KINGWORLD MEDICINES GROUP LIMITED
金活醫藥集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code : 01110)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

FINANCIAL HIGHLIGHTS

	Six months ended 30 June		
	2026	2025	% Changes
	(unaudited)	(unaudited)	Increase/
	RMB'000	RMB'000	(Decrease)
Financial Highlights			
Revenue	**275,374**	404,850	(32.0)%
Cost of sales	**(181,196)**	(302,807)	(40.2)%
Gross profit	**94,178**	102,043	(7.7)%
Gross profit margin	**34.2%**	25.2%	9.0% points
Profit for the period	**7,564**	11,436	(33.9)%
Loss attributable to owners of the Company	**(5,224)**	(5,412)	(3.5)%
Basic loss per share (RMB cents)	**(0.90)**	(0.94)	(4.3)%

The board (the "**Board**") of directors (the "**Directors**") of Kingworld Medicines Group Limited (the "**Company**" and together with its subsidiaries, the "**Group**") is pleased to announce the unaudited consolidated results of the Group for the six months ended 30 June 2026 (the "**Reporting Period**") together with the comparative figures for the six months ended 30 June 2025 with the selected notes as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE SIX MONTHS ENDED 30 JUNE 2026 - UNAUDITED

	Note	**Six months ended 30 June**	
		2026	2025
		(unaudited)	(unaudited)
		RMB'000	RMB'000
Revenue	4	**275,374**	404,850
Cost of sales		**(181,196)**	(302,807)
Gross profit		**94,178**	102,043
Other revenue	6(a)	**8,405**	7,276
Other income and other losses	6(b)	**(463)**	601
Selling and distribution costs		**(30,671)**	(43,592)
Administrative expenses		**(55,547)**	(55,020)
Valuation gain on investment properties		**4,110**	4,650
Profit from operations		**20,012**	15,958
Finance costs	7(a)	**(8,586)**	(8,085)
Share of profit of a joint venture		**3,603**	5,247
Share of profit of an associate		**639**	754
Profit before taxation	7	**15,668**	13,874
Income tax	8	**(8,104)**	(2,438)
Profit for the period		**7,564**	11,436
Loss for the period attributable to:			
Owners of the Company		**(5,224)**	(5,412)
Non-controlling interests		**12,788**	16,848
Profit for the period		**7,564**	11,436
Loss per share	10		
Basic and diluted (RMB cents)		**(0.90)**	(0.94)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2026 - UNAUDITED

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	RMB'000	RMB'000
Profit for the period	**7,564**	11,436
Other comprehensive income for the period		
Items that will not be reclassified to profit or loss:		
Fair value change on financial assets	**(3,695)**	1,451
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of financial statements of entities outside the PRC	**(10,891)**	(1,121)
	(14,586)	330
Total comprehensive (loss)/income for the period	**(7,022)**	11,766
Attributable to:		
Owners of the Company	**(19,810)**	(5,082)
Non-controlling interests	**12,788**	16,848
Total comprehensive (loss)/income for the period	**(7,022)**	11,766

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2026 - UNAUDITED

	Note	**30 June 2026 (unaudited) RMB'000**	31 December 2025 (audited) RMB'000
Non-current assets			
Property, plant and equipment		**341,138**	340,325
Right-of-use assets		**105,485**	109,473
Investment properties		**130,570**	126,460
Goodwill		**90,693**	90,693
Interest in a joint venture		**95,155**	91,552
Interests in associates		**12,300**	12,001
Financial assets at fair value through other comprehensive income		**44,902**	50,239
Financial assets at fair value through profit or loss		**7,903**	7,903
		828,146	828,646
Current assets			
Inventories		**119,686**	133,286
Trade and bills receivables	11	**120,214**	157,433
Financial assets at fair value through profit or loss		**9,826**	10,176
Deposits, prepayments and other receivables		**45,112**	48,437
Cash and cash equivalents		**178,555**	264,410
		473,393	613,742
Current liabilities			
Contract liabilities		**64,824**	66,402
Trade payables	12	**43,900**	162,684
Accruals and other payables		**69,212**	57,045
Bank loans		**260,570**	265,006
Lease liabilities		**7,495**	6,802
Income tax payable		**5,772**	7,365
		451,773	565,304
Net current assets		**21,620**	48,438
Total assets less current liabilities		**849,766**	877,084

	Note	30 June 2026 (unaudited) RMB'000	31 December 2025 (audited) RMB'000
Non-current liabilities			
Bank loans		**160,250**	149,380
Lease liabilities		**9,810**	12,678
Deferred tax liabilities		**27,208**	26,175
		197,268	188,233
NET ASSETS		**652,498**	688,851
CAPITAL AND RESERVES			
Share capital		**53,468**	53,468
Reserves		**543,092**	564,233
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		**596,560**	617,701
NON-CONTROLLING INTERESTS		**55,938**	71,150
TOTAL EQUITY		**652,498**	688,851

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2026 - UNAUDITED

1. GENERAL INFORMATION

Kingworld Medicines Group Limited was incorporated as an exempted company in the Cayman Islands with limited liability under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised of the Cayman Islands) on 10 July 2008. The Company is an investment holding company whereas its subsidiaries are principally engaged in (i) distribution sales of branded imported pharmaceutical and healthcare products, and (ii) manufacturing and sales of electrotherapeutic and physiotherapeutic devices and general medical examination devices in the People's Republic of China (the "**PRC**") and Hong Kong.

2. BASIS OF PREPARATION

The unaudited interim results announcement has been prepared in accordance with the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and the Hong Kong Accounting Standard 34 Interim Financial Reporting (the "**HKAS 34**") issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**").

The preparation of an unaudited interim results announcement in conformity with the HKAS 34 requires the management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses on a year-to-date basis. Actual results may differ from these estimates.

The unaudited interim results announcement contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of the events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2025 annual financial statements. The condensed consolidated financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with HKFRS Accounting Standards.

The interim results announcement is unaudited, but has been reviewed by the Company's audit committee.

3. CHANGES IN ACCOUNTING POLICIES

The Group has applied the following amendments to HKFRSs issued by the HKICPA to this announcement for the current accounting period:

- Amendments to HKFRS 9 and HKFRS 7, Amendments to the Classification and Measurement of Financial Instruments
- Amendments to HKFRS 9 and HKFRS 7, Contracts Referencing Nature-dependent Electricity
- Annual Improvements to HKFRS Accounting Standards Volume 11, Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7

None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

4. REVENUE

Revenue represents sales of branded imported pharmaceutical and healthcare products, electrotherapeutic and physiotherapeutic devices, and general medical examination devices at net invoiced value of goods sold, less value-added and sales taxes, returns and discounts, during the Reporting Period.

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	RMB'000	RMB'000
Sales of		
– pharmaceutical products	**142,865**	266,154
– healthcare products	**22,852**	20,298
– medical devices	**109,657**	118,398
	275,374	404,850
Timing of revenue recognition		
A point in time	**275,374**	404,850

5. SEASONALITY OF OPERATIONS

The Group's business in distribution sale of pharmaceutical and healthcare products and manufacturing and sales of electrotherapeutic and physiotherapeutic devices and general medical examination devices had no special seasonality factor.

6. OTHER REVENUE, INCOME AND OTHER LOSSES

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	RMB'000	RMB'000
(a) Other revenue		
Total interest income on financial assets not at fair value through profit or loss:		
Bank interest income	**984**	3,099
Gross rental income from investment properties	**1,997**	2,517
Dividend income from financial assets at fair value through profit or loss	**424**	–
Dividend income from a joint venture	**5,000**	–
Promotional service income	–	1,588
Management fee income	–	72
	8,405	7,276
(b) Other income and other losses		
Government grants	**638**	–
Change in fair value of financial assets at fair value through profit or loss	**14**	(166)
Exchange loss, net	**(2,032)**	(1,500)
Others	**917**	2,267
	(463)	601
Total	**7,942**	7,877

7. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting) the following:

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	RMB'000	RMB'000
(a) Finance costs		
Interest on bank loans	**8,110**	7,617
Interest on lease liabilities	**476**	468
	8,586	8,085
(b) Other items		
Cost of inventories sold	**181,196**	302,807
Staff costs	**53,190**	61,110
Depreciation of property, plant and equipment	**7,938**	8,000
Amortisation of right-of-use assets	**5,334**	5,203
Rental income from investment properties less direct outgoings of RMB300,000 (six months ended 30 June 2025: RMB112,000)	**(1,697)**	(2,405)
Research and development cost	**12,211**	8,492
Payment for share award scheme expense	**10**	–

8. INCOME TAX

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	RMB'000	RMB'000
Current Tax		
Hong Kong Profits Tax	**–**	–
PRC Enterprise Income Tax	**4,589**	4,727
Under-provision in prior periods	**2,488**	861
	7,077	5,588
Deferred Tax	**1,027**	(3,150)
	8,104	2,438

Notes:

(i) Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax in the Cayman Islands and the BVI.

(ii) The provision for Hong Kong Profits Tax is calculated by applying the estimated annual effective tax rate of 16.5% (2025: 16.5%) to the six months ended 30 June 2026, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered Profits Tax rate regime.

For this subsidiary, the first HK$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The provision for Hong Kong Profits Tax for this subsidiary was calculated at the same basis in 2025.

