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**Baijin Life Science Holdings Limited**

**佰金生命科學控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1466)**

# ANNUAL RESULTS ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

## RESULTS

The board of directors (the "**Directors**" or the "**Board**") of Baijin Life Science Holdings Limited (the "**Company**") hereby presents the consolidated results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the year ended 31 March 2026, together with the comparative figures for the previous year, as follows:

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS**
*For the year ended 31 March 2026*

| | Notes | 2026 HK$'000 | 2025 HK$'000 |
|---|---|---|---|
| **Revenue** | 4 | **89,304** | 135,556 |
| Cost of sales | | **(82,639)** | (93,570) |
| **Gross profit** | | **6,665** | 41,986 |
| Other gains, net | 6 | **18,122** | 11,774 |
| Reversal of allowance for expected credit losses on financial assets, net | 7 | **2,724** | 1,560 |
| Impairment loss on goodwill | | **(13,000)** | (20,000) |
| Selling expenses | | **(19,720)** | (3,070) |
| Administrative expenses | | **(37,714)** | (34,248) |
| Share of results of an associate | | **(26)** | – |
| Operating loss | | **(42,949)** | (1,998) |
| Finance income | | **648** | 1,599 |
| Finance costs | | **(808)** | (966) |
| Finance (costs)/income, net | | **(160)** | 633 |
| **Loss before income tax** | 7 | **(43,109)** | (1,365) |
| Income tax credit | 8 | **437** | 1,278 |
| **Loss for the year** | | **(42,672)** | (87) |
| **(Loss)/profit for the year attributable to:** | | | |
| Owners of the Company | | **(37,867)** | (316) |
| Non-controlling interests | | **(4,805)** | 229 |
| | | **(42,672)** | (87) |
| **Loss per share** | 9 | ***HK cents*** | *HK cents* |
| Basic | | **(4.49)** | (0.05) |
| Diluted | | **(5.61)** | (0.05) |

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**
*For the year ended 31 March 2026*

| | 2026 | 2025 |
|---|---|---|
| | *HK$'000* | *HK$'000* |
| Loss for the year | **(42,672)** | (87) |
| Other comprehensive income/(expense): | | |
| *Item that may be subsequently reclassified to profit or loss* | | |
| — Exchange difference on translation of foreign operations | **2,528** | (1,205) |
| *Item that will not be reclassified to profit or loss* | | |
| — Remeasurements of retirement benefit obligations | **(98)** | (123) |
| **Other comprehensive income/(expense) for the year, net of tax** | **2,430** | (1,328) |
| **Total comprehensive expense for the year** | **(40,242)** | (1,415) |
| **Total comprehensive (expense)/income for the year attributable to:** | | |
| Owners of the Company | **(35,556)** | (1,525) |
| Non-controlling interests | **(4,686)** | 110 |
| | **(40,242)** | (1,415) |

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*As at 31 March 2026*

| | Notes | 2026 HK$'000 | 2025 HK$'000 |
|---|---|---|---|
| **Non-current assets** | | | |
| Property, plant and equipment | | **18,585** | 6,910 |
| Intangible assets | | **4,592** | 5,906 |
| Right-of-use assets | | **12,155** | 9,931 |
| Goodwill | *14* | **15,363** | 28,363 |
| Interest in an associate | | **1,114** | – |
| Deposits and prepayments | *11* | **19,455** | 11,129 |
| Deferred tax assets | | **1,085** | 937 |
| | | **72,349** | 63,176 |
| **Current assets** | | | |
| Inventories | | **58,280** | 70,637 |
| Trade receivables | *11* | **14,850** | 25,088 |
| Other receivables, deposits and prepayments | *11* | **75,652** | 82,657 |
| Contract assets | | **196** | 843 |
| Cash and cash equivalents | | **43,110** | 47,773 |
| | | **192,088** | 226,998 |
| **Current liabilities** | | | |
| Trade payables | *12* | **10,133** | 8,343 |
| Other payables and accruals | *12* | **27,831** | 19,418 |
| Contract liabilities | | **3,272** | 3,042 |
| Lease liabilities | | **9,229** | 5,079 |
| Bank borrowings | | **13,680** | 8,560 |
| Other borrowings | | **–** | 4,000 |
| Tax payable | | **482** | 1,281 |
| | | **64,627** | 49,723 |
| **Net current assets** | | **127,461** | 177,275 |
| **Total assets less current liabilities** | | **199,810** | 240,451 |

| | Notes | 2026<br>HK$'000 | 2025<br>HK$'000 |
|---|---|---|---|
| **Non-current liabilities** | | | |
| Lease liabilities | | **5,501** | 7,006 |
| Convertible bond | *15* | **–** | 75,282 |
| Retirement benefit obligations | | **908** | 773 |
| Deferred tax liabilities | | **1,148** | 1,513 |
| | | **7,557** | 84,574 |
| **Net assets** | | **192,253** | 155,877 |
| **EQUITY** | | | |
| Share capital | *13* | **18,645** | 15,448 |
| Reserves | | **166,545** | 123,835 |
| Equity attributable to owners of the Company | | **185,190** | 139,283 |
| Non-controlling interests | | **7,063** | 16,594 |
| **Total equity** | | **192,253** | 155,877 |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 1 GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 13 May 2014 as an exempted company with limited liability under the Companies Law, Cap 22 (Laws 3 of 1961, as consolidated and revised) of the Cayman Islands. Its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") since 17 October 2014. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The Company's principal place of business is Office B, 9/F, Pico Tower, 66 Gloucester Road, Wan Chai, Hong Kong.

The Company is an investment holding company. The principal activities of the Group are (i) design and sales of jewellery products, (ii) real estate financial assets investments, and (iii) sales of skincare products under the brand name "FO", provision of scientific research, franchise licensing and consultation services.

These consolidated financial statements are presented in Hong Kong dollars ("**HK$**"), which is also the functional currency of the Company. All values are rounded to the nearest thousand except when otherwise stated.

## 2 BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

**Compliance with HKFRS Accounting Standards and Hong Kong Companies Ordinance**

The consolidated financial statements of the Group have been prepared in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") and disclosure requirements of the Hong Kong Companies Ordinance ("**HKCO**") Cap. 622.

HKFRS Accounting Standards comprises the following authoritative literature:

- Hong Kong Financial Reporting Standards
- Hong Kong Accounting Standards
- Interpretations developed by the HKICPA.

The consolidated financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair values at the end of the reporting period.

It should be noted that accounting estimates and assumptions have been used in preparation of the consolidated financial statements. Although these estimates are based on management's best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates.

