TIAN YUAN HEALTHCARE
天 元 医 疗

CHINA TIAN YUAN HEALTHCARE GROUP LIMITED
中 國 天 元 醫 療 集 團 有 限 公 司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 557)

2026 INTERIM RESULTS – ANNOUNCEMENT
UNAUDITED CONSOLIDATED RESULTS
FOR THE SIX MONTHS ENDED 30 JUNE 2026

RESULTS

The board (the "Board") of directors (the "Directors") of China Tian Yuan Healthcare Group Limited (the "Company") announces the following unaudited consolidated results of the Company, its subsidiaries and associates (the "Group") for the six months ended 30 June 2026 (the "Period") together with comparative figures.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
for the six months ended 30 June 2026

		Six months ended 30 June	
		2026	2025
	Notes	***HK$'000***	*HK$'000*
		(Unaudited)	(Unaudited)
Revenue		**20,047**	8,436
Cost of sales		**(2,988)**	(303)
Gross profit		**17,059**	8,133
(Recognised of expected credit loss)/Reversal of expected credit loss		**(976)**	2,496
Other gains, net	*3*	**2,992**	2,826
Administrative expenses	*4*	**(15,932)**	(17,350)
Profit/(loss) from operating activities		**3,143**	(3,895)
Share of losses of associates		**(56)**	(106)
Finance costs	*5*	**(1,396)**	(1,537)
Profit/(loss) before taxation		**1,691**	(5,538)
Income tax expense	*6*	**–**	–
Profit/(loss) for the period		**1,691**	(5,538)
Profit/(loss) for the period attributable to:			
Equity shareholders of the Company		**4,200**	(3,065)
Non-controlling interests		**(2,509)**	(2,473)
Profit/(loss) for the period		**1,691**	(5,538)
		HK cents	*HK cents*
Earnings/(loss) per share			
Basic earnings/(loss) per share	*8*	**1.05**	(0.77)
Diluted earnings/(loss) per share	*8*	**1.05**	(0.77)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Profit/(loss) for the period	**1,691**	(5,538)
Other comprehensive income for the period (after taxation):		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of financial statements of foreign operations	**687**	2,087
Total other comprehensive income for the period	**687**	2,087
Total comprehensive income/(loss) for the period	**2,378**	(3,451)
Attributable to:		
Equity shareholders of the Company	**2,871**	(698)
Non-controlling interests	**(493)**	(2,753)
Total comprehensive income/(loss) for the period	**2,378**	(3,451)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 June 2026

	Notes	**As at 30 June 2026** ***HK$'000*** **(Unaudited)**	As at 31 December 2025 *HK$'000* (Audited)
Non-current assets			
Property, plant and equipment		**33,925**	33,077
Intangible assets		**2,337**	3,727
Goodwill		**11,669**	6,668
Interests in associates		**6,530**	6,331
Trade and other receivables	*10*	**2,309**	2,238
Deferred tax assets		**2,294**	2,294
		59,064	54,335
Current assets			
Trade and other receivables	*10*	**19,353**	19,931
Inventories		**4,449**	1,559
Financial assets at fair value through profit or loss		**826**	1,774
Loan receivables	*11*	**117,151**	119,645
Cash and cash equivalents		**41,802**	27,733
		183,581	170,642
Current liabilities			
Trade and other payables	*12*	**(50,762)**	(49,484)
Lease liabilities		**(4,489)**	(4,927)
Provision for taxation		**(163)**	(163)
		(55,414)	(54,574)
Net current assets		**128,167**	116,068
Total assets less current liabilities		**187,231**	170,403

	Notes	**As at 30 June 2026** *HK$'000* **(Unaudited)**	As at 31 December 2025 *HK$'000* (Audited)
Non-current liabilities			
Lease liabilities		**(32,973)**	(33,789)
		(32,973)	(33,789)
NET ASSETS		**154,258**	136,614
CAPITAL AND RESERVES			
Share capital		**398,980**	398,980
Share premium		**20,663**	20,663
Reserves		**(255,554)**	(258,424)
Equity attributable to equity shareholders of the Company		**164,089**	161,219
Non-controlling interests		**(9,831)**	(24,605)
TOTAL EQUITY		**154,258**	136,614

Notes:–

1. Accounting policies

The interim results set out in the announcement do not constitute the Group's interim financial report for the six months ended 30 June 2026 but are extracted from that report.