(iii) The PRC Enterprise Income Tax charge of the Group during the six months ended 30 June 2026 and 2025 represented mainly the PRC Enterprise Income Tax charge on the Group's PRC subsidiaries, Shenzhen Kingworld Medicine Company Limited, and Shenzhen Dong Di Xin Technology Company Limited ("Dong Di Xin") are based on a statutory rate of 25% (six months ended 30 June 2025: 25%), except for Dong Di Xin, which is based on a preferential income tax rate of 15% (six months ended 30 June 2025: 15%).

(iv) Under the New EIT Law and its implementation rules, dividends receivable by non-PRC resident enterprises from PRC resident enterprises are subject to withholding tax at a rate of 10% unless reduced by tax treaties or agreements. Under the Agreement between the Mainland China and Hong Kong Special Administration Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion, or Mainland China/HKSAR DTA, Hong Kong corporate tax residents which hold 25% or more of a PRC enterprise are entitled to a reduced dividend withholding tax rate of 5%. Pursuant to CaiShui [2008] No. 1 Notice on Certain Preferential Enterprise Income Tax Policies, undistributed profits generated prior to 1 January 2008 are exempted from such withholding tax. Accordingly, dividends receivable by the Group's investment holding company in Hong Kong from the PRC subsidiaries in respect of profits earned since 1 January 2008 will be subject to 5% withholding tax.

9. DIVIDENDS

The Company's directors did not recommend the payment of an interim dividend for the six months ended 30 June 2026 and 2025.

10. LOSS PER SHARE

(a) Basic loss per share

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

(i) Loss attributable to owners of the Company

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
	RMB'000	RMB'000
Loss for the period attributable to owners of the Company	**(5,224)**	(5,412)

(ii) Weighted average number of ordinary shares

	Six months ended 30 June	
	2026	2025
	(unaudited)	(unaudited)
Weighted average number of ordinary shares in issue	**622,500,000**	622,500,000
Effect of shares repurchased and held under share award scheme	**(39,152,261)**	(48,016,667)
Weighted average number of ordinary shares for the purpose of basic loss per share	**583,347,739**	574,483,333

(b) Diluted loss per share

There were no dilutive potential ordinary shares for the six months ended 30 June 2026 and 2025; therefore diluted loss per share is equivalent to the basic loss per share.

11. TRADE AND BILLS RECEIVABLES

The Group generally granted credit terms ranging from 30 days to 120 days to its customers. As of the end of the Reporting Period, the ageing analysis of trade and bills receivables (which are included in trade and other receivables), based on the invoice date and net of allowance for credit losses, is as follows:

	At 30 June	At 31 December
	2026	2025
	(unaudited)	(audited)
	RMB'000	RMB'000
0-90 days	**102,367**	109,726
91-120 days	**7,615**	1,871
121-180 days	**82**	757
181-365 days	**5,603**	1,056
Trade receivables, net of allowance for credit losses	**115,667**	113,410
Bills receivables	**4,547**	44,023
	120,214	157,433

12. TRADE PAYABLES

The credit terms granted by the suppliers were generally 45 days to 90 days. Ageing analysis of trade payables is presented based on invoice date as of the end of the Reporting Period as follows:

	At 30 June 2026 (unaudited) RMB'000	At 31 December 2025 (audited) RMB'000
0-90 days	**43,457**	159,607
91-180 days	**443**	3,077
Total trade payables	**43,900**	162,684

MANAGEMENT DISCUSSION AND ANALYSIS

MARKET AND INDUSTRY REVIEW

For the six months ended 30 June 2026 (the "Reporting Period"), the global economic environment remained complex and volatile, while China's economy demonstrated strong resilience under the implementation of counter-cyclical adjustment policies. According to data from the National Bureau of Statistics, China's GDP reached approximately RMB69,570.4 billion in the first half of the year, representing a year-on-year increase of 4.7%. The total retail sales of consumer goods and services grew by 2.7% year-on-year. The national per capita disposable income reached approximately RMB22,981, a nominal increase of 5.2%, while per capita healthcare consumption expenditure reached approximately RMB1,330, a year-on-year increase of 1.2%, accounting for 9.0% of per capita consumption expenditure. However, concurrently impacted by factors including medical insurance policy adjustments, weakening market demand and declining pharmacy foot traffic, proprietary Chinese medicine market at China's retail pharmacy terminals (urban physical pharmacies and online pharmacies) came under pressure, with sales falling below RMB150 billion in 2025, and the decline widening further to approximately 4.8% in the first quarter of 2026.

The long-term growth logic of the traditional Chinese medicine industry remains unchanged. The public's health consumption concepts continue to shift from "passive medical treatment" to "active health management", with structural opportunities such as the silver economy, the revitalisation of traditional Chinese medicine, and the regulatory coordination in the Greater Bay Area are further being unleashed, providing fertile ground for the steady development of the Group's core businesses.

Policy dividends for the traditional Chinese medicine industry continued to materialise. In January 2026, eight departments, including the Ministry of Industry and Information Technology, jointly issued the "Implementation Plan for the High-Quality Development of the Traditional Chinese Medicine Industry (2026-2030)." In July 2026, the State Council approved the "15th Five-Year Plan for the Revitalisation and Development of Traditional Chinese Medicine", charting a clear roadmap for the industry's high-quality development. The number of approvals for new drugs based on classical formulations continued to rise in China, and enthusiasm for traditional Chinese medicine innovation remained undiminished. Meanwhile, the "Hong Kong and Macao Medicine and Equipment Connect" policy has been extended to nine Mainland cities within the Greater Bay Area, with 162 innovative drugs and medical devices approved as at the end of April 2026. The simplified registration and approval policy for traditional external-use Chinese patent medicines already marketed in Hong Kong and Macao continues to be implemented in Guangdong Province, creating a unique policy window for the Group to leverage its Hong Kong industry resources to advance the landing of Hong Kong medicines and deepen its presence in the Greater Bay Area's traditional Chinese medicine market.

At the regulatory level, the National Healthcare Security Administration, jointly with the Ministry of Finance, issued a policy document on the "whitelist" for personal account payments, requiring all provinces to introduce a unified province-wide payment scope management list by the end of September 2026. Products with strong medical attributes, such as pharmaceuticals, medical devices and medical consumables, will be included in the payable category, while health products and daily necessities will be included in the non-payable category, further raising industry access and operational thresholds. Retail pharmacy terminals continued to face pressure from declining foot traffic and store closures amid macroeconomic slowdown, medical insurance policy adjustments and changes in consumer behaviour, with sell-through of Chinese patent medicine OTC products slowing. Industry standardisation and a quality-oriented approach are expected to benefit branded enterprises in further expanding their market share.

Meanwhile, the application of artificial intelligence technology in the pharmaceutical and health sector has entered a phase of accelerated adoption, with continued implementation in scenarios such as content marketing, precision targeting, channel management and health management. China's population ageing continues to accelerate, and demand for silver economy and functional health products continues to be unlocked, with segments such as elderly chronic constipation and bone and joint health presenting vast market potential. The Group will continue to capture the dividends of population ageing and Greater Bay Area policies, actively explore the deep application of AI technology, and drive the Group's high-quality sustainable development.

I. Business Review of the Pharmaceutical Distribution Segment

In the first half of 2026, affected by multiple factors including macroeconomic slowdown, medical insurance policy adjustments and changes in consumer behaviour, retail pharmacy terminals continued to face pressure from declining foot traffic, with sell-through of Chinese patent medicine OTC products slowing. The industry as a whole remained in deep adjustment. Since reaching a peak of approximately 706,000 pharmacies in the third quarter of 2024, the total number of pharmacies nationwide has declined for several consecutive quarters. In 2025, about 22,000 pharmacies closed nationwide, pushing the closure rate to 7.9%. Entering 2026, industry consolidation has further accelerated.

Against this backdrop of compounding adverse factors, overall operating pressure across the industry continued to intensify, with divergent impacts across sub-categories. From a market segmentation perspective, urban physical pharmacies remained the "main battlefield" for Chinese patent medicines, accounting for over 80% of sales in recent years, though sales have declined year by year, falling by more than 6% in the first quarter of 2026. By therapeutic category, mainly affected by multiple factors including market demand, national policy, consumer behaviour and industry competition, Chinese patent medicines for respiratory diseases and paediatric conditions both recorded declines exceeding 10%, with the Group's Nin Jiom sales also affected by this broader environment. In contrast, Chinese patent medicines for cardiovascular and cerebrovascular diseases maintained relatively robust growth, indicating that pharmacies have become an important venue for chronic disease management. The continued release of demand driven by the silver economy and preventive healthcare provides a solid market foundation for the long-term development of the Group's core businesses.

At the regulatory level, the National Healthcare Security Administration, jointly with the Ministry of Finance, issued a notice in May 2026 establishing a whitelist system for medical insurance personal account payments at designated retail pharmacies, requiring all provinces to introduce a unified payment scope management list by the end of September 2026. Products eligible for inclusion in the whitelist are pharmaceuticals, medical devices and medical consumables that are formally approved for registration or filing by drug regulatory authorities, closely related to treatment, and with strong medical attributes. As the Group's core products are predominantly drugs bearing the National Medicine Approval Number, policy standardisation is expected to further increase the market share of branded pharmaceuticals at retail terminals. In addition, the simplified registration and approval policy for traditional external-use Chinese patent medicines already marketed in Hong Kong and Macao continues to be implemented in Guangdong, continuing to create policy windows for the Group to leverage its Hong Kong industry resources to advance the landing of Hong Kong medicines and deepen its presence in the Greater Bay Area's traditional Chinese medicine market.