## 3 ADOPTION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

**Amendments to an HKFRS Accounting Standard that are mandatorily effective for the current year**

In the current year, the Group has applied the following amendments to an HKFRS Accounting Standard as issued by the HKICPA for the first time, which are mandatorily effective for the Group's annual period beginning on 1 April 2025 for the preparation of the consolidated financial statements:

| | |
|---|---|
| Amendments to HKAS 21 | Lack of Exchangeability |

The application of the amendments to an HKFRS Accounting Standard in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

## 4 REVENUE

Revenue from sales of jewellery products and skincare products represents the amounts received and receivable from customers in respect of goods sold less returns and allowances.

Revenue from provision of different types of services is recognised based on relevant service and contract terms.

The Group's revenue recognised during the year is as follows:

| | **2026** | 2025 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| **Revenue within the scope of HKFRS 15:** | | |
| **Recognised at point in time** | | |
| Sales of jewellery products | **63,570** | 115,191 |
| Sales of skincare products | **18,937** | 9,930 |
| | **82,507** | 125,121 |
| **Recognised over time** | | |
| Consultation services | **4,436** | 5,557 |
| Scientific research services | **2,361** | 1,011 |
| Franchise licensing services | **–** | 3,867 |
| | **6,797** | 10,435 |
| | **89,304** | 135,556 |

## 5 SEGMENT INFORMATION

The Group's operating segments have been determined based on the information reported to the executive directors of the Company, being the chief operating decision maker of the Group, that are used for performance assessment and to make strategic decisions. The Group's operating businesses are structured and managed separately according to the nature of their operations and the products and services they provide. Each of the Group's operating segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of other operating segments. The Group currently has three operating segments:

| | | |
|---|---|---|
| (a) | Jewellery business | Design and sales of jewellery products |
| (b) | Strategic investment | Real estate financial assets investments |
| (c) | Skincare business | Sales of skincare products under the brand name "FO", provision of scientific research, franchise licensing and consultation services |

The executive directors of the Company assess the performance of the operating segments based on a measure of segment results. This measurement basis excludes the effects of non-recurring expenditure and corporate expenses from the operating segments. Other information provided to the executive directors is measured in a manner consistent with that in the consolidated financial statements.

An analysis of the Group's reportable segment revenue, result, assets, liabilities and other selected financial information by operating segments is as follows:

| | Jewellery business *HK$'000* | Strategic investment *HK$'000* | Skincare business *HK$'000* | Total *HK$'000* |
|---|---|---|---|---|
| **For the year ended 31 March 2026** | | | | |
| **Segment revenue** | **63,570** | **–** | **25,734** | **89,304** |
| **Finance income** | **13** | **633** | **2** | **648** |
| Segment loss | **(7,653)** | **(126)** | **(38,223)** | **(46,002)** |
| Finance costs | | | | **(808)** |
| Unallocated other gains, net | | | | **13,031** |
| Unallocated administrative expenses | | | | **(9,330)** |
| Loss before income tax | | | | **(43,109)** |
| **For the year ended 31 March 2025** | | | | |
| **Segment revenue** | 115,191 | – | 20,365 | 135,556 |
| **Finance income** | 65 | 1,077 | 457 | 1,599 |
| Segment profit/(loss) | 20,888 | 4,351 | (25,122) | 117 |
| Finance costs | | | | (966) |
| Unallocated other gains, net | | | | 6,609 |
| Unallocated administrative expenses | | | | (7,125) |
| Loss before income tax | | | | (1,365) |

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in both years.

Segment results represent profit/(loss) incurred by each segment without allocation of certain administrative expenses, certain other gains, net and finance costs incurred by the Company and the investment holding companies. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

## 6 OTHER GAINS, NET

| | **2026** | 2025 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Gain/(loss) on change in fair value of convertible bond *(Note 15)* | **12,945** | (4,482) |
| Gain on early termination of lease contracts | **2,859** | 88 |
| Government subsidies *(note (i))* | **684** | – |
| Exchange loss, net | **(7)** | (62) |
| Gain on disposal of a subsidiary *(note (ii))* | **–** | 4,048 |
| Reversal of impairment loss on prepayments for pearls | **–** | 724 |
| Write-off of property, plant and equipment | **–** | (30) |
| Gain on change in fair value of Profit Guarantee *(Note 15)* | **–** | 10,882 |
| Others | **1,641** | 606 |
| | **18,122** | 11,774 |

*Note:*

(i) During the year, the Group recognised government grants of RMB600,000 (equivalent to approximately HK$684,000) (2025: Nil) in respect of subsidies in the People's Republic of China (the "**PRC**") for high-tech enterprise recognition and research and development activities.

(ii) On 29 July 2024, the Group disposed of its entire interest in Thriving Oasis Limited, which had net liabilities of approximately HK$4,048,000 (mainly included other payables to third parties), to an independent third party for a consideration of HK$1. The gain on disposal of subsidiary was recognised as an other gain during the year ended 31 March 2025.

## 7 LOSS BEFORE INCOME TAX

| | 2026 | 2025 |
|---|---|---|
| | *HK$'000* | *HK$'000* |
| Loss before income tax has been arrived at after charging/(crediting): | | |
| Costs of inventories sold, excluding impairment on inventories | **68,806** | 99,450 |
| Costs of services | **4,870** | 2,342 |
| Impairment loss on goodwill | **13,000** | 20,000 |
| Provision for/(reversal of) impairment loss on inventories, net (included in cost of sales) | **8,963** | (8,222) |
| Employee benefit expenses (including directors' emoluments) | **17,379** | 18,170 |
| Auditor's remuneration | | |
| — Audit services | **1,480** | 1,130 |
| — Non-audit services | **177** | 103 |
| Depreciation of property, plant and equipment | **4,203** | 2,223 |
| Depreciation of right-of-use assets | **4,162** | 2,999 |
| Amortisation of intangible assets | **1,314** | 1,440 |
| Reversal of allowance for expected credit loss ("**ECL**") on trade receivables, net | **(1,764)** | (2,558) |
| (Reversal of)/provision for allowance for ECL on other receivables, net | **(914)** | 983 |
| (Reversal of)/provision for allowance for ECL on deposits, net | **(46)** | 15 |
| | **(2,724)** | (1,560) |

## 8 INCOME TAX CREDIT

| | 2026 | 2025 |
|---|---|---|
| | *HK$'000* | *HK$'000* |
| Current tax — PRC Enterprise Income Tax | **(18)** | – |
| Deferred tax credit | **455** | 1,278 |
| Income tax credit | **437** | 1,278 |