The condensed consolidated interim financial statements have been prepared in accordance with the applicable disclosure provision of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with Hong Kong Accounting Standard ("HKAS") 34 *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

The condensed consolidated interim financial statements have not been audited, but have been reviewed by the Company's Audit Committee.

The unaudited interim financial report contains consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the annual financial statements for the year ended 31 December 2025. The condensed consolidated interim 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 financial information relating to the financial year ended 31 December 2025 that is included in this preliminary announcement of the interim results as comparative information does not constitute the Company's statutory annual consolidated financial statements for that financial year but is derived from those financial statements.

The interim financial report for the six months ended 30 June 2026 has been prepared in accordance with the same accounting policies adopted by the Group as disclosed in the annual report for the year ended 31 December 2025. The following is a list of amendments to HKFRS Accounting Standards, issued by HKICPA, which are mandatorily effective for financial statements for the year ending 31 December 2026:

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

The Group has not applied any new standard or amendment that is not yet effective for the current accounting period. The application of the amendments to HKFRS Accounting Standards in the current period has had no material impact on the Group's financial positions and performance for the current and prior periods and on the disclosures set out in these condensed consolidated interim financial statements.

2. Revenue and segment reporting

The Group manages its businesses by divisions, which are organised by products and services. The Group has identified the following four reportable segments based on the information that is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment:

	Investment Holding		**Healthcare**		**Money Lending and Related Business**		**Hospitality**		**Total**	
	2026	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)
For the six months ended 30 June:										
Disaggregated by timing of revenue recognition										
Point in time	**–**	–	**12,204**	522	**–**	–	**–**	–	**12,204**	522
Revenue from external customers	**–**	–	**12,204**	522	**–**	–	**–**	–	**12,204**	522
Interest income	**–**	–	**–**	–	**7,843**	7,914	**–**	–	**7,843**	7,914
Reportable segment revenue	**–**	–	**12,204**	522	**7,843**	7,914	**–**	–	**20,047**	8,436
Reportable segment profit/(loss) before taxation	**(3,619)**	(7,644)	**(1,510)**	(8,273)	**6,867**	10,410	**(47)**	(31)	**1,691**	(5,538)
Interest income	**270**	299	**–**	–	**–**	–	**–**	–	**270**	299
Depreciation and amortisation	**(526)**	(526)	**(4,131)**	(3,921)	**–**	–	**–**	–	**(4,657)**	(4,447)
Net realised and unrealised valuation loss on trading securities	**(950)**	(786)	**–**	–	**–**	–	**–**	–	**(950)**	(786)
Net realised and unrealised foreign exchange gain/(loss)	**3,872**	3,567	**(879)**	(899)	**–**	–	**39**	55	**3,032**	2,723
As at 30 June/31 December:										
Reportable segment assets	**71,489**	68,805	**43,456**	26,791	**125,312**	126,900	**94**	187	**240,351**	222,683
Reportable segment liabilities	**13,697**	13,276	**73,917**	74,319	**100**	100	**510**	505	**88,224**	88,200

3. Other gains, net

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Net realised and unrealised foreign exchange gain	**3,032**	2,723
Net realised and unrealised valuation loss on trading securities	**(950)**	(786)
Interest income	**270**	299
Management fee income	**616**	598
Miscellaneous income/(loss)	**24**	(8)
	2,992	2,826

4. Administrative expenses

Administrative expenses comprise mainly expenses incurred by the Group's Investment Holding segment including directors' remuneration and professional fees and Healthcare segment including staff costs.