In response to the challenges and opportunities brought about by structural industry adjustment, the Group has continued to deepen its marketing cooperation with upstream suppliers around the core operating theme of "stabilising scale, enhancing efficiency and strengthening structure", consolidating the sales scale of its existing core products. Among core products, the Nin Jiom brand continued its deep collaboration with its brand ambassador Zhou Shen, enhancing brand influence through festival-themed marketing and public welfare campaigns, and being named to the "China Pharmacy Selected Brands" list for the 19th consecutive year. Taiko Seirogan delivered strong sales performance, achieving relatively high year-on-year growth, with robust growth in its traditional strongholds. Kingworld Imada Red Flower Oil continued to deepen its presence in sports protection scenarios, reinforcing its brand positioning and sales conversion through event sponsorships and precision O2O marketing.

In terms of prescription drugs and proprietary brand products, Fengbao Jianfu Capsule kicked off its inaugural year of relaunching nationwide market development, having preliminarily secured positions in core markets and gaining strong recognition from medical channel partners. The exclusive patented product Cistanche Laxative Oral Liquid precisely targeted the market for deficiency-type constipation among the elderly and postpartum populations, with steady improvement in product coverage. Foci Kingworld An Gong Niu Huang Wan faced pressure on overall category sales due to external environmental factors and competitive interference, though the "Compassion Lecture Hall" model in certain regional markets has demonstrated a replicable breakthrough path. Proprietary brand products such as Zhuang Yao Jian Shen Pian (Strengthening Kidney Tablet) and American Ginseng Capsule continued to advance market expansion and channel development.

During the Reporting Period, the Group adopted the following development strategies for the pharmaceutical segment:

1) ***Deepening channel network and optimising customer structure***

In the first half of 2026, the Group served 209 tier-1 clients, representing a slight increase of 2.5% year-on-year. Among these, 119 were tier-1 clients in the pharmaceutical channel, and 90 were tier-1 clients for wholesale/retail cooperation in the domestic non-pharmaceutical channel and the Hong Kong/Macao markets, with a new-client development rate of 8.4%. The top 10 clients accounted for 44.8% of the Group's operating share. The pharmaceutical channel's terminal network coverage totalled 156,800 outlets.

In terms of channel development, the Group has orderly advanced its 2026 operational deployment across all provincial regions. Since mid-January, briefing sessions have been held successively in Northwest, North, Central, Jiangsu, Shanghai, Fujian-Hainan, Zhejiang, South and Southwest China regions, clarifying the direction for refined channel operations and full-channel price monitoring while strengthening cooperation depth with key enterprises.

Against this backdrop, the Group has actively seized industry consolidation opportunities, relying on strategic collaboration with core distributors in each provincial region to continuously consolidate its channel advantages, using SMART data as a guide to identify channel gaps and growth points, working hand-in-hand with partners. At the same time, the Group has continued to advance channel terminal development: Taiko Seirogan focused on building terminal flagship stores in key markets in South China and coastal regions, while Kingworld Imada Red Flower Oil continued to enhance terminal visibility and brand image nationwide, further consolidating channel barriers and brand image in core markets.

In terms of marketing informatisation upgrades, the Group leveraged AI intelligent robots to develop and implement a function that regularly pushes lists of potential clients and procurement scale to regional managers. The SMART system's sales management module was upgraded to version 2.0, refining regional operational management dimensions to meet the digital marketing management needs of balancing nationwide unified operational management with the distinctive operating structures of each region.

2) Deepening full-cycle scenario-based marketing to drive influence across multiple consumer circles

During the Reporting Period, the Group carried out multi-dimensional scenario-based marketing and brand promotion activities centred around its core products. The flagship product Kingworld Imada Red Flower Oil continued to deepen its presence in sports protection scenarios, selecting 18 key O2O cities for online placements on the Meituan platform in the first half of the year, with new customers accounting for as high as 93% of orders during the April-to-June placement period. Offline, during the Mother's Day theme period, the Group held health lectures, free massages and product trial experiences at stores nationwide. In addition to its long-standing presence on CCTV-13 News Channel, the product also debuted on CCTV-17 Agriculture, Rural Areas and Farmers Channel in February 2026, further leveraging CCTV's national authoritative media platform to enhance product awareness. In terms of event sponsorship, the Group successively sponsored the Shenzhen-Hong Kong-Macao Youth Tennis Team Exchange Tournament, the Sun Yat-sen University Lingnan College Shenzhen Alumni Association Tennis Club tournament, and the Baisheng Badminton Hall Quarterly Championship, among others, leveraging event exposure to boost influence among younger consumer groups and within the Greater Bay Area region.

The Nin Jiom brand continued its deep collaboration with its endorser Zhou Shen, carrying out integrated marketing campaigns around Chinese New Year, International Women's Day, Mother's Day and the Dragon Boat Festival. An "Every Voice, Every Reunion" theme campaign was launched for the Spring Festival; a "Spring Breeze at Nin Jiom, Fragrance of Blossoms" flower-arranging tribute campaign was held for International Women's Day; a "When Mom Smiles, Filial Piety Has Arrived" theme marketing campaign was launched for Mother's Day; and a "Fragrant Zongzi, Dragon Boat Journey" theme campaign was held for the Dragon Boat Festival. The Group continued to advance the "Filial Piety Project • Youth Accompanying the Elderly" series of public welfare activities and the 3rd "Nin Jiom • New Voice" National Children's Singing Competition. In terms of advertising placement, the Group continued to intensify its four-dimensional outdoor advertising matrix spanning elevator media, subway, buses and large urban commercial-district screens, and became the exclusive title sponsor of variety shows including "Infinity and Beyond: Sound" and "Music Fate Project 2." Nin Jiom was named to the "China Pharmacy Selected Brands" list for the 19th consecutive year and ranked 17th on the "2025 Healthy China • Brand Value List" at the Xipu Conference with a brand value of RMB5.01 billion.

Taiko Seirogan, centred on its brand positioning as "the century-old Taiko brand • rapid diarrhoea relief expert", placed brand advertisements at core transport hubs such as high-speed rail stations and airports targeting high-frequency gastrointestinal discomfort scenarios such as business travel, dining out and travel-related digestive upset, combined with "gastrointestinal health education" and "travel essentials" theme content-seeding campaigns on online social media platforms. The Group also partnered with Guangdong Traffic Radio on a charity initiative supporting the Gaokao (National College Entrance Examination), raising brand awareness through the distribution and promotion of care packages for examinees. According to Menet's 2025 TOP 20 ranking of digestive-system Chinese patent medicine brands in urban physical pharmacies, Taiko Seirogan ranked 18th, with growth of 23.82%.

3) Enhancing the online marketing matrix to build an omni-channel marketing closed loop

In the first half of 2026, the instant retail market maintained robust growth momentum. According to statistics, the pharmaceutical O2O market grew by more than 30% year-on-year in the first quarter of 2026, significantly outpacing the overall growth rate of physical pharmacies and becoming an important growth pole for the pharmaceutical retail industry. Against this backdrop, the Group continued to deepen its online communication strategy, with each core product achieving phased results across O2O channels.

The scale of Nin Jiom's combined product listings on O2O channels continued to expand, effectively broadening coverage of new stores and driving steady growth in pure sales of the 150ML product, maintaining sustained positive growth. Red Flower Oil undertook precision placements in 18 key O2O cities, achieving on-platform traffic generation and conversion and effectively expanding its reach among younger consumer groups. Taiko Seirogan conducted multiple rounds of "gastrointestinal health education" and "travel essentials" theme content-seeding campaigns across social media platforms including WeChat, Weibo and Xiaohongshu, continuing to raise brand awareness among younger consumers.

Meanwhile, the Group also continued to advance the construction of online flagship stores, continuously optimising brand display and product listings on platforms such as Meituan and Ele.me, effectively enhancing terminal visibility and brand exposure.

In terms of AI-empowered content marketing, the Group advanced its AI-generated KOC short video initiative, using AI tools to mass-produce brand content-seeding short videos for placement on the Douyin platform, achieving sustained reinforcement of brand exposure and a significant improvement in marketing efficiency, further refining the closed loop from content.

4) Cultivating proprietary and potential products to drive product structure transformation

In response to national policy direction on developing the silver economy and addressing population ageing, the Group has precisely positioned itself in the elderly health and niche demographic markets. Its exclusive patented product Cistanche Laxative Oral Liquid comprehensively deepened its marketing strategy of "focusing on core demographics, reshaping product value", targeting elderly deficiency-type constipation and postpartum constipation as its core demographics. From January to June 2026, the product achieved cumulative sales of RMB3.147 million, with product pricing maintained stably through strict price management. In terms of distribution, the Fujian-Hainan and Northwest regions achieved impressive results, setting a strong benchmark for other regions. The "Health Management Master 13730" breakthrough campaign achieved sell-through rates exceeding 80% across multiple chains in Guangzhou, Shenzhen and Zhuhai. Looking ahead to the second half of the year, the product is expected to accelerate its extension from an "in-hospital prescription drug" to an "out-of-hospital household staple medicine."

