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CLARITY MEDICAL GROUP HOLDING LIMITED

清晰醫療集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1406)

(1) QUARTERLY UPDATE ON BUSINESS OPERATIONS AND RESUMPTION STATUS; AND (2) CONTINUED SUSPENSION OF TRADING

This announcement is made by Clarity Medical Group Holding Limited (the “**Company**”, which together with its subsidiaries are collectively referred to the “**Group**”) pursuant to Rules 13.09(2)(a) and 13.24A of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Future Ordinance (Chapter 571, Laws of Hong Kong).

References are made to (i) the announcement of the Company dated 30 May 2025 in relation to the resumption guidance issued by the Stock Exchange (the “**First Resumption Guidance**”); (ii) the announcement of the Company dated 30 June 2025 in relation to the additional resumption guidance given by the Stock Exchange (together with the First Resumption Guidance, the “**Resumption Guidance**”); (iii) the announcements of the Company dated 14 July 2025, 14 October 2025 and 14 January 2026 providing quarterly updates on its business operations and resumption status; and (iv) the announcements of the Company dated 25 June 2025, 11 November 2025, 12 November 2025, 6 January 2026, 13 January 2026, 5 March 2026, 2 April 2026 and 7 April 2026 respectively. Unless otherwise stated, capitalised terms used in this announcement shall have the same meanings as those defined in the above-mentioned announcements.

Unless otherwise stated, all references to Rules and Chapters in this announcement are references to the rules and chapters of the Listing Rules.

Pursuant to Rule 13.24A, an update on the business operations of the Group and the current status of fulfilment of the Resumption Guidance is set out below.

BUSINESS OPERATIONS

The Group continues to provide high-quality ophthalmic healthcare services in recent months. The Company maintains its technology leadership in Hong Kong as the only provider offering a comprehensive portfolio of advanced refractive treatments – SMILE, SMILE Pro, LASIK, SILK, and ICL.

The Group's business has shown a clear rebound as the impact of the earlier allegations has gradually subsided, enabling the management to refocus on core operations. Following the year-on-year declines in revenue of 8.4% and 6.6% respectively in the second and third quarters of the financial year from 1 April 2025 to 31 March 2026 (“FY2026”), revenue for the fourth quarter of FY2026 increased by 2.4% compared to the same period last year, marking a return to year-on-year growth.

In March 2026, the Group recorded its highest monthly revenue and booking volume since 2024. In particular, ICL booking volume reached a record high, further reinforcing the Group's No. 1 position in Hong Kong by ICL surgical volume.

During the fourth quarter of FY2026, the Group continued to incur substantial professional fees in connection with addressing the allegations and the legal proceedings initiated by a former director. As these matters are progressively being brought to a close, the Group expects such professional fees to decrease significantly going forward. The Group will also seek to recover losses from parties responsible for any improper actions that have caused damage to the Company.

The Group remains committed to bringing these matters to a close in an efficient and orderly manner, using its best endeavours to expedite the resumption of trading in the Company's shares, and enabling management to devote its full attention and the Company's resources to the execution of its long-term strategic priorities.

Save as disclosed above, the business operations of the Group continue as usual in all material respects, notwithstanding that trading in the shares of the Company has been suspended since 15 April 2025.

RESUMPTION GUIDANCE

The latest Resumption Guidance for the Company as at the date of this announcement is as follows:

- (i) the Allegations Investigation and Remedial Guidance;
- (ii) the Integrity Guidance;
- (iii) the Internal Control Guidance;
- (iv) the Corporate Governance Guidance;
- (v) the Disclosure Guidance;
- (vi) the Financial Reporting Guidance; and
- (vii) the Rule 13.24 Guidance.

RESUMPTION STATUS

The current status of fulfilment of the Resumption Guidance as at the date of this announcement is summarised below:

Allegations Investigation and Remedial Guidance

As disclosed in the announcement of the Company dated 7 April 2026 (“**FTI Findings Announcement**”), with the full support of the Special Committee and its independent legal adviser, FTI Consulting has completed all information gathering (to the extent feasible) and finalised its investigation report (“**FTI Investigation Report**”). Based on the FTI Investigation Report, and up to the date of the FTI Investigation Report, nothing was brought to the attention of the Special Committee which would suggest that any current Directors or senior management of the Company engaged in any fraudulent or dishonest acts with regard to the relevant matters under the FTI Investigation that might pose a risk to Shareholders and potential investors of the Company and/or damage market confidence. The Board, after assessing and taking into account the findings in the FTI Investigation Report, considers that the Group’s operation and business remain normal.