5. Finance costs

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Interest expenses on lease liabilities	**1,396**	1,537
	1,396	1,537

6. Income tax expense

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Current tax		
Provision for the period	**–**	–
Income tax expense	**–**	–

7. Profit/(loss) for the period

Profit/(loss) for the period is arrived at after charging:

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Depreciation of property, plant and equipment	**179**	248
Depreciation of right-of-use assets	**3,070**	2,929
Amortisation of intangible assets	**1,408**	1,270
Staff cost (including director's emoluments)	**4,388**	3,408

8. Earnings/(loss) per share for the period

a) Basic earnings/(loss) per share

The calculation of basic earnings/(loss) per share is based on profit attributable to ordinary equity shareholders of the Company of approximately HK$4,200,000 (six months ended 30 June 2025: loss of approximately HK$3,065,000) and the weighted average number of ordinary shares of 398,979,524 (six months ended 30 June 2025: 398,979,524) in issue during the period.

b) Diluted earnings/(loss) per share

Diluted earnings/(loss) per share is the same as the basic earnings/(loss) per share because the Group has no dilutive securities that are convertible into shares during the six months ended 30 June 2026 and 30 June 2025.

9. Dividends

a) Dividend attributable to the interim period

The Directors of the Company have resolved not to declare an interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: nil).

b) There were no dividends attributable to the previous financial years, approved and paid during the six months ended 30 June 2026 and 2025.

10. Trade and other receivables

	As at 30 June 2026 ***HK$'000*** **(Unaudited)**	As at 31 December 2025 *HK$'000* (Audited)
Trade receivables *(note (a))*	**7,181**	6,242
Less: Allowance for expected credit loss	**(5,343)**	(4,894)
	1,838	1,348
Interest receivables *(note (a))*	**8,446**	7,450
Less: Allowance for expected credit loss	**(284)**	(195)
	8,162	7,255
Other receivables and deposits	**4,530**	4,469
Prepayments *(note (b))*	**7,132**	9,097
	21,662	22,169
Analysed as:		
Non-current	**2,309**	2,238
Current	**19,353**	19,931
	21,662	22,169

10. Trade and other receivables (Continued)

(a) Ageing analysis

Trade receivables are due within 30 days from the date of invoice.

As of the end of the reporting period, the aging analysis of trade receivables and interest receivables (net of allowance for expected credit loss) based on the invoice date is as follows:

	As at 30 June 2026 ***HK$'000*** **(Unaudited)**	As at 31 December 2025 *HK$'000* (Audited)
Less than 1 month	**8,387**	7,371
1 to 3 months	**7**	195
More than 3 months but less than 12 months	**768**	–
More than 12 months	**838**	1,037
	10,000	8,603

(b) Prepayments

Prepayments mainly consist of professional fees of HK$895,000 (31 December 2025: HK$1,777,000) paid in advance to business consultants who provide advisory services on the businesses of the Group.

11. Loan receivables

	As at 30 June 2026 ***HK$'000*** **(Unaudited)**	As at 31 December 2025 *HK$'000* (Audited)
Loans to third parties	**184,015**	186,002
Less: Allowance for expected credit loss	**(66,864)**	(66,357)
	117,151	119,645
Analysed as:		
Secured	**17,535**	23,447
Unsecured	**99,616**	96,198
	117,151	119,645

The reason for granting the loans by the Group is because it would help enhance the efficiency in the use of the Group's working capital and that it would be beneficial to the Group in terms of generating cashflow stream from expected interest income.

Before granting loans to potential borrowers, the Group performs internal credit assessment process to assess the potential borrowers' credit quality individually and defines the credit limits granted to the borrowers. The credit limits attributed to the borrowers are reviewed by the management regularly.

The Group has a policy for assessing the impairment on loan receivables on an individual basis. The assessment includes evaluation of collectability, aging analysis of account and current creditworthiness, collateral and past collection history of each borrower under the Group's credit risk rating system.

11. Loan receivables (Continued)

In determining the recoverability of the loan receivables on a collective basis, the Group considers any change in the credit quality of the loan receivables from the date the credit was initially granted up to the reporting date. This includes assessing the credit history of the borrowers, such as financial difficulties or default in payments, and current market conditions.

At the end of each reporting date, the Group's loan receivables were individually and collectively assessed for impairment.