The Group has accelerated the incubation of its proprietary brand products. Jianfu Capsule kicked off its inaugural year of relaunching nationwide market development, adopting a distributor recruitment and controlled-sales model, with progress achieved in first-half sales, completing the critical leap from zero to one in market commercialisation. In the first half of the year, the Group successfully signed agreements with five provincial-level distributors, with market coverage extending to eight provinces and municipalities including Guangdong, Fujian, Zhejiang, Shandong, Sichuan and Chongqing; the 24-capsule format completed sales through core medical channels in South China, while the 48-capsule format precisely entered third-terminal and specialist clinic channels, achieving listings at nearly 100 quality terminals.

First-half sales of Taiko Seirogan grew by approximately 167.2% year-on-year, with growth exceeding 90% in the traditional strongholds of South China and Fujian-Hainan. On 30 January 2026, the Group jointly held a "Taiko Seirogan Kangfu Anti-Diarrhoea Tablets Project Cooperation Ceremony" with Taiko Pharmaceutical and Etta Trading (Hong Kong), planning to launch its sister product, Taiko Seirogan Kangfu Anti-Diarrhoea Tablets, in the second half of the year to enrich its gastrointestinal medication matrix.

Proprietary brand products such as Zhuang Yao Jian Shen Pian (Strengthening Kidney Tablet), American Ginseng Capsule and Gan Mao Qing (Cold Relief) Capsule continued to advance market expansion and channel development.

II. Business Review of the Healthcare and Daily Chemical Distribution Segment

In the first half of 2026, China's health products industry maintained steady growth momentum. During the 2026 "618" shopping festival, total online sales of nutrition and health products reached RMB15.3 billion, up 7.0% year-on-year. The market size of China's dietary supplement industry has grown from RMB148 billion in 2016 to RMB312.38 billion in 2025, representing a compound annual growth rate of 8.65%. Meanwhile, the health food filing (registration) system continued to expand, with widely recognised, high-demand ingredients being added to the filing catalogue, substantially shortening product launch timelines. At the regulatory level, the State Administration for Market Regulation and two other departments jointly launched a "Special Action to Protect the Elderly in Health Food Consumption", aimed at addressing issues such as false advertising encountered by middle-aged and elderly consumers of health food, driving high-quality industry development. Against this backdrop, the Group's healthcare and daily chemical products segment closely aligned with the Group's strategic goals, advancing omni-channel business deployment and sales execution, with overall operating performance exceeding targets.

During the Reporting Period, the Group adopted the following development strategies for the healthcare and daily chemical products segment:

1) Digital transformation of e-commerce platforms, with content e-commerce and shelf e-commerce driving synergistic growth

During the Reporting Period, the core product INNOPHARM Fish Oil recorded year-on-year growth of 51.64%, with sales growth exceeding 70%, making it one of the standout growth drivers within the Group's health products segment.

Brand growth did not rely on short-term traffic dividends from a single channel but was instead gradually built on a synergistic growth model combining content-based e-commerce and shelf-based e-commerce. The Douyin KOC matrix, combined with AI video creation, cumulatively produced over 180 short videos, achieving hundreds of thousands of total views across the platform, while partnering with more than 100 Douyin influencers for a cumulative total of over 2,600 livestreams. Notably, a deep collaboration with the millions-follower family-drama influencer account "Gao Ai Pang Shou" achieved total exposure exceeding 1.2 million views, with two limited-time livestreams generating sales exceeding RMB1 million.

On Xiaohongshu, the Group adopted a strategy combining official self-operation with influencer content seeding, continuously deepening private-domain operations through content and video channel posts, achieving month-on-month doubling of follower growth. As content-e-commerce traffic effectively spilled over to shelf-e-commerce platforms such as Tmall and JD.com, shelf channels achieved simultaneous rapid growth, with the brand initially forming an omni-channel layout of "Douyin content-based e-commerce + shelf-based e-commerce (Tmall/JD.com) + private-domain channels (Youzan) + offline premium retail (Hema)."

Breakthroughs were also achieved in offline premium retail channels, with the strategic project to enter Hema successfully advanced, with relevant products already listed for sale, further reaching high-net-worth consumer groups and extending the brand's channel presence from online to offline.

2) ***Strengthening cross-border cooperation in the Hong Kong and Macao markets to drive growth in health product exports***

The Group continued to deepen cross-border collaboration between its Hong Kong Kingworld and Foci systems. Hong Kong Kingworld's first-half sales reached nearly HK$5 million, up 55.9% year-on-year. In terms of new product introductions, the Group introduced several products including Lee Young-ae Metabolic Enzyme, German fat-reduction tablets, and the No. 1 Irish pharmacy probiotic brand PrecisionBiotics range; channel expansion also made progress, with the Group successfully entering key display positions at Sasa International's Hong Kong chain, the premium department store SOGO, and all 31 stores of the Longfeng Mall chain; 16 new stores were developed in the sports channel (including Decathlon, Sportimate and Hillmalaya, among others); and the brand also entered Hong Kong gym promotional and sales channels.

Online sales continued to expand, with the Group partnering with Hong Kong livestreaming platforms including JOJO Queen, May I Keep Young, Paradise Island and ZOE to promote and sell products under brands including INNOPHARM, PrecisionBiotics and Kräuterhof Horse Balm through livestreams. In terms of brand promotion, the Group participated in the 24-day HKTDC Home & Living Fair Shopping Festival, adopting for the first time a double-sided open booth design and a dedicated livestreaming area, showcasing 11 new products; the Group also held roadshows at Shun Tak Shopping Centre and Sau Mau Ping Shopping Centre, and continued to operate its Facebook and Instagram social media accounts. In addition, the Group signed an agreement with South Korea's Natureloud Co., Ltd. for the exclusive agency rights to the Lee Young-ae enzyme series in Hong Kong, Macao and Mainland China, this being South Korea's No. 1 selling enzyme brand.

Hong Kong Foci's first-half sales reached nearly RMB10 million, up 46.39% year-on-year. Sales channels continued to expand, with the brand now fully listed across all 25 stores of the Longfeng Mall chain in Hong Kong; 10 new products were added to Watsons' website; and 30 new traditional Chinese medicine clinic customers were developed through TCM practitioner recommendation events. Brand influence also steadily improved, with Minshan Xiao Yao Wan winning the "Top Popularity Award of Hong Kong Pharmacies" for the third consecutive year, further strengthening brand voice.

3) Enriching the product portfolio and deepening international brand collaboration

In terms of new product planning, the Group is focusing on three high-growth segments — anti-anxiety sleep aids (the broadly defined sleep economy is expected to exceed RMB610 billion in 2026), beauty and anti-ageing, and liver protection — and plans to launch three new products: INNOPHARM Liver Detox Capsules, INNOPHARM Anti-Anxiety Sleep Capsules, and INNOPHARM Beauty Fish Oil Softgels. Among these, the Anti-Anxiety Sleep Capsules feature a French patented sleep-aid and anti-anxiety ingredient as their core formulation, positioned around an "emotion + sleep" systemic solution covering the largest insomnia demographic — "anxiety-related insomnia"; the Liver Detox Capsules combine patented liver-protective herbal ingredients, catering to demand in both the Chinese and French markets and forming a complementary matrix with the fish oil products; and the Beauty Fish Oil Softgels combine deep-sea fish oil with patented beauty ingredients, newly defining the platinum standard for oral beauty supplements. All three products are scheduled to launch in cross-border and French markets in the second half of the year. Due to tightened Peruvian anchovy fishing quotas, fish oil raw material supply shortages have become the main constraint on INNOPHARM Fish Oil's growth; mini-format fish oil products (60-capsule and 10-capsule packs) are planned for launch in August to enrich the product matrix. Carmex Lip Balm will officially launch its cross-border channel transition in the second half of the year, opening an overseas flagship store, introducing bestselling overseas new products, and piloting cross-border shopping business through Mainland key-account (KA) systems.

During the Reporting Period, INNOPHARM was invited to participate in the Bastille Day celebration hosted by the CCI France Chine and became the officially designated nutritional product for the event, with the Consul General of the French Consulate General in Guangzhou personally visiting the brand's booth, further strengthening the brand's premium image and international positioning. Leveraging the technological content of its high-purity French fish oil and patented ingredients, the brand has demonstrated strong sustainability characteristics in its synergistic content-based -commerce and shelf-based e-commerce operations. The two health categories of INNOPHARM Liver Detox Capsules and Sleep Capsules are expected to launch in the fourth quarter, entering a broader range of functional health segments.

III. Business Review of the Medical Devices and Equipment Segment (Dong Di Xin)

In the first half of 2026, China's medical device industry as a whole maintained steady development momentum, with market size expected to exceed USD54 billion and full-year size expected to exceed USD108 billion. Guided by the "15th Five-Year Plan", the industry is transitioning from a "scale expansion" phase to a new stage of high-quality development centred on "value creation", with AI healthcare, precision medicine and digital healthcare currently in a phase of rapid commercialisation.