## 9 LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to owners of the Company is based on the following data:

| | **2026** | 2025 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Loss attributable to owners of the Company | **(37,867)** | (316) |
| Less: | | |
| Effect of dilutive potential ordinary shares: | | |
| Gain on change in fair value of convertible bond *(Note 15)* | **12,945** | — |
| Loss for the purpose of diluted loss per share | **(50,812)** | (316) |
| Weighted average number of ordinary shares for the purpose of calculating basic loss per share | **843,449** | 693,896 |
| Effect of dilutive potential ordinary shares: | | |
| Convertible bond | **62,394** | — |
| Weighted average number of ordinary shares for the purpose of diluted loss per share | **905,843** | 693,896 |

Basic loss per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

During the year ended 31 March 2026, the convertible bond was fully converted into ordinary shares of the Company. For the purpose of calculating diluted loss per share, the loss attributable to owners of the Company has been adjusted to exclude the fair value gain on the convertible bond recognised immediately before conversion, as such gain would not have arisen if the convertible bond had been converted into ordinary shares at the beginning of the year.

The weighted average number of ordinary shares used in the diluted loss per share calculation comprises the weighted average number of ordinary shares used in the basic loss per share calculation, together with the weighted average number of ordinary shares assumed to have been issued upon the deemed conversion of the convertible bond.

No adjustment has been made to the basic loss per share amounts presented for the year ended 31 March 2025 in respective of a dilution as the impact of the convertible bond outstanding had an anti-dilutive effect on the basis loss per share amount presented.

## 10 DIVIDEND

No dividend was paid or proposed for ordinary shareholders of the Company during 2026, nor has any dividend been proposed since the end of the reporting period (2025: Nil).

## 11 TRADE RECEIVABLES, OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

**Trade receivables**

| | **2026** | 2025 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Jewellery business | **5,003** | 15,898 |
| Skincare business | **18,703** | 19,460 |
| Trade receivables, gross | **23,706** | 35,358 |
| Less: allowance for ECL | **(8,856)** | (10,270) |
| Trade receivables, net | **14,850** | 25,088 |

The following is an ageing analysis of trade receivables, net of allowance for ECL, as at the reporting date, based on invoice dates:

| | **2026** | 2025 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| 0 to 30 days | **13,490** | 9,353 |
| 31 to 90 days | **100** | 14,094 |
| 91 to 180 days | **176** | 204 |
| 181 to 365 days | **1,084** | 192 |
| Over 365 days | **–** | 1,245 |
| | **14,850** | 25,088 |

**Other receivables, deposits and prepayments**

| | **2026** *HK$'000* | 2025 *HK$'000* |
|---|---|---|
| **Current** | | |
| Other receivables, gross | **46,157** | 31,463 |
| Less: allowance for ECL | **(1,537)** | (2,315) |
| Other receivables, net *(note(a))* | **44,620** | 29,148 |
| Compensation receivables *(note(b))* | **–** | 41,970 |
| Deposits | **930** | 844 |
| Less: allowance for ECL | **(2)** | (48) |
| Deposit, net | **928** | 796 |
| Prepayments *(note (c))* | **30,104** | 10,743 |
| | **75,652** | 82,657 |
| **Non-current** | | |
| Deposits | **–** | 175 |
| Prepayment *(note (d))* | **19,455** | 10,954 |
| | **19,455** | 11,129 |
| | **95,107** | 93,786 |

*Notes:*

(a) As at 31 March 2026, included in other receivables, there is an amount due from a non-controlling shareholder, representing an unpaid capital contribution of HK$980,000 (2025: HK$980,000) for a subsidiary of the Company established in February 2024. The amount is expected to be settled within 12 months after the end of the reporting period. The directors of the Company considered the amount to be recoverable as at 31 March 2026.

As at 31 March 2025, other receivables included amounts due from non-controlling shareholders of HK$4,280,000, representing proceeds receivables from issue of shares of the Company, which were settled in April and May 2025.

As at 31 March 2026, other than the amount due from a non-controlling shareholder, other receivables mainly comprised advances and refundable prepayments related to the operation of the skincare business, as follows:

(i) advances to business partners of HK$32,059,000 (2025: HK$11,762,000), mainly for brand promotion, development of distribution channels and purchase of raw materials, including advances to associated entities of shareholders of Ketto (as defined in Note 15) of HK$7,887,000 (2025: HK$5,208,000) and advances to associated entities of senior management of a subsidiary of the Company of HK$20,790,000 (2025: HK$1,211,000);

(ii) advances to shareholders of Ketto of HK$4,392,000 (2025: HK$4,890,000) arising from operational advances under business development arrangements;

(iii) advances to staff of HK$1,192,000 (2025: HK$3,164,000) arising from operational advances under business development arrangements;

(iv) refundable prepayments for the acquisition of property, plant and equipment of HK$3,675,000 (2025: HK$3,295,000); and

(v) advances to Dr. Su Yaoyao, an executive director of the Company, of HK$1,140,000 (2025: HK$887,000), which are unsecured and to be recognised as expenses upon submission of supporting documents for relevant operating expenses or repaid if unutilised upon request. The maximum outstanding balance during the year was HK$3,178,000 (2025: HK$932,000).

Certain shareholders of Ketto have provided indemnities to the Group against any loss arising from uncollected amounts of the relevant gross other receivables of HK$45,315,000 (2025: HK$25,610,000).

(b) During the year ended 31 March 2025, Tonnett Group (as defined in Note 14) failed to achieve the target profit as set out in the Agreement (as defined in Note 15). Ketto was obligated to compensate for the shortfall between the target profit and the accumulated results, as stipulated in the Agreement, multiplied by two, resulting in a compensation amount of HK$41,970,000. This amount was recognised as a receivable under other receivables as at 31 March 2025 and was subsequently settled in full in cash in September 2025.

(c) As at 31 March 2026, the balance of current prepayments represented prepayments for purchases of raw materials for skincare products of HK$30,104,000 (2025: prepayments for purchases of raw materials for skincare products of HK$9,432,000 and rental and office expenses of HK$481,000), which included advances to associated entities of certain shareholders of Ketto of HK$26,535,000 (2025: HK$8,567,000).

The directors of the Company have assessed the recoverability of these prepayments with reference to the underlying purchase contracts, settlement status and supplier creditworthiness, and are satisfied that the amounts are fully recoverable.