One of the loans to third parties of approximately HK$101,946,000 (31 December 2025: approximately HK$101,140,000) which is secured by a pledge of properties owned by two individuals who have also extended personal guarantees in favour of the borrower. On 12 February 2020, the aforesaid outstanding amount has fallen due. However, the borrower informed the Company that it was unable to repay the said principal amount and the accrued interest at the repayment date, which constituted a default in repayment of the principal amount and accrued interest. On 5 March 2020, the borrower, through its PRC agent, paid a sum of RMB16,000,000 (equivalent to approximately HK$17,600,000) to a wholly-owned subsidiary of the Company incorporated in the PRC as partial repayment ("Repayment 1"). On 6 March 2020, one of the personal guarantors ("1st Guarantor") paid a sum of HK$33,000,000 to the Company as partial repayment ("Repayment 2"). Taking into account that Repayment 2 is not lower than the estimated market value of 1st Guarantor's residential property in Hong Kong as secured under the second legal charge, on 15 March 2020, instead of exercising the second legal charge, the Company entered into a deed of partial release to release the second legal charge over the residential property in Hong Kong charged by the 1st Guarantor under the second legal charge in favour of the Company. The remaining amount after the settlement of Repayment 1 and Repayment 2 is classified as expected credit loss.

In order to recover the outstanding amount of the loan facility, the Company has commenced bankruptcy proceedings against the 1st Guarantor on 2 July 2021, and subsequently, bankruptcy order has then been granted against the 1st Guarantor by the court on 19 April 2022. A proof of debt was submitted on 19 May 2022, and the total amount of claim (including any outstanding uncapitalized interest as at the date of bankruptcy order) was approximately USD 12,000,000. The Official Receiver was appointed as the trustee of the property and estate of the Bankrupt (the "Trustee"). On 25 November 2022, the Trustee adjudicated the Company's proof of debt and declared that a sum of approximately HK$95,000,000 was admitted as the petitioner's claim. Subsequently, on 20 January 2023, the Trustee distributed a sum of approximately HK$2,000 as first and final dividend to the Company.

In addition, the Company has commenced an action against Mr. Zhang Shihong ("2nd Guarantor") for an order for possession of a pledged property and served the Originating Summons dated 9 January 2024 on the 2nd Guarantor on 10 January 2024, pursuant to the agreement of the second legal charge of a property as security entered between the 2nd Guarantor and the Company on 29 March 2018. Regarding the legal action against the 2nd Guarantor, a favourable decision with indemnity costs against the 2nd Guarantor was handed down on 22 January 2026. Pursuant to the decision, the Company is entitled to recover the total sum of the outstanding principal, USD8,521,278.33 (or its Hong Kong dollars equivalent), together with interest from the 2nd Guarantor. Additionally, the 2nd Guarantor must deliver vacant possession of the pledged property to the Company by 22 April 2026. As at the date hereof, no appeal has been lodged by the 2nd Guarantor. The enforcement proceedings (i.e. recovery of vacant possession) are still on-going.

The loans bear interest at rates ranging from 12% to 18.5% (31 December 2025: 12% to 18.5%) per annum, and are repayable within one year.

12. Trade and other payables

	As at 30 June 2026	As at 31 December 2025
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Trade payables *(note (a))*	**3,324**	3,356
Due to non-controlling interests	**825**	14,702
Other payables and accrued charges	**46,613**	31,426
	50,762	49,484

(a) Ageing analysis

As of the end of the reporting period, the ageing analysis of trade payables based on due date is as follows:

	As at 30 June 2026	As at 31 December 2025
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Due within 1 month or on demand	**517**	115
Due 1 to 3 months	**942**	–
Due over 3 months but less than 12 months	**–**	7
Due over 12 months	**1,865**	3,234
	3,324	3,356

The credit terms of trade payables vary according to the terms agreed with different suppliers. The Group has financial risk management policies in place to ensure all payables are settled within the time frame agreed with the respective suppliers.