In terms of exports, China's medical device performance has been particularly notable. At the policy level, the National Medical Products Administration continued to optimise its classification management system, with the revised "Good Manufacturing Practice for Medical Devices" set to take effect on 1 November 2026, driving continued improvement in industry compliance standards. As of 18 June 2026, the cumulative number of approved innovative medical devices nationwide reached 431, with 40 new approvals in 2026, a new historical high.

Faced with structural opportunities in the industry, the Group's non-wholly owned subsidiary Shenzhen Dong Di Xin Technology Co., Ltd. ("Dong Di Xin") continued to deepen its global presence. As a national-level high-tech enterprise, Dong Di Xin's products now cover more than 60 countries and regions worldwide. During the Reporting Period, Dong Di Xin's overall sales performance was satisfactory, with domestic business recording steady year-on-year growth. On the production side, Dong Di Xin continued to advance its "6S of Lean Production" management model and passed EU international standard production certification in a single audit. On the market side, the Company achieved phased breakthroughs in overseas new market expansion, while entry into domestic medical institutions continued to expand.

During the Reporting Period, the Group adopted the following development strategies for the medical devices and equipment segment:

1) Continued deepening of lean production, with international certification supporting quality upgrades

In the first half of 2026, Dong Di Xin continued to deeply and solidly advance its "6S of Lean Production" management model, ensuring high-quality product output guided by the "Do It Right the First Time" philosophy, with the factory passing EU international standard production certification in a single audit during the first half of the year. The Company continued to upgrade and refine its digital intelligent manufacturing system, deepening its collaboration with domestic AI research institutions and conducting in-depth research into applying AI technology to empower product manufacturing and R&D, thereby improving production efficiency. The Company further optimised its organisational structure, focusing on consolidating production functions and establishing a management platform and decision-making committee, continuing to enhance management and decision-making efficiency. In terms of cost reduction and efficiency improvement, the Company further enhanced production management effectiveness through measures such as optimising systems and strengthening production cost control, effectively safeguarding product gross margins.

2) Significant results in new market and new customer expansion, with continued breakthroughs in international presence

In the first half of 2026, the international situation remained volatile. Facing external pressures, the Company's management accurately assessed trends in a timely manner and made sound decisions, reasonably planning shipping routes and schedules, hedging against the impact of external conditions on sales. The Company adjusted its marketing strategy in response to market changes, strengthening in-depth negotiations and cooperation with international American brands on high-margin products (handheld physical therapy devices), achieving favourable returns. The Company actively expanded into the Middle East and South Africa markets by participating in the Dubai medical device exhibition, the domestic CMEF spring exhibition, the Hong Kong Electronics Fair (Spring Edition), and the Brazil São Paulo International Medical Device Exhibition. Results from new market and new customer expansion in the first half of the year were encouraging: the Company added a well-known physical rehabilitation therapy enterprise in Canada as a new customer; added two leading brand distributors in the UK, with products now covering medical institutions and rehabilitation therapy institutions across Europe; and successfully developed quality local rehabilitation equipment importers in the UAE (Middle East), Kenya (East Africa) and Peru (South America), with products entering these regional markets for the first time.

3) Innovative products leading the market, with continued expansion of domestic channels

In the domestic market, the Company continued to promote its innovative rehabilitation device, the portable shockwave physical therapy device SW3200 Basic, at the 93rd CMEF exhibition in Shanghai and the Hong Kong Electronics Fair (Spring Edition). This new-generation electromagnetic radial shockwave device, with its distinctive electromagnetic drive technology, portable design and multi-layer conductive flexible treatment head, brought new transformation to the shockwave therapy field and received an enthusiastic response from customers. At both exhibitions, the Company simultaneously launched a new dysmenorrhea therapy device, which, with its proven efficacy, ease of use and lightweight, attractive design, was well received by exhibition attendees. In the first half of 2026, domestic business maintained steady year-on-year growth, with 14 new medical institutions entering the network during the period. As at the end of June 2026, the Company had cumulatively achieved successful bidding entry into 114 medical institutions. Its flagship product, the ultrasound physiotherapy device, actively expanded online sales, conducting livestream promotion and traffic generation, achieving rapid sales growth and achieving a top ranking among similar products during the "618" shopping festival.

IV. Other Businesses

1) Investment, financing and product pipeline expansion

The Group closely aligned itself with the golden track of the big health industry chain, adopting an investment and financing strategy of "precision focus, efficient allocation" to comprehensively improve capital operating efficiency. The Group focused on high-value, high-barrier clinical drug varieties, vigorously advancing in-depth strategic cooperation with Morning Gold Medicine Company Limited ("**Morning Gold**"), a connected person of the Company. During the Reporting Period, Morning Gold entered into memoranda of understanding with Dongguan City Chinese Medicine Hospital of Guangzhou University of Chinese Medicine in relation to the proposed research and development cooperation concerning "Zizhu Leaf Cleansing Solution" and "Modified Gastrodia Brain-Health Formula". Morning Gold also entered into separate memoranda of understanding with the Group in relation to the proposed appointment of the Group as sole and exclusive distributor of the products. The proposed cooperation remains subject to, among other things, product registration, further commercial arrangements and implementation.

In addition, to safeguard the interests of all shareholders and maximise capital returns, the Group terminated the acquisition of a pharmaceutical enterprise in Hong Kong, thereby freeing up and securing cash reserves to lay a solid financial foundation for future acquisitions of higher-quality projects with greater growth potential. The Board considered that the termination would not have any significant adverse impact on the financial condition and operations of the Group.

2) Gathering momentum: leveraging Longde Health Industrial Park as a platform to drive the landing of Hong Kong medicines and industry synergy

During the Reporting Period, the Group relied on its dedicated development of the Kingworld • Longde Health Industrial Park ("**Longde Health Industrial Park**") to actively advance the building of an industry collaborative ecosystem. The Park successfully hosted eight events of various kinds, including a forum on high-end medical mould technology and international technical alignment and a talent policy briefing session, covering a range of formats such as enterprise service matching, government-enterprise exchange salons, and industry resource matching. Delegations from the Dongguan Medical Association, Dongguan People's Hospital and overseas Chinese chambers of commerce successively visited the Park for exchanges. The Group and Shenzhen Angel Mother Fund jointly held a "20+8" industry matching event, establishing two-way connections with dozens of enterprises, investment institutions and ecosystem partners in biopharmaceuticals, medical devices and big health. The Park's convenience store, pharmacy and restaurant officially opened, and the Park's Yilong Hotel (Longde branch at Shenzhen Pingshan Railway Station) opened simultaneously, with commercial facilities continuing to improve. Park tenant enterprise "Yixi Medical" was awarded the title of "Shenzhen Specialised, Refined, Distinctive and Innovative SME", fully demonstrating the Park's ability to attract and cultivate quality industries, which will further raise the Park's profile within the Greater Bay Area's big health industry cluster and attract more quality niche-segment enterprises to set up operations.

Looking ahead to the second half of the year, Longde Health Industrial Park, as an important vehicle for the Group's medium – to long-term development, will fully leverage its platform value, making full use of its existing sales network, brand promotion and market operation capabilities to provide end-to-end support for enterprises entering the Park, from product incubation to market implementation, accelerating the incubation of strategically significant innovative projects, actively advancing the landing of Hong Kong medicines and the industrialisation of traditional Chinese medicine, and building an international hub for traditional Chinese medicine. The Park will enhance its quality and improve supporting services, forming a closed-loop synergy of "aggressive investment attraction, solid operational support". The Park will also rely on the government-authorised, freely operated community service station to upgrade its functions toward OPC incubation support and enterprise service support, building a lightweight enterprise service front desk for the Park to realise the triple value of revenue generation, traffic attraction and investment promotion support.

3) Retail terminal pilot and new retail closed loop

In the first half of the year, the Group established the new Kingworld Longde Health Pharmacy as a pilot vehicle for the Group's retail terminal service capabilities. The store has completed its business licence registration and GSP acceptance procedures and is fully supporting online business operations and the health service experience for core products.

V. Research and Development and Innovation

1) R&D and intellectual property

As of 30 June 2026, Dong Di Xin held 26 utility model patents, seven design patents, four published invention patents, 13 software copyrights, and 24 valid domestic product registration certificates. The Company continued to increase its collaboration with well-known domestic medical institutions and research institutes on technological breakthroughs in the rehabilitation field, conducting real-world clinical research on five product series with renowned domestic hospitals in the first half of the year.

During the Reporting Period, the Group continued to deepen its presence in the traditional Chinese medicine industry, committed to the inheritance, preservation and innovation of traditional Chinese medicine, and maintained long-term research collaborations with renowned universities and traditional Chinese medicine hospitals. The Group's affiliated company, Yuen Tai Pharmaceutical Factory Limited, is a GMP-certified Hong Kong Chinese patent medicine manufacturer with compliant production qualifications.

2) AI data governance and intelligent operations

The Company officially launched a new intelligent flow management system built on an advanced microservices middle-platform architecture, deeply integrating AI algorithms to build a standardised, intelligent data processing system that automatically completes the organisation, cleansing, verification and integration of full-chain business flow data, entirely replacing traditional manual statistical, reconciliation and organisation processes, effectively reducing manual operating costs and human error.