(d) As at 31 March 2026, the balance of non-current prepayments represented prepayments for the acquisition of property, plant and equipment of HK$13,755,000 (2025: HK$10,954,000) for the operation of the skincare business, including a balance of HK$2,280,000 (2025: Nil) paid to an associated entity of a shareholder of Ketto for the acquisition of property, plant and equipment, and a balance of HK$5,700,000 (2025: Nil) paid pursuant to a sale and purchase agreement with an independent third party for the acquisition of a commercial property in Hangzhou at a total consideration of HK$10,260,000.

Certain shareholders of Ketto have provided indemnities to the Group against any loss arising from any uncollected amount of this prepayment.

## 12 TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS

| | **2026** | 2025 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Trade payables | **10,133** | 8,343 |
| Other payables and accruals | | |
| Accrued payroll and employee benefits | **8,924** | 7,035 |
| Others *(notes (i) and (ii))* | **18,907** | 12,383 |
| | **27,831** | 19,418 |
| | **37,964** | 27,761 |

*Notes:*

(i) As at 31 March 2026, included in other payables is an outstanding balance of RMB870,000 (equivalent to approximately HK$992,000), which is payable to two non-controlling shareholders of Qingda Kerui Biological Technology Company Limited ("**Qingda Kerui**") in relation to the acquisition of an additional 8.5% equity interest in Qingda Kerui for a total cash consideration of RMB4,250,000 (equivalent to approximately HK$4,845,000).

(ii) As at 31 March 2025, included in other payables is an amount due to Mr. Cheung Sze Ming, a director of the Company, of HK$5,222,000. The amount is unsecured, interest-free and has no fixed term of repayment. The balance was fully repaid in February 2026.

An ageing analysis of trade payables, as at the reporting date, based on invoice dates, is as follows:

| | **2026** | 2025 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| 0 to 60 days | **6,624** | 4,319 |
| 61 to 120 days | **1,179** | 1,506 |
| More than 120 days | **2,330** | 2,518 |
| | **10,133** | 8,343 |

## 13 SHARE CAPITAL

| | Number of shares<br>*'000* | Share capital<br>*HK$'000* |
|---|---|---|
| Ordinary shares of HK$0.02 each | | |
| Authorised: | | |
| At 1 April 2024, 31 March 2025, 1 April 2025 and 31 March 2026 | 10,000,000 | 200,000 |
| Issued and fully paid: | | |
| At 1 April 2024 | 679,252 | 13,585 |
| Issue of shares *(note (a))* | 93,139 | 1,863 |
| At 31 March 2025 | **772,391** | **15,448** |
| Conversion of convertible bond *(Note 15)* | **119,863** | **2,397** |
| Issue of shares *(note (b))* | **40,000** | **800** |
| **At 31 March 2026** | **932,254** | **18,645** |

*Notes:*

(a) On 30 September 2024, following the subscription agreements entered into on 12 September 2024, a total of 27,779,373 new shares were issued at HK$0.48 per share, raised net proceeds of HK$13,230,000.

On 28 March 2025, following the subscription agreements entered into on 18 March 2025, a total of 65,359,433 new shares were issued at HK$0.48 per share, and raised net proceeds of HK$31,270,000. An outstanding balance of HK$4,280,000 was recognised as other receivable as at 31 March 2025, which was settled in April and May 2025.

(b) On 28 November 2025, following the subscription agreements entered into on 29 September 2025, a total of 40,000,000 new shares were issued at HK$0.48 per share, and raised net proceeds of HK$19,126,000.

All new shares rank equally with all existing shares.

## 14 GOODWILL

| | HK$'000 |
|---|---|
| At 1 April 2024 | 48,363 |
| Impairment loss | (20,000) |
| At 31 March 2025 and 1 April 2025 | **28,363** |
| Impairment loss | **(13,000)** |
| **At 31 March 2026** | **15,363** |

Management reviews annually whether the carrying amount of Tonnett Julis Holdings Limited and its subsidiaries (collectively, "**Tonnett Group**"), to which the goodwill and intangible assets with indefinite useful life are allocated, exceeds its recoverable amount. The recoverable amount of Tonnett Group is determined based on a value-in-use ("**VIU**") calculation. The calculation uses pre-tax cash flow projections based on financial budgets approved by the directors of the Company covering a five-year period. Key assumptions used in the calculation include pre-tax discount rates of 21.5% (2025: 21.5%), revenue growth rate ranging from 10% to 15% (2025: 10% to 15%) for the five-year forecast period. Cash flows beyond the five-year period are extrapolated using an estimated growth rate of 3% (2025: 3%). As a result of the impairment review, the recoverable amount of Tonnett Group was lower than its carrying amount as at 31 March 2026. Accordingly, an impairment loss of HK$13,000,000 (2025: HK$20,000,000) was recognised in respect of goodwill during the year ended 31 March 2026. The accumulated impairment losses recognised on goodwill amounted to HK$33,000,000 as at 31 March 2026 (2025: HK$20,000,000).

## 15 CONVERTIBLE BOND

| | **2026** | 2025 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Convertible bond classified as non-current liabilities: | | |
| At beginning of year | **75,282** | 39,712 |
| Conversion of convertible bond | **(62,337)** | – |
| Change in fair value of convertible bond | **(12,945)** | 4,482 |
| Transfer of the Profit Guarantee | **–** | 31,088 |
| At end of year | **–** | 75,282 |

On 29 June 2023, the Group, through its subsidiary Eminent Affluent Limited, entered into a sale and purchase agreement (the "**Agreement**") with Ketto Inform Limited ("**Ketto**"), a company incorporated in Hong Kong, for the acquisition of Tonnett Group at a consideration of HK$42,000,000 ("**Acquisition**"), of which HK$31,500,000 was settled by the issuance of a non-listed and non-interest-bearing convertible bond by the Company (the "**Convertible Bond**").

Pursuant to the terms of the Agreement, Ketto and certain of its shareholders guaranteed a target of consolidated net profit of Tonnett Group of not less than HK$21,050,000 for the two financial years ending 31 December 2023 and 2024 ("**Profit Guarantee**"). During the year ended 31 March 2025, it was concluded that Tonnett Group failed to achieve the target profit. Accordingly, the fair value of the Profit Guarantee no longer offset against the fair value of the Convertible Bond, and the carrying amount of Profit Guarantee of HK$31,088,000, previously offset against the Convertible Bond, was transferred out of the net balance of the Convertible Bond. Following this transfer, a gain on change in fair value of HK$10,882,000 in the Profit Guarantee was recognised in other gains, based on the compensation amount calculated in accordance with the Agreement.