13. Events after the reporting period

On 9 June 2026, the Group entered into the equity transfer agreement with an independent third party to dispose of 61% entire equity interest of its indirect non wholly-owned subsidiary, Shanghai Yuyue Weilai Healthcare Beauty Hospital Limited (上海愉悅薇萊醫療美容醫院有限公司) ("Shanghai Hospital") through the disposal of Shanghai Rifu Industrial Limited (上海日複實業有限公司) ("Shanghai Rifu"), at a consideration of RMB23,000,000. The disposal was subsequently completed on 2 July 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group recorded a total revenue of approximately HK$20.0 million for the Period as compared with a total revenue of approximately HK$8.4 million in the previous corresponding period. The increase in total revenue was primarily due to the increase in revenue of the healthcare business of the Group from approximately HK$0.5 million for the previous corresponding period to approximately HK$12.2 million for the Period. Please refer to the subsection headed "Healthcare segment" below for details on the reason for the increase in revenue of the healthcare business of the Group.

At the same time, the Group recorded a net profit of approximately HK$1.7 million for the Period as compared with a net loss of approximately HK$5.5 million in the previous corresponding period, and a net profit attributable to the equity shareholders of the Company of approximately HK$4.2 million for the Period as compared with a net loss attributable to the equity shareholders of the Company of approximately HK$3.1 million in the previous corresponding period. The decrease in loss was mainly due to the increase in total revenue by approximately HK$11.6 million, offset by the change from reversal of expected credit loss of approximately HK$2.5 million in the previous corresponding period to the expected credit loss recognised of approximately HK$1.0 million (please refer to the subsection headed "Money lending and related business segment" below for further details).

Healthcare segment

During the Period, the Group newly acquired an examination centre under the healthcare segment. Please refer to the subsection headed "Healthcare business" under the section headed "PROSPECTS" below for details on the the newly acquired an examination centre under the healthcare segment of the Group.

The newly acquired examination centre under the healthcare segment of the Group, recorded revenue of approximately HK$6.6 million for the Period.

In relation to the skincare products business under the healthcare segment of the Group, the Group recorded revenue of approximately HK$0.4 million for the Period as compared with revenue of HK$0.5 million for the previous corresponding period.

Shanghai Yuyue Weilai Healthcare Beauty Hospital Co., Ltd*（上海愉悅薇萊醫療美容醫院有限公司）("Shanghai Hospital") is principally engaged in plastic surgery operation in Shanghai City of the People's Republic of China ("PRC"). Shanghai Hospital is a specialized plastic surgery hospital which operates class 1 to class 3 plastic surgery operations and facial bone contouring technique plastic surgery operations in the PRC, and provides high quality services to the public customers. Shanghai Hospital has obtained the medical institution practicing license in the PRC to carry out its plastic surgery services in the PRC. Shanghai Hospital has been providing plastic surgery services, including but not limited to, Chinese medical aesthetic services, aesthetic dentistry, facial contouring surgery, etc. Shanghai Hospital recorded revenue of approximately HK$5.2 million and net loss of approximately HK$2.2 million for the Period as compared with revenue of approximately HK$Nil million and net loss of approximately HK$4.2 million for the previous corresponding period.

The revenue figure for Shanghai Hospital was higher compared to the previous corresponding period, largely attributable to the low base effect arising from the temporary suspension of its operations and renovation during that period, as it did not reopen until late October 2025. The decrease in net loss was mainly due to the increase in revenue, offset by the corresponding increase in operating costs, as compared to that of the previous corresponding period.

After the Period, the disposal of Shanghai Hospital (through the disposal of the Company's 60.8077% equity interest in Shanghai Rifu Industrial Limited*（上海日複實業有限公司）("Shanghai Rifu")) was completed on 2 July 2026. Shanghai Rifu and Shanghai Hospital have since ceased to be subsidiaries of the Group, and their financial results, assets, and liabilities will no longer be consolidated into the consolidated financial statements of the Group.

Money lending and related business segment

Regarding the Group's money lending and related business segment, the Group recognised interest income from third parties loans of HK$7.8 million for the Period, as compared with interest income from third parties loans of HK$7.9 million in the previous corresponding period. In addition, there was an expected credit loss recognised of approximately of HK$1.0 million for the Period, which was mainly risen from both loan and interest receivables for the Period. Consequently, the Group's money lending and related business segment reported a profit before tax of approximately HK$6.9 million for the Period as compared with a profit before tax of approximately HK$10.4 million in the previous corresponding period.

