to engage in the business of the smart healthcare services platform.

The Group is expected to record a gain (before tax and expenses) of approximately HK$7 million from the Disposal, which is estimated with reference to (i) the Consideration of HK$1; (ii) the unaudited net liabilities (excluding the Shareholder's Loan due and owing by the Target Company to the Seller, which shall be assigned to the Purchaser upon Completion) of the Disposal Group of approximately HK$6.75 million as at 30 June 2025; and (iii) the assignment of the Shareholder's Loan to the Purchaser in an aggregate sum of approximately HK$141.68 million.

Shareholders should note that the actual financial effect on the Group from the Disposal depends on, among others, the financial position of the Disposal Group at Completion and is subject to final audit.

As only a nominal consideration of HK$1 is payable in connection with the Disposal, the Company does not expect to receive any net proceeds from the Disposal.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Disposal exceeds 5% but is less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

"Board"	board of the Directors
"Company"	Hony Media Group, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
"Completion"	completion of the Disposal pursuant to the Sale and Purchase Agreement
"connected person(s)"	has the meaning as ascribed in the Listing Rules
"Consideration"	HK$1, being the consideration for the sale and purchase of the Sale Shares and the assignment of the Shareholder's Loan

"Director(s)"	the director(s) of the Company
"Disposal"	the disposal of the Sale Shares and the assignment of the Shareholder's Loan by the Seller to the Purchaser pursuant to the Sale and Purchase Agreement
"Disposal Group"	the Target Company and its subsidiaries
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Third Party(ies)"	party(ies) which is/are independent of the Group and the connected persons of the Company
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"PRC"	the People's Republic of China and, for the purpose of this announcement, excluding Hong Kong, Macao Special Administrative Region of the People's Republic of China and Taiwan
"Purchaser"	Mr. XU Chun Sheng (徐春生)
"Sale and Purchase Agreement"	the sale and purchase agreement dated 30 January 2026 entered into among the Seller and the Purchaser in relation to the Disposal
"Sale Shares"	the entire issued share capital of the Target Company, being 1 issued and fully paid ordinary shares of HK$1.00 each
"Seller"	Meerkat Health Holdings Limited, a company incorporated in the Cayman Islands with limited liability and wholly-owned by the Company
"Share(s)"	ordinary share(s) of HK$0.20 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Shareholder's Loan"	a shareholder's loan in the aggregate sum of approximately HK$141.68 million due and owing by the Target Company to the Seller as at the date of the Sale and Purchase Agreement, and it is non-interest bearing
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Target Company"	Heartily Health Limited, a company incorporated in Hong Kong with limited liability and wholly-owned by the Seller before Completion

"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"%"	per cent.

By Order of the Board
Hony Media Group
HAU Wai Man, Raymond
Company Secretary

Hong Kong, 30 January 2026

As at the date of this announcement, the Board comprises:

Mr. ZHAO John Huan[2] (Chairman), Mr. CHENG Wu[1] (CEO), Mr. YUEN Hoi Po[1] (President), Mr. YUEN Kin[3], Ms. WANG Song Song[3] and Ms. PAN Min[3]

[1] Executive director
[2] Non-executive director
[3] Independent non-executive director

In the case of inconsistency, the English text of this announcement shall prevail over the Chinese text.