On 29 September 2025, the Company received a conversion notice from Ketto in respect of the exercise of the conversion rights attached to the Convertible Bond with a principal amount of HK$31,500,000 at a conversion price of HK$0.2628 per share. Accordingly, 119,863,000 conversion shares were allotted and issued to Ketto on 8 October 2025. Upon conversion, the Convertible Bond was fully converted, and the fair value of the Convertible Bond at the date of conversion, amounting to HK$62,337,000, was transferred to equity.

## MANAGEMENT DISCUSSION AND ANALYSIS

## FINANCIAL OVERVIEW

The Board hereby reports the results of Baijin Life Science Holdings Limited (the "**Company**") and its subsidiaries (collectively the "**Group**") for the year ended 31 March 2026 ("**FY26**"). During FY26, the consolidated loss attributable to equity holders of the Company was HK$37.9 million (year ended 31 March 2025 ("**FY25**"): loss of HK$0.3 million). The loss of the Group for FY26 amounted to HK$42.7 million (FY25: loss of HK$0.1 million) representing an increase in loss of HK$42.6 million as compared with the loss in FY25. The basic loss per share was HK cents 4.49 (FY25: HK cents 0.05), whereas the diluted loss per share was HK cents 5.61 (FY25: HK cents 0.05), representing an increase of HK cents 4.44 and HK cents 5.56, respectively, as compared with that in FY25. The significant increase in loss of the Group for the year ended 31 March 2026 was mainly due to the decrease in revenue and gross profit mainly from jewellery business segment and the increase in selling expenses from skincare business segment.

## BUSINESS REVIEW

### Jewellery Business Segment

The Group is leveraging its own competitive advantages, which include the close and stable relationship with customers and suppliers. The Group has offered vertically integrated product chain and built a renowned reputation in the jewellery industry.

Since FY25, the Group is cooperating with a local brand to develop the fine jewellery market which makes remarkable revenue contribution FY26.

The Group's jewellery operations are predominantly concentrated on its US customer base. Since the commencement of 2025, the imposition of incremental US tariffs has created a significant pricing disparity relative to other regions, which has materially and adversely impacted our sales revenue. In light of the anticipated continued headwinds in the US market, the Group expects a substantial decline in this US revenue. Consequently, we are strategically pivoting our primary focus towards the local fine jewellery segment to mitigate these risks and drive sustainable.

The segmental revenue generated from the Jewellery Business Segment decreased from HK$115.2 million in FY25 to HK$63.6 million in FY26. For FY26, the return on capital of jewellery products was (15.0%) (FY25: 24.0%).

The Group has been looking into various materials for its jewellery design to enrich the product collection in its jewellery business and fine jewellery business. The Group also targets to sell the jade, pearls and jewellery products to mainland China and other Asian countries as the demand for those products in those markets is still higher than that in the western market.

While the Board considers the market sentiment is continuously improving, nevertheless, the Group will continue to strictly control costs and improve operation efficiency and productivity in a bid to stay competitive. The Group will continue to actively participate in various important jewellery, gem fairs and arrange VIP jewellery events when the market is recovering in order to maintain its diversified customer base.

**Skincare Business Segment**

The Skincare Business Segment is principally engaged in the sale of “FO” branded products, as well as the provision of scientific research, franchise licensing, and consultation services.

The total Group’s revenue contribution from the skincare business segment was HK$25.7 million in FY26 (FY25: HK$20.4 million).

Building on the success of our authorized brand partners operating “FO” branded beauty salons and clinics, the Group plans to establish company-operated beauty salons. These directly-owned outlets are expected to serve as a strategic platform to promote our proprietary product lines while enabling the Group to directly participate in the beauty and wellness services market.

In parallel, the business unit has initiated the development of a flagship beauty club. This initiative is designed to leverage the Company’s in-house R&D capabilities, drive product adoption among beauty therapists, and solidify “FO” as a comprehensive brand encompassing both premium skincare products and high-quality services. It also aims to expand our offline sales network to end-consumers through an enhanced local market presence. The Group has allocated significant resources to this flagship club, with revenue contribution anticipated in the upcoming fiscal year. Management expects that these strategic enhancements, coupled with sustained demand in the Chinese skincare market, will drive improved operational performance in the coming years.

**Strategic Investment Segment**

During FY25, the Group disposed one ordinary share representing the entire issued ordinary share of a subsidiary which held the co-working business investment, to an independent third party, at a consideration of HK$1, on 29 July 2024. We expected that the Group will make continuous efforts to find appropriate investment projects so as to diversify the income streams of the Group.

## LITIGATION

As at the reporting date, the Group was not involved in any other material litigation or arbitration.

## FINANCIAL GUARANTEE

As at 31 March 2026, the Group had no financial guarantee.

## PROSPECTS

The Group's revenue in the Jewellery Business segment was decreased during FY26, based on the Group's current observation and estimation, the overall downtrend is expected to be carried forward to a certain extent for coming years due to the change of consumption pattern caused by the downturn and the US tariffs impact. As such, the Group is more rely on local brand to explore the fine jewellery market. The Group has, from time to time, been looking for opportunities to leverage its management expertise to expand its existing business to further uncover the potential market of its ultimate female consumers.

The Group will further use its resources as a listed company to add value to the acquisition project to increase its profitability and return. Meanwhile, the Group will continue enhancing the development of the jewellery business, actively participating in various important jewellery and gem fairs and VIP jewellery events and optimising operation efficiency and productivity to stay competitive.

As the Group has initiated the development of establishing a flagship beauty club, the Group believes that the flagship beauty club will serve as an effective way for customer relationship management and user experience optimisation, especially for the distributors, by providing a showroom that makes the display more vivid, life-oriented, and scenario- based. The Group is also in the process of setting up beauty salons under its own management, which provides another platform to promote the Group's skincare products while enabling the Group's direct participation in the beauty and wellness services market.

Given the sales and distribution of jewellery products by the Group and the sales and distribution of skincare products by the Target Group, both primarily focus on the female consumer market, there may bring along potential collaboration and cross-selling opportunities which will be mutually beneficial to both parties.

## FINANCIAL REVIEW

The principal activities of the Group are (i) design and sales of jewellery products, (ii) real estate financial assets investments, and (iii) sales of skincare products under the brand name "FO", provision of scientific research, franchise licensing and consultation services.

### Revenue and Gross Profit

Revenue decreased to HK$89.3 million for FY26 (FY25: HK$135.6 million), comprised sales of jewellery business segment of HK$63.6 million (FY25: HK$115.2 million) and the skincare business segment of HK$25.7 million (FY25: HK$20.4 million).