The Company successfully launched a distribution insight system, building a visualised, real-time channel operations monitoring platform that presents comprehensive information on product channel distribution and terminal sales through multi-dimensional visual charts, enabling dynamic updates, real-time queries and full traceability of distribution data, providing precise data support for channel strategy adjustments and operational decision-making, and empowering regions to fully leverage digital and intelligent marketing management capabilities, promoting sustainable win-win cooperation between regions and partners at all levels.

Building on this foundation, the Company implemented an AI intelligent on-duty early warning mechanism, relying on AI intelligent robots to build an automated, proactive intelligent management empowerment system. Through intelligent programmes that periodically capture and analyse real-time operational data across the enterprise, the system automatically identifies abnormal information in business operations, channel flow and daily management, precisely pushing alerts to relevant management personnel, enabling proactive risk warning and significantly improving management response efficiency and risk management timeliness.

VI. Talent and Culture

1) Improving the talent cultivation mechanism to support new strategic breakthroughs

The Group upholds a "people-oriented" management philosophy, recognising that an excellent talent pool is key to the Company's sustainable development. The Group places significant importance on talent recruitment, continuously optimising its talent structure through mechanisms including multi-channel recruitment, university-enterprise partnerships, headhunter collaboration and internal promotion, and strategically aligning talent supply and demand for core positions required by strategy, new products and new channels.

As of 30 June 2026, the Group had a total of 711 employees, of whom 112 were based at the Group's Shenzhen headquarters, 250 were stationed across 36 other regions primarily responsible for sales and marketing duties, and 349 were employed at Dong Di Xin. The Group has established a comprehensive performance management system and incentive mechanism, effectively stimulating employee motivation and creativity through clear performance indicators, regular performance evaluations, and diversified incentive measures.

Talent cultivation and development are the source of the enterprise's sustained competitiveness. The Group has established a comprehensive talent cultivation system encompassing multiple levels including new employee onboarding, professional competency training, leadership development programmes and AI skills training, with total training participation reaching nearly 1,000 person-times. Through systematic training and learning, the Group continuously enhances employees' professional skills and management capabilities, laying a solid talent foundation for the Company's long-term development. At the same time, the Company emphasises employees' career planning, encouraging employees to develop personalised career development plans based on individual interests and goals, and providing diverse career paths and promotion opportunities.

2) Deepening Party building leadership to consolidate the Group's collective development momentum

In the first half of 2026, the Group continued to strengthen its Party building work, promoting the deep integration of Party building with corporate development. In March 2026, the Shenzhen Kingworld Group United Party Branch was officially established, marking a new stage in the Group's Party building work; in June 2026, the Group signed a Party building pairing and cooperation agreement, as well as a university-enterprise partnership agreement, with Guangdong Food and Drug Vocational College, deepening the integration of Party building with industry-education collaboration. Ahead of 1 July 2026, the Group's united Party branch organised Party members in special study sessions, revisiting the Party membership oath to further strengthen Party members' sense of identity and responsibility. In August 2026, Mr. Zhao Li Sheng, Chairman of the Board of the Group, was honoured with the title "Entrepreneur Actively Supporting Party Building."

3) Enriching corporate culture activities to strengthen team cohesion

During the Reporting Period, the Group continued to carry out diversified corporate culture activities, uniting employee strength and promoting corporate culture. At the beginning of the year, the Group held its 2026 Annual Business Plan Signing Ceremony and the 20th Kingworld "Spring Cup" Golf Tournament; in May 2026, the 2026 First-Half Marketing Work Conference and Training Session was successfully held, bringing together marketing backbone staff from all regions nationwide at Longde Health Industrial Park to jointly chart the Group's development. In addition, the Group's united Party branch conducted themed education activities in Jinggangshan, promoting the Jinggangshan spirit; Executive Director Ms. Chan Lok San's calligraphy works were exhibited at the 1st Lingnan Xinghai Culture and Arts Festival, promoting Lingnan culture and patriotic spirit through art. The Group also participated in the 14th Brand Story Competition (Shenzhen Division), winning two awards for its short video and micro-film entries, further conveying the corporate mission of "serving the community and benefiting the world."

VII. Corporate Culture and Sustainable Development

The Group continues to uphold the corporate mission of "serving the community and benefiting the world", deepening its engagement in health-related public welfare, and comprehensively fulfilling its corporate social responsibility through diverse initiatives including rural revitalisation support, emergency disaster relief, care for vulnerable groups, and support for cultural heritage, continuing to generate positive social value.

Looking back at the first half of 2026, the Group was actively engaged in public welfare, participating in multiple charitable donations. In February 2026, the Group launched the "Kingworld • Tongrun for Every Household — Calm and Healthy Action" theme public welfare campaign, centred on Guangdong Province and radiating out to grassroots institutions in multiple regions, donating Cistanche Laxative Oral Liquid to the Shenzhen Caring Action Foundation, the Shenzhen Charity Federation and the Shantou Public Welfare Foundation, providing targeted support to physically weak individuals in addressing constipation-related health issues. In terms of medical assistance, the Kingworld Foundation, through the Shenzhen Charity Federation, donated Gan Mao Qing (Cold Relief) Capsules to the Heyuan Federation of Overseas Chinese and Dongyuan County People's Hospital, and donated Kingworld Imada Red Flower Oil to delivery riders and new-form employment workers at a care event led by the Shenzhen Charity Federation; the Group also continued to hold its 9th "Vassa Retreat Grand Public Welfare Activity for Supporting Monks", donating commonly used medicines and protective supplies to over 100 temples nationwide.

In terms of emergency disaster relief, the Group actively participated in the "Guarding the Third Pole of the Earth — Snowland Solidarity, Warmth for Ngari" plateau public welfare project, donating 14,400 bottles of Kingworld Imada Red Flower Oil to the Ngari region of Tibet through the Shenzhen Charity Federation; and launched an emergency donation during severe flooding in Guangxi, donating a further 14,400 bottles of Kingworld Imada Red Flower Oil to provide health protection for disaster-affected residents and frontline rescue personnel.

In addition, the Group actively supported rural cultural revitalisation and public cultural and sporting endeavours, participating in the "Illuminating the Light of Life, Protecting the Artistic Life of Bai Ethnic Elderly Women" public welfare project, supporting the preservation of traditional ethnic minority handicrafts; and provided support for public welfare and cultural-sporting events including the Lingnan Xinghai Culture and Arts Festival, badminton tournaments, Gaokao charitable support activities, and the 2026 Shenzhen-Hong Kong-Macao Youth Tennis Team Exchange Tournament, conveying health concepts through concrete action and supporting the development of public culture and mass sports.

HONOURS AND AWARDS

Corporate Honours

- 2025-2028 Shenzhen Time-Honoured Brand Plaque and Certificate
- Shenzhen ESG Top 50 Leading Company Plaque
- Shenzhen Federation of Industries 2025 Outstanding Enterprise in Fulfilling Social Responsibility

- 2026-2028 Shenzhen Top Brand and The Greater Bay Area Top Brand Plaques

Product Honours

- Foci Minshan Xiao Yao Wan: "Top Popularity Award of Hong Kong Pharmacies" for the 3rd consecutive year

- Nin Jiom: 2026 China OTC Brand of the Year Award — Throat Relief and Cough Suppression Category TOP1; 2026 Traditional Chinese Medicine Cultural Heritage and Innovation Brand Award; 2026 Online O2O Platform Throat Relief Products Customer Satisfaction Gold Award; Hong Kong Traditional Paste Formula Craftsmanship Heritage Demonstration Unit

Public Welfare and Party Building Honours

- Kingworld Caring Health Foundation: Commendation for the 2025 "6•30" Rural Revitalisation Support Campaign; "Precise Assistance Benefiting the Snowland, Humanitarian Warmth for the Plateau" Recognition Plaque for the Snowland Solidarity, Warmth for Ngari public welfare campaign

- Kingworld Group United Party Branch: "Party Building Co-construction Unit" Plaque

Personal Honours of Group Leadership

- Mr. Zhao Li Sheng (Chairman): Honorary President of the Hong Kong Federation of Chiu Chow Community Organizations; Honorary President of the Macao Chio Clansmen's Association

- Ms. Chan Lok San (Executive Director): Shenzhen Federation of Industries 2025 Outstanding Individual in Fulfilling Social Responsibility; Committee Member of the Sun Yat-sen University Senior Programme in Humanities and Aesthetics

- Mr. Zhao Kin Wai (Assistant to the Chairman): 13th-term Council Member of the Hong Kong Federation of Chiu Chow Community Organizations

- Ms. Zhao Wai Ying (Assistant to the Chairman): Executive Committee Member (Director) of the 6th Executive Committee (Council) of the Shenzhen Luohu District Federation of Industry and Commerce and the Shenzhen Luohu District Chamber of Commerce

FINANCIAL REVIEW

1. Revenue

Revenue of the Group for the six months ended 30 June 2026 amounted to approximately RMB275,374,000, representing a decrease of approximately RMB129,476,000 or 32.0% compared to approximately RMB404,850,000 for the six months ended 30 June 2025. The decrease was mainly due to the decrease in the revenue from distribution of imported branded pharmaceutical and healthcare products in China for the Reporting Period as compared to the six months ended 30 June 2025 as a result of the slowdown in the demand of the related products in the market.