As further disclosed in the announcement of the Company dated 5 March 2026, Grant Thornton Advisory Services Limited (“**GT Advisory**”) has been engaged as the independent forensic adviser to the Separate Special Committee. As at the date of this announcement, GT Advisory has commenced the investigation work and is still in the process of conducting its independent forensic investigation. The investigation work is directed and supervised by the legal adviser to the Separate Special Committee to preserve legal professional privilege. Further announcement(s) will be made by the Company as to the findings of the forensic investigation results by GT Advisory and the appropriate remedial actions taken.

Mr. Lee Kam Hung Lawrence, BBS, JP (“**Mr. Lee**”) resigned as chairman and member of the Separate Special Committee with effect from 13 April 2026 owing to his increasing personal workload and commitments. He has indicated his willingness to serve as a consultant to the committee on an as-needed basis in the future. As the investigation conducted by GT Advisory has reached an advanced stage, the Company considers that Mr. Lee’s departure will not have a material impact on the work of the Separate Special Committee. The Company wishes to express its appreciation for Mr. Lee’s contributions.

Integrity Guidance

Based on the findings set out in the FTI Investigation Report, and with the remedial actions taken by the Group up to the date of the FTI Findings Announcement, the Board believe that the integrity, competence, and/or character of the Group’s current management and/or persons with significant influence over the Company’s current management and operations do not pose any risk to investors and will not undermine market confidence.

The Company will provide the Stock Exchange with any additional details and supporting justifications, as required, to demonstrate compliance with the Integrity Guidance.

Internal Control Guidance

As disclosed in the FTI Findings Announcement, one of the Big Four accounting firms was appointed as the internal control adviser to conduct independent internal control review on the Company and to assist the Company in implementing and improving the internal control systems and procedures of the Group as far as reasonably practicable to ensure that the Company has in place adequate internal controls and procedures to meet its obligations under the applicable laws and regulations and the Listing Rules, and to prevent recurrence of events similar to the relevant matters covered by the FTI Investigation Report.

Further announcement(s) will be made by the Company as to any significant findings of the internal control review including, where necessary, any recommendation of reinforcement or remedial actions and their implementation status in due course.

Corporate Governance Guidance

As disclosed in the Company's announcement dated 14 January 2026, the Company has fully complied with the Corporate Governance Guidance.

Disclosure Guidance

The Company has complied with and will continue to comply with the Disclosure Guidance promptly as needed.

Financial Reporting Guidance

As disclosed in the announcement of the Company dated 25 June 2025, there was a delay in the publication of the FY2025 Audited Annual Results and the FY2025 Annual Report, and because of such delay, the publication of the interim results announcement and the interim report for the first six months ended 30 September 2025 will also be delayed.

As disclosed in the announcement of the Company dated 2 April 2026, Ernst & Young has resigned as the Company's auditor with effect from 31 March 2026. Crowe (HK) CPA Limited ("**Crowe**") was then appointed as the new auditor of the Company, subject to the completion of audit engagement acceptance procedures which are now being conducted, to fill the casual vacancy and to hold office until the conclusion of the next annual general meeting of the Company. The Company will issue a separate announcement in relation to the appointment of Crowe upon completion of such procedures.

The Board has reassessed that the above-mentioned delay would not have any material adverse effect to the Group's business and operations, which are continuing normally. The Company will publish further announcement(s) on the developments relating to the publication of the outstanding financial results as and when appropriate.

Rule 13.24 Guidance

The Group has all along been in compliance with Rule 13.24, in particular, given the Group's substantive business operations, as well as proactive cost-saving initiatives in reducing operating expenses without compromising the quality of its services. The Company will gather and provide the Stock Exchange with all required details and justifications to demonstrate compliance with the Rule 13.24 Guidance.

CONTINUED SUSPENSION OF TRADING

Trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on Tuesday, 15 April 2025 and will remain suspended until further notice.

Shareholders and potential investors of the Company should exercise caution when dealing in the shares or other securities of the Company, and if they are in any doubt about their position, they should consult their independent professional adviser(s).

By order of the Board
CLARITY MEDICAL GROUP HOLDING LIMITED
JIANG Bo
Executive Director and Chief Executive Officer

Hong Kong, 14 April 2026

As at the date of this announcement, the Board comprises Mr. JIANG Bo as executive Director, Mr. CHEN Jiarong, Professor WANG Qinmei and Mr. SUN Peng as non-executive Directors, and Mr. WANG Can, Ms. CI Ying, Dr. CHEN Poujian and Mr. XU Anliang as independent non-executive Directors.