Gross profit decreased by HK$35.3 million to HK$6.7 million (FY25: HK$42.0 million). The gross profit margin during FY26 is substantially lower than that of FY25 mainly due to the provision for impairment loss on inventories and lower margin upon sales of inventories of the jewellery business segment.

### Selling and Administrative Expenses (the "S&A expenses")

S&A expenses mainly comprised selling expenses of HK$19.7 million (FY25: HK$3.1 million) and administrative expenses of HK$37.7 million (FY25: HK$34.2 million). S&A expenses increased by HK$20.1 million or 53.9% to HK$57.4 million (FY25: HK$37.3 million) in FY26. S&A expenses increased during FY26 mainly due to brand promotion expenses and marketing expenses incurred by the skincare business.

### Loss Attributable to owners of the Company

The loss attributable to owners of the Company substantially increased by HK$37.6 million to HK$37.9 million in FY26 (FY25: loss of HK$0.3million) and the total comprehensive expense of the Group for FY26 was HK$40.2 million (FY25: HK$1.4 million) was mainly due to the decrease in revenue and gross profit mainly from jewellery business and the increase in selling expenses mainly from skincare business.

As a result of the impairment review of the goodwill, the recoverable amount of Tonnett Group is lower than its carrying amount as at 31 March 2026, an impairment loss of HK$13.0 million (FY25: HK$20.0 million) was recognised on goodwill arising from acquisition of Tonnett Group during FY26.

**Liquidity and Capital Resources**

During the year, the Group funded its operations through a combination of cash generated from operations, equity attributable to equity holders of the Company, proceeds from borrowings and the issue of new shares. As at 31 March 2026, the Group's total equity was HK$192.3 million (2025: HK$155.9 million), representing an increase of 23.3% from last year.

As at 31 March 2026, the Group had cash and cash equivalents of HK$43.1 million (31 March 2025: HK$47.8 million). Cash and cash equivalents were mainly denominated in United States dollars, Hong Kong dollars and Renminbi. The Group's net current assets were HK$127.5 million (31 March 2025: HK$177.3 million). The current ratio, represented by the total current assets divided by the total current liabilities, was 3.0 (31 March 2025: 4.6).

As at 31 March 2026, the Group had outstanding bank borrowings of HK$13.7 million (31 March 2025: HK$8.6 million) with effective interest rates ranging from 2.45% to 3.50% (31 March 2025: 4.88% to 6.53%) per annum and other borrowings of nil amount (31 March 2025: HK$4 million which was at interest rate of 6% per annum) which was fully repaid in January 2026. With the available cash and cash equivalents and cash generated from operations, the Group has adequate financial resources to meet the anticipated future liquidity requirements and capital expenditure commitment.

**Capital Structure**

As at 31 March 2026, the total number of issued shares of the Company was 932,254,085 (31 March 2025: 772,391,072) of HK$0.02 each (the "**Shares**") and its issued share capital was HK$18,645,082 (31 March 2025: HK$15,447,821).

On 30 September 2024, following the subscription agreements entered into on 12 September 2024, a total of 27,779,373 new shares were issued at HK$0.48 per share, raised net proceeds of HK$13,230,000.

On 28 March 2025, following the subscription agreements entered into on 18 March 2025, a total of 65,359,433 new shares were issued at HK$0.48 per share, and raised net proceeds of HK$31,270,000. The unsettled balance of HK$4,280,000 as at 31 March 2025 which has been settled in April and May 2025.

On 28 November 2025, following the subscription agreements entered into on 29 September 2025, a total of 40,000,000 new shares were issued at HK$0.48 per share, raised net proceeds of HK$19,126,000.

Save as disclosed above, there was no movements in either the Company's authorised or issued share capital during the year under review.

**Capital Commitments**

At the end of the reporting periods, the Group had no significant commitments outstanding, except for capital commitment for certain property, plant and equipment of approximately HK$11,252,000 (31 March 2025: HK$6,281,000).

## CONVERSION OF CONVERTIBLE BOND

On 29 September 2025, the Company received a conversion notice from Ketto Inform Limited (the "**Bondholder**") in respect of the exercise of the conversion rights attached to the Convertible Bond with the principal amount of HK$31,500,000 at the Conversion Price of HK$0.2628 per Conversion Share (the "**Conversion**"). On 8 October 2025, a total of 119,863,013 Conversion Share were issued by the Company to Bondholder at the Conversion price of HK$0.2628 per share, representing approximately 13.43% of the issued share capital of the Company as enlarged by the allotment and issue of the conversion shares immediately upon completion of the Conversion. Details of the transaction were disclosed in the Company's announcements dated 29 June 2023, 30 November 2023, 2 January 2024, 9 February 2024 and 8 October 2025; and (ii) circular of the Company dated 25 January 2024, in relation to, among other matters, the issuance of convertible bond in the principal amount of HK$31,500,000 (the "**Convertible Bond**") to the Bondholder as part of the consideration under the acquisition of the entire issued share capital of Tonnett Julis Holdings Limited, which was completed on 9 February 2024.

## STRATEGIC COOPERATION FRAMEWORK AGREEMENTS

The Group entered into a strategic cooperation framework agreement (the "**Youhuan Cooperation Framework Agreement**") with Youhuan (Suzhou) Biopharmaceutical Technology Co., Ltd.* ("**Youhuan Bio**") (優環(蘇州)生物醫藥科技有限公司), pursuant to which the Group will invest in Youhuan Bio by subscribing for equity interests in Youhuan Bio. The investment aims to establish a globally leading circular RNA (circRNA) technology R&D platform and leverage this platform to deepen technological innovation in the field of cell therapy. The parties have not yet determined the actual timing and amount of the relevant investment. The Youhuan Cooperation Framework Agreement shall expire on 31 December 2026. Either party may terminate the Youhuan Cooperation Framework Agreement early by giving the other party 10 days' prior notice. Youhuan Bio is a biopharmaceutical enterprise driven by dual engines of circRNA technology platform R&D and novel drug development and CRO services (Contract Research Organisation services). Alongside its proprietary pipeline development, Youhuan Bio offers full-process CRO services including circRNA design. The company's in-house developed "Circular RNAs and Preparation Methods thereof" has been granted a U.S. patent. "A Residue Free Circular RNA Based on Ribozyme Auto-Splicing and Its Preparation Method" has been granted a Chinese invention patent. Furthermore, Youhuan Bio is engaging in depth collaborations with major enterprises at the forefront of international drug R&D and has entered into an order contract with a multinational corporation in a specific cellular application field. The Board is of the view that the entering into of the Youhuan Cooperation Framework Agreement represents the Group's efforts to diversify its business and broaden its income stream. The Board wishes to emphasise that the Youhuan Cooperation Framework Agreement only sets out the preliminary cooperation intentions of the Group and Youhuan Bio, which does not constitute any substantive right and obligation of any parties thereto and is subject to further formal agreement(s) and/or arrangement(s) to be entered into by the parties, which may or may not materialise. Details of the transaction were disclosed in the Company's announcement dated 19 November 2025.