2. Cost of sales and gross profit margin

For the six months ended 30 June 2026, cost of sales of the Group amounted to approximately RMB181,196,000, representing a decrease of approximately RMB121,611,000 or 40.2% compared to approximately RMB302,807,000 for the six months ended 30 June 2025. The decrease in cost of sales was mainly due to the decrease in sales volume and the change of product mix. Gross profit margin increased from 25.2% for the six months ended 30 June 2025 to 34.2% for the six months ended 30 June 2026 as a result of the change in sales mix which led to the increase in proportion of revenue for the products with higher gross profit margin for the Reporting Period.

3. Other revenue, income and other losses

Other revenue, income and other losses mainly included rental income, interest income, promotion service income, government grants, change in fair value of financial assets at fair value through profit or loss, investment gain and exchange gain. For the six months ended 30 June 2026, other revenue, income and other losses, net amounted to approximately RMB7,942,000, representing an increase of approximately RMB65,000 or 0.8% compared to approximately RMB7,877,000 for the six months ended 30 June 2025. Such increase was mainly due to the increase in dividend income from a joint venture. Details of other revenue, income and other losses, net are set forth in Note (6) to the condensed consolidated financial statements.

4. Selling and distribution costs

For the six months ended 30 June 2026, selling and distribution costs amounted to approximately RMB30,671,000, representing a decrease of approximately RMB12,921,000 or 29.6% compared to approximately RMB43,592,000 for the six months ended 30 June 2025. This decrease was mainly due to the decreases in advertising expenses, delivery expenses and storage fees as a result of the decrease in sales volume for the Reporting Period.

5. **Administrative expenses**

For the six months ended 30 June 2026, administrative expenses amounted to approximately RMB55,547,000, representing an increase of approximately RMB527,000 or 1.0% compared to approximately RMB55,020,000 for the six months ended 30 June 2025. This increase was mainly due to the increase in depreciation and research and development cost during the Reporting Period.

6. **Profit from operations**

For the six months ended 30 June 2026, profit from operations for the Group amounted to approximately RMB20,012,000, representing an increase of approximately RMB4,054,000 or 25.4% compared to approximately RMB15,958,000 for the six months ended 30 June 2025. The increase in profit from operations was mainly due to the decrease in selling and distribution costs during the Reporting Period.

7. **Finance costs**

For the six months ended 30 June 2026, finance costs amounted to approximately RMB8,586,000, representing an increase of approximately RMB501,000 or 6.2% compared to approximately RMB8,085,000 for the six months ended 30 June 2025. The increase in finance costs was mainly due to the increase in interest charged on bank loans as a result of an increase in the average bank borrowing costs for the Reporting Period.

8. **Profit before taxation**

For the six months ended 30 June 2026, profit before taxation for the Group amounted to approximately RMB15,668,000, representing an increase of approximately RMB1,794,000 or 12.9% compared to approximately RMB13,874,000 for the six months ended 30 June 2025. The increase in profit before taxation was mainly due to the increase in profit from operations.

9. **Income tax**

For the six months ended 30 June 2026, income tax for the Group amounted to approximately RMB8,104,000, representing an increase of approximately RMB5,666,000 or 232.4% compared to approximately RMB2,438,000 for the six months ended 30 June 2025. The effective tax rate during the Reporting Period was 51.7%, compared to 16.4% for the six months ended 30 June 2025. Details of income tax are set forth in Note (8) to the condensed consolidated financial statements.

10. **Profit for the period**

As a result of the foregoing, for the six months ended 30 June 2026, profit for the period of the Group amounted to approximately RMB7,564,000, representing a decrease of approximately RMB3,872,000 or 33.9% compared to approximately RMB11,436,000 for the six months ended 30 June 2025.

11. Loss for the period attributable to owners of the Company

For the six months ended 30 June 2026, loss for the period attributable to owners of the Company amounted to approximately RMB5,224,000, while there was a loss of approximately RMB5,412,000 for the six months ended 30 June 2025, there was a decrease in loss of approximately RMB188,000 or 3.5%.

12. Liquidity and capital resources

The Group has met its working capital needs mainly through cash generated from operations and various short-to-long term bank borrowings. During the Reporting Period, the effective interest rate for fixed rate loans ranged from 3.3% to 7.0%. Taking into account the cash flow generated from operations and the bank borrowing facilities available to the Group, the Directors are of the view that the Group has sufficient working capital to meet its current liquidity needs and the liquidity needs within at least twelve months from the date of publication of this announcement.

As at 30 June 2026, the Group had cash and cash equivalents of RMB178,555,000 (as at 31 December 2025: approximately RMB264,410,000) mainly generated from operations of the Group.

13. Cash flows

The Group's cash is primarily used to meet the demand of financing its working capital requirement, repaying interest and principal due on its indebtedness and providing funds for capital expenditures as well as growth and expansion of the Group's operations. During the Reporting Period, the Group's cash and cash equivalents decreased by approximately RMB85,855,000.

14. Capital structure

Indebtedness

The total amount of the borrowings of the Group as at 30 June 2026 was approximately RMB420,820,000 (as at 31 December 2025: approximately RMB414,386,000). During the Reporting Period, the Group did not experience any difficulties in renewing its banking facilities with its lenders.

Gearing ratio

As at 30 June 2026, the Group's gearing ratio, calculated as the total interest-bearing bank borrowings, less cash and cash equivalents, divided by total equity multiplied by 100%, was 37.1% (as at 31 December 2025: 21.8%). The increase in gearing ratio was mainly due to the decrease in cash and cash equivalents, and total equity.

Pledge of assets

As at 30 June 2026, the Group had pledged investment properties, right-of-use assets, property, plant and equipment to certain banks in the amount of approximately RMB118,000,000, RMB89,530,000, and RMB137,531,000, respectively (as at 31 December 2025: the Group had pledged investment properties, right-of-use assets, property, plant and equipment to certain banks in the amount of approximately RMB114,000,000, RMB91,106,000, and RMB138,795,000, respectively).

Capital expenditure

The capital expenditures of the Group primarily included purchase of property, plant and equipment. The Group's capital expenditures amounted to approximately RMB9,927,000 and RMB1,955,000 for the Reporting Period and the six months ended 30 June 2025, respectively.

Foreign exchange risk

The principal businesses of the Group are conducted in RMB, HK$, Euro and US$ as the functional and operational currencies. The Group faces foreign exchange risk arising from RMB, HK$, Euro and US$. The Group has no major risks in changes in other currency exchange rates.

15. Contingent liabilities, legal and potential proceedings

As at 30 June 2026, the Group did not have any material legal proceedings or potential proceedings.

16. Major acquisitions and disposals

For the six months ended 30 June 2026, the Group did not make any material acquisition or disposal.

17. Going concern

Based on the current financial position and financing facilities available, the Group has sufficient financial resources for ongoing operation in the foreseeable future. As such, the financial statements were prepared on a "going concern" basis.

FUTURE OUTLOOK

1) Deepening the "Sixth Five-Year Plan" strategic layout, forging new momentum for high-quality development

Looking ahead to the second half of 2026 and beyond, the Group will pursue the working principle of "delivering the Fifth Five-Year Plan with high quality, planning the Sixth Five-Year Plan from a high starting point", ensuring the smooth rollout of its Sixth Five-Year strategic planning; adhering to the core operating theme of "stabilising scale, enhancing efficiency and strengthening structure", and advancing a development framework of "one core, two approaches, three dimensions, and four key breakthroughs". The Group will maintain a dual-driven approach of proprietary products and strategic cooperation, relying on Longde Health Industrial Park to build a highland for the landing of Hong Kong medicines and traditional Chinese medicine innovation, fully capturing the policy dividends of the Guangdong-Hong Kong-Macao Greater Bay Area; accelerating the expansion of its proprietary product matrix and the activation of drug approval resources, firmly advancing product structure transformation; deepening the construction of an omni-channel new retail ecosystem; and actively seizing market opportunities arising from the expansion of grassroots traditional Chinese medicine services and the upgrading of big health consumption.

2) Deepening cultivation of existing products and enriching the product matrix

The Group formally signed an agreement with Taiko Pharmaceutical and Etta Trading (Hong Kong) on 30 January 2026 to introduce Taiko Seirogan Kangfu Anti-Diarrhoea Tablets into the China market. Over the next year, the Group will focus on a strategy of "deepening existing products, expanding new product scale." For its existing pillar and potential products, the Group will drive the extension of Cistanche Laxative Oral Liquid from an "in-hospital prescription drug" to an "out-of-hospital household staple medicine", focusing on expanding into blank provinces and cities, chain co-construction and scenario-based content seeding to improve per-store output and repurchase rates; Jianfu Capsule will accelerate its nationwide distributor recruitment, tackling blank provinces in Central and Northwest China, deepening academic and clinical development, and using professional clinical data and papers as a lever to better serve doctors and consumers. In addition, the Group is advancing a secondary R&D project extending the Jianfu Capsule formulation for the Hong Kong-China (HKC) market, continuing to enhance product innovation capabilities to meet current consumer demand for convenient, safe and effective products, building a product matrix centred on the Jianfu Capsule formulation. For health products, INNOPHARM will continue to expand its product portfolio, focusing on liver protection, sleep and beauty categories. The Mini-format fish oil product is planned for launch in September 2026, with liver detox capsules and sleep capsules expected to launch in the fourth quarter; the Group is also advancing the development of Red Flower Oil derivative products, including Red Flower Oil patches.