The Group entered into a strategic cooperation framework agreement (the "**Guhuan Cooperation Framework Agreement**") with Shanghai Guhuan Medical Equipment Company Limited (上海谷環醫療器械有限公司) ("**Guhuan Medical**"), pursuant to which the Group intended to invest in Guhuan Medical by way of an equity subscription with a view to establishing a sales channel of branded medical products for the Group's self-operated stores. In addition, Mr. Liang Liang (梁亮) was proposed to be appointed as the head of the Group's medical business division, responsible for the expansion of its medical product business. The Guhuan Cooperation Framework Agreement shall expire on 31 December 2026. Either party may terminate the Guhuan Cooperation Framework Agreement early by giving the other party 10 days' prior notice. Guhuan Medical, which has been deeply engaged in the medical product supply chain for more than ten years, maintains cooperation with high quality upstream and downstream partners and directly or indirectly holds equity interests in over 30 medical cosmetic institutions. Mr. Liang Liang has extensive experience in the medical cosmetic industry with a track record spanning various segments, such as the medical cosmetic supply chain, the operation of medical institutions and investment management. The Board is of the view that entering into the Guhuan Cooperation Framework Agreement will support the Group in optimising the market ecosystem for its medical products — from research and development through to the establishment of proprietary sales channels — and will help to stabilise and expand the Group's revenue streams. Details of the transaction were disclosed in the Company's announcement dated 1 December 2025.

## ISSUE OF NEW SHARES UNDER GENERAL MANDATE

On 30 September 2024, a total of 27,779,373 subscription shares were issued by the Company to not less than six subscribers at the subscription price of HK$0.48 per share pursuant to the terms and conditions of the subscription agreements entered into between the Company and each of the subscribers on 12 September 2024, representing approximately 3.93% of the issued share capital of the Company as enlarged by the allotment and issue of the subscription shares immediately upon completion of the subscription. The above subscription shares were allotted and issued under the general mandate granted to the Board at the annual general meeting of the Company held on 30 August 2023. The net proceeds of the subscriptions, after deducting the relevant expenses, are approximately HK$13.2 million at an average price of HK$0.476 per share which was used and utilised for general working capital of the Group during FY25. Details of the transaction were disclosed in the Company's announcements dated 12 September 2024, 16 September 2024 and 30 September 2024.

On 28 March 2025, a total of 65,359,433 subscription shares were issued by the Company to not less than six subscribers at the subscription price of HK$0.48 per share pursuant to the terms and conditions of the subscription agreements entered into between the Company and each of the subscribers on 18 March 2025, representing approximately 8.46% of the issued share capital of the Company as enlarged by the allotment and issue of the subscription shares immediately upon completion of the subscription. The above subscription shares were allotted and issued under the general mandate granted to the Board at the annual general meeting of the Company held on 30 September 2024. The net proceeds of the subscriptions, after deducting the relevant expenses, are approximately HK$31.3 million at an average price of HK$0.478 per share which was used and utilised for general working capital of the Group. Details of the transaction were disclosed in the Company's announcements dated 18 March 2025, 21 March 2025 and 3 April 2025.

On 29 September 2025, the Company and each of the three subscribers entered subscription agreements and under the terms and conditions of the subscription agreements, a total of 40,000,000 subscription shares were issued by the Company to three subscribers at the subscription price of HK$0.48 per share, representing approximately 4.92% of the issued share capital of the Company as enlarged by the allotment and issue of the subscription shares immediately upon completion of the subscription. The above subscription shares will be allotted and issued under the general mandate granted to the Board at the annual general meeting of the Company held on 30 September 2024. The net proceeds of the subscriptions, after deducting the relevant expenses, are approximately HK$19.1 million which was used for general working capital of the Group. 60% of the net proceeds (approximately HK$11.5 million) from the subscription was utilized for the repayment of bank borrowings, other borrowings and other payable by 31 March 2026, and the remaining 40% of the net proceeds (approximately HK$7.6 million) is expected to be utilized as general working capital of the Group including audit and professional fees, payroll and rental payment by 30 September 2026. Details of the transaction were disclosed in the Company's announcements dated 29 September 2025 and 22 October 2025.

## CHANGE IN BOARD LOT SIZE

On 17 November 2025, the Company announced that the board lot size of the shares of HK$0.02 each in the capital of the Company (the "**Share(s)**") for trading on the Stock Exchange will be changed from 32,000 Shares to 8,000 Shares with effect from 9:00 a.m. on Monday, 8 December 2025 (the "**Change in Board Lot Size**"). Based on the closing price of HK$0.53 per Share as quoted on the Stock Exchange immediately preceding on

17 November 2025, the market value of each existing board lot of 32,000 Shares each was HK$16,960. Upon the Change in Board Lot Size becoming effective, the Shares shall be traded in board lots of 8,000 Shares each, and the corresponding market value for each board lot of 8,000 Shares would become HK$4,240 each (based on the closing price of HK$0.53 per Share as quoted on the Stock Exchange immediately preceding 17 November 2025). As the Change in Board Lot Size will not affect any of the relative rights of the Company's shareholders (the "**Shareholders**"), with the Change of Board Lot Size reducing the board lot value, the Board is of the view that such reduction will lower the threshold for investors to acquire the Shares, thus facilitating the trading and improving the liquidity of the Shares, which will enable the Company to attract more investors and broaden the Shareholders' base. As such, the Board is of the opinion that the Change in Board Lot Size is in the interest of the Company and the Shareholders as a whole. Please refer to the Company's announcement dated 17 November 2025.

## EVENTS AFTER REPORTING PERIOD

### Strategic Cooperative Framework Agreement

The Group entered into a strategic cooperation framework agreement (the "**Foryoung Cooperation Framework Agreement**") with Foryoung Biotechnology Co., Ltd.* ("**Foryoung Biotechnology**") (扶搖元氣生物科技有限公司) in relation to strategic cooperation in the field of clinical cell therapy. Pursuant to the Foryoung Cooperation Framework Agreement, the Group shall be responsible for the research and development, production, quality control and global supply chain support of the products within the scope of cooperation, and shall establish a unified compliance standards system. Foryoung Biotechnology shall leverage its expert team, patent portfolio and market operation capabilities to facilitate the direct integration of the Group's technical production capacity with Foryoung Biotechnology's technological capabilities, thereby completing the clinical translation loop from "capability" to "implementation". Foryoung Biotechnology's core technologies are derived from the commercialisation of scientific research achievements of leading higher education and research institutions in the PRC. It has entered into specialised technology transfer cooperation arrangements and obtained exclusive authorisation in respect of the relevant patents. Foryoung Biotechnology also has experience in filings relating to clinical cell drug research. The Board believes that such cooperation is expected to enable consumers to make more informed decisions when selecting cell-related products and services by reference to clearer qualification and certification standards, thereby reducing the risk of blind trial-and-error in the market. The Board further notes that, with the "Regulations on the Administration of Clinical Research and Clinical Translation Application of New Biomedical Technologies" (《生物醫學新技術臨床研究和臨床轉化應用管理條例》) (State Council Order No. 818) coming into effect on 1 May 2026, the domestic cell industry is expected to enter a more regulated stage, moving away from the previous market environment characterised by "concept-driven development ahead of standards". The Board considers that enterprises lacking technological validation and clinical filing qualifications may face increasing market pressure, whereas enterprises with accumulated technologies, patent deployment and clinical research capabilities may be better positioned to advance from technological development to industrial application. The Board wishes to emphasise that the Foryoung Cooperation Framework Agreement only sets out the preliminary cooperation intentions of the Group and Foryoung Biotechnology, which does not constitute any substantive right and obligation of any parties thereto and is subject to further formal agreement(s) and/or arrangement(s) to be entered into by the parties, which may or may not materialise. Where necessary, further announcement(s) will be made by the Company as and when appropriate in compliance with the relevant Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**"). Details of the transaction were disclosed in the Company's announcement dated 6 May 2026.

### Grant of Share Options

On 24 April 2026, the Board granted and the grants were accepted by the eligible participants as defined in the New Share Option Scheme in respect of 67,925,226 share options at an exercise price of HK$0.54 per Share. Details of the grant of share options were disclosed in the announcement dated 24 April 2026.

## MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES

The Group did not have any material acquisition or disposal of subsidiaries during FY26.

## EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES

The Group principally operates its businesses in Hong Kong and the PRC. The Group is exposed to foreign exchange fluctuations from various currencies, such as United States dollars and Renminbi, which were the major foreign currencies transacted by the Group during FY25 and FY26.

Since Hong Kong dollars remain pegged to the United States dollars within a defined range, the Group is not exposed to any significant foreign exchange risk against the United States dollars. The Group has subsidiaries operating in the PRC, in which most of their transactions, including revenue, expenses and other financing activities, are denominated in Renminbi.

The Group manages its foreign currency risk against other currencies by closely monitoring the movement of the foreign currency rates and may use hedging derivative, such as foreign currency forward contract, to manage its foreign currency risk as appropriate.

### Human Resources

As at 31 March 2026, the Group had a total workforce of 84 (31 March 2025: 75), of whom 16 (31 March 2025: 17) were based in Hong Kong. The total staff costs, including Directors' emoluments and mandatory provident fund, was approximately HK$17.4 million in 2026 (2025: HK$18.2million). Employees were remunerated on the basis of their performance and experience. Remuneration packages, including salary and year-end discretionary bonus, were determined by reference to market conditions and individual performance.

## DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix C3 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") as the code of conduct for dealing in securities of the Company by the Directors. All Directors have confirmed, upon specific enquiries made by the Company, that they have complied with the required standard set out in the Model Code throughout the year ended 31 March 2026.

## INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has complied with the requirements under Rules 3.10(1), 3.10(2) and 3.10A of the Listing Rules. The Company has three independent non-executive Directors, namely Mr. Wong Siu Keung, Joe, Mr. Chang Chunyu and Ms. Shen Ding.

The Board has reviewed the independence of all independent non-executive Directors and concluded that all of them are independent within the definition of the Listing Rules. Furthermore, the Board is not aware of the occurrence of any events which would cause it to believe that the independence of any of the independent non-executive Directors has been impaired up to the date of this announcement.

## AUDIT COMMITTEE

The audit committee of the Company, which comprises three independent non-executive Directors of the Company, has reviewed with the management the accounting principles and practices adopted by the Group and discussed the internal control, risk management and financial reporting matters including the review of the audited consolidated financial statements of the Group for the year ended 31 March 2026.

## PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the year ended 31 March 2026.

## CORPORATE GOVERNANCE CODE

The Group recognises the importance of achieving the highest standard of corporate governance consistent with the needs and requirements of its businesses and the best interests of all of its stakeholders, and the Board is fully committed to doing so. The Board believes that high standards of corporate governance provide a framework and solid foundation for the Group to manage business risks, enhance transparency, achieve high standard of accountability and protect stakeholders' interests.

The Group has adopted a corporate governance statement of policy which provides guidance on the application of the corporate governance principles on the Group, with reference to the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 to the Listing Rules.

In the opinion of the Directors, the Company has complied with all code provisions as set out in the CG Code throughout the year ended 31 March 2026 and, where appropriate, the applicable recommended best practices of the CG Code, except for the deviations disclosed below:

— There is currently no officer carrying the title of Chief Executive Officer ("**CEO**") up to the date of this announcement. In the absence of a CEO, the duties of the CEO have been/will continue to be collectively undertaken by all executive Directors, namely Mr. Cheung Sze Ming, Mr. Dong Peng and Dr. Su Yaoyao. In the opinion of the Directors, the present arrangement is effective and efficient.

## SCOPE OF WORK OF BAKER TILLY HONG KONG LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income and consolidated statement of changes in equity, and the related notes thereto for the year ended 31 March 2026 as set out in the preliminary announcement of the Group have been agreed by the Group's auditor, Baker Tilly Hong Kong Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Baker Tilly Hong Kong Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Baker Tilly Hong Kong Limited on the preliminary announcement.

By Order of the Board
**BAIJIN LIFE SCIENCE HOLDINGS LIMITED**
**Cheung Sze Ming**
*Executive Director*

Hong Kong, 30 June 2026

*As at the date of this announcement, the Board comprises Mr. Cheung Sze Ming, Mr. Dong Peng and Dr. Su Yaoyao as executive Directors; Mr. Zhu Yongjun, Mr. Cheng Chi Kin and Ms. Xie Chunchen as non-executive Directors; Mr. Wong Siu Keung Joe, Mr. Chang Chunyu and Ms. Shen Ding as independent non-executive Directors.*