3) Comprehensively optimising the "online-offline new retail ecosystem"

The Group will continue to consolidate its existing online-offline new retail ecosystem, and, based on product characteristics and consumer habits, actively expand its breakthroughs in interest-based e-commerce, live-streaming e-commerce, private-domain and O2O channels, further deepening e-commerce channel expansion while consolidating existing offline retail pharmacy penetration and expanding third-terminal coverage, forming an omni-channel marketing network covering both traditional retail and emerging formats. At the same time, the Group is adapting to the trend of existing retail pharmacies transforming into health service stations, empowering the clinical value and pharmacy/health services of its existing products. Kingworld Longde Health Pharmacy will fill gaps in terminal retail, complete the full-chain closed loop, and attempt to transition from "pharmaceutical sales" to a "health service hub", providing scenario-based experience spaces for its core flagship products and extending industry value in conjunction with Longde Health Industrial Park.

4) Actively advancing the landing of Hong Kong medicines

The Group will actively leverage the policy benefits arising from the introduction of Hong Kong medicines landing to advance this work, providing full-chain support for the introduction, registration and commercialisation of Hong Kong medicine varieties. The Group's connected person, Li Sheng Pharmaceutical Factory, successfully won the bid for Dongguan Hospital of Traditional Chinese Medicine's outsourced traditional Chinese medicine preparation compounding services project, marking a substantive step forward in in-hospital preparation processing. The Group will rely on the GMP qualification of its affiliated company, Yuen Tai Pharmaceuticals Limited, to continue deepening its strategy for the landing of Hong Kong medicines, leveraging the benefits of the "Hong Kong and Macao Medicine and Equipment Connect" policy, and advancing the registration and commercialisation of the Group's currently listed Hong Kong medicine varieties within the Greater Bay Area.

5) Actively exploring deep applications of AI technology to drive an intelligent strategic leap

2026 is regarded by the industry as the "first year of AI personal health management", with AI technology continuing to be implemented in scenarios such as health management, medication consultation and intelligent follow-up. Institutions believe that AI healthcare, precision medicine and digital healthcare are currently in a phase of rapid commercialisation, with the integration of AI technology and industry restructuring becoming an important investment direction for the pharmaceutical industry. The Group's already-launched intelligent flow management system, distribution insight system and AI intelligent on-duty early warning mechanism will continue to be iterated and optimised, deepening the application of AI technology in scenarios such as consumer insight, product development and health management, driving the enterprise's strategic leap from "digitalization" to "intelligentization."

Looking ahead, the Group remains confident in the long-term development prospects of the traditional Chinese medicine and big health industry, and will drive the Group's high-quality, sustainable development through robust strategic execution, creating long-term value for its shareholders and investors.

HUMAN RESOURCES AND TRAINING

As at 30 June 2026, the Group had a total of 711 employees, of whom 112 worked at the Group's headquarters in Shenzhen, and 250 were stationed in 36 other regions mainly responsible for sales and marketing, and 349 worked at Dong Di Xin. For the six months ended 30 June 2026, the Group's total remuneration paid to employees was approximately RMB53,190,000 (2025: approximately RMB61,110,000). The Group releases an annual sales guideline on a yearly basis, setting out the annual sales targets and formulating quarterly sales strategies, so as to provide sales and marketing guidelines for all representative offices and their staff to observe. The Group has a management team with extensive industry experience (including sales directors and product managers). They are responsible for coordinating front-line sales and marketing teams to meet the annual sales targets.

During the Reporting Period, the Group adopted a people-oriented management approach and its staff were closely involved in the management and development of the Group. The Group has implemented a strict selection process for hiring its employees and a number of initiatives to enhance the work efficiency of its employees. The Group conducts periodic performance review on its employees, and revises their salaries and bonuses accordingly. In addition, the Group has arranged training programs for employees in various positions.

OTHER INFORMATION

CAPITAL COMMITMENT

As at 30 June 2026, the Group had capital commitment of approximately RMB4,501,000 (as at 31 December 2025: approximately RMB16,999,000).

PUBLIC FLOAT

According to information disclosed publicly and as far as the Directors are aware, during the Reporting Period and up to the date of this announcement, at least 25% of the issued shares of the Company was held by public shareholders.

DIVIDENDS

The Board resolved not to recommend the payment of any interim dividend for the six months ended 30 June 2026 (2025: nil).

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the Reporting Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities, including sales of treasury shares (the "**Treasury Shares**") within the meaning under the Listing Rules. As at 30 June 2026, the Company did not hold any Treasury Shares.

CORPORATE GOVERNANCE PRACTICES

The Board strives to uphold the principles of corporate governance set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Listing Rules, and adopted various measures to enhance the internal control system, the Directors' continuing professional training and other areas of practice of the Company. While the Board strives to maintain a high level of corporate governance, it also works hard to create value and achieve maximum return for its shareholders. The Board will continue to conduct reviews and improve the quality of corporate governance practices with reference to local and international standards.

During the Reporting Period, the Company complied with the code provisions as set out in the CG Code, in force during the Reporting Period other than code provisions C.2.1 and B.3.5 of the CG Code.

According to code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Currently, Mr. Zhao is the Chairman of the Board and the chief executive officer. The Board is in the opinion that having Mr. Zhao to carry out both roles can bring about strong and consistent leadership for the Group, and can be more effective in planning and implementing long-term business strategies. The Board also considers that since members of the Board include competent and independent non-executive Directors, this structure will not impair the balance of power and authority between the Board and its management in the business of the Group. The Board is in the opinion that the structure described above will be beneficial to the Company and its business.

Code provision B.3.5 of the CG Code provides that issuers should appoint at least one director of a different gender to the nomination committee. During the Reporting Period, the Nomination Committee comprised only male Directors and therefore the Company deviated from Code Provision B.3.5.

Notwithstanding the above, the Board believes that the current composition of the Nomination Committee possesses an appropriate balance of skills, experience and knowledge for discharging its duties effectively. The Board remains committed to promoting diversity and inclusion and will continue to consider diversity, including gender diversity, as an important factor in Board succession planning and future appointments. The Company will seek to enhance the diversity of the Nomination Committee where appropriate.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules (the "**Model Code**") as its own code governing securities transactions of the Directors. After having made specific enquiries with all Directors, all Directors have confirmed that they have complied with the required standards set out in the Model Code during the Reporting Period.

NOMINATION COMMITTEE

The Company established a nomination committee (the "**Nomination Committee**") on 5 November 2010 with written terms of reference, which was amended and adopted by the Board on 30 June 2025 and the contents of which are in compliance with the provisions of the CG Code. Please refer to the announcement of the Company dated 30 June 2025 for details. During the Reporting Period, the Nomination Committee had three members, namely Mr. Duan Jidong, Dr. Chu Xiaoping and Mr. Wong Cheuk Lam. Mr. Duan has been appointed as the chairman of the Nomination Committee.

AUDIT COMMITTEE

The Company established an audit committee (the "**Audit Committee**") on 5 November 2010 and has formulated its written terms of reference, which have from time to time been modified, in accordance with the prevailing provisions of the CG Code. The primary duties of the Audit Committee are (among other things) to provide an independent review and supervision of financial reporting, and examine the effectiveness of the internal controls of the Group and to ensure the external auditor is independent and the audit process is effective. The Audit Committee examines all matters relating to the accounting principles and policies adopted by the Group, auditing functions, internal controls, risk management and financial reporting. The Audit Committee also serves as a channel of communication between the Board and the external auditor. During the Reporting Period, the Audit Committee comprised of three members, namely Mr. Duan Jidong, Dr. Chu Xiaoping and Mr. Wong Cheuk Lam. Mr. Wong Cheuk Lam, who has appropriate professional qualifications and experience in accounting matters, has been appointed as the chairman of the Audit Committee.

The financial information in this announcement has not been audited by the auditor of the Company. The Audit Committee has reviewed the unaudited condensed consolidated interim financial statements, this results announcement and the interim report of the Company for the six months ended 30 June 2026 with the management of the Group and agreed with the accounting treatments adopted by the Company, and was of the opinion that the preparation of the financial statements in this announcement complies with the applicable accounting standards and the requirements under the Listing Rules and adequate disclosures have been made.

EVENTS AFTER THE REPORTING PERIOD

There is no material event after the Reporting Period and up to the date of this announcement.

DISCLOSURE OF INFORMATION

The interim report for the six months ended 30 June 2026 will be duly despatched to shareholders of the Company and published on the websites of the Stock Exchange (http://www.hkexnews.hk) and the Company (http://www.kingworld.com.cn).

By order of the Board
Kingworld Medicines Group Limited
Zhao Li Sheng
Chairman

Hong Kong, 27 August 2026

As at the date of this announcement, the executive Directors are Mr. Zhao Li Sheng, Ms. Chan Lok San and Mr. Zhou Xuhua, and the independent non-executive Directors are Mr. Duan Jidong, Mr. Wong Cheuk Lam and Dr. Chu Xiaoping.