Investment holding segment

The Group's investment holding segment recorded a net realised and unrealised valuation loss on trading securities of approximately HK$1.0 million for the Period, as compared with a net realised and unrealised valuation loss on trading securities of approximately HK$0.8 million in the previous corresponding period. Consequently, the Group's investment holding segment reported a loss before tax of approximately HK$3.6 million for the Period as compared with a loss before tax of approximately HK$7.6 million in the previous corresponding period.

There have been no important events affecting the Company and its subsidiaries which have occurred since the end of the Period.

PROSPECTS

Healthcare business

The Group has been actively refining its healthcare strategy to sharpen its business focus and capture emerging opportunities in the consumer healthcare and "Great Health" sectors.

Following a strategic review of its healthcare operations, the Group completed the divestment of Shanghai Hospital in July 2026. This allows the Group to streamline its business and focus its resources on higher-growth opportunities within the healthcare sector.

Going forward, the Group's healthcare business will centre on two key areas: the skincare products business and the medical examination business.

Since late 2024, the Group has been building its skincare products business under the "BIOELEGENCE" brand, complemented by the medical-grade "DA Mask" product line. The Group has established a comprehensive product matrix, including facial masks, single-use essences, face creams, and essence lotions, with full ownership of all brands, trademarks, proprietary formulations, and intellectual property. Looking ahead, the Group will continue to expand its online and offline sales channels, deepen collaborations with livestream platforms and influencers, and strengthen its private domain operations. With the rapid growth of the medical aesthetics post-procedure care market, the Group is well-positioned to enhance brand awareness and market share, and expects this business to become an increasingly meaningful contributor to its revenue.

In early 2026, the Group successfully completed the acquisition of a 70% equity interest in Yinchuan Jinfeng District Deshang Clinic Co., Ltd. *(銀川市金鳳區德尚門診部有限責任公司)("Deshang Clinic"), a licensed medical institution approved by the Health Commission. This acquisition marks the Group's strategic expansion from the medical aesthetics sector into the broader medical examination and "Great Health" market. Deshang Clinic operates a comprehensive outpatient facility equipped with a full range of standard medical examination equipment, and its registered scope covers medical services, medical aesthetic services, traditional Chinese medicine services, internet hospital services, and other related healthcare services. The clinic is staffed by a professional team of physicians, nurses, medical technicians, and operational personnel.

Since the acquisition, Deshang Clinic has demonstrated positive growth momentum, with an expanding customer base comprising both individual and corporate clients. The Group has also entered into a service framework agreement with Ningxia Tianyuan, the ultimate holding company, for the provision of occupational health examination services, providing a stable foundation for future growth. The Group intends to further develop the medical examination business by expanding sales channels, targeting corporate clients for occupational health examinations, and introducing new medical examination equipment to serve the premium health screening market. In addition, the Group plans to design distinctive examination programs, launch targeted specialty outpatient services, and develop "Great Health" consultation and management solutions to offer customers comprehensive life-cycle health monitoring services. The Group is also preparing to establish a Dermatology Department at Deshang Clinic to provide light medical aesthetic services, leveraging its existing industry expertise and the clinic's existing licence to conduct such services.

As at 30 June 2026, the Group is still in process to gather certain information in order to conclude the measurement of the identifiable assets and liabilities and also the provisional goodwill thereon. As of the end of the reporting date, the fair values had been determined on a provisional basis, in which the fair value of the identifiable assets and liabilities and also the provisional goodwill thereon presented is based on the best estimation of the management by referring to the information readily available. Management of the Company expects the measurement will be concluded within one year upon the date of acquisition.

Looking ahead, the Group remains committed to deepening its presence in the consumer healthcare and "Great Health" industries through its healthcare business operations. The Group will continue to evaluate emerging investment and collaboration opportunities, leverage its professional expertise and industry experience, and pursue sustainable growth to create long-term value for its Shareholders.

Money lending and related business

In 2026, the Group will continue its money lending and related business, which include lender or borrower referral business, fund matching, fund arrangement and/or fund participation but exclude any regulatory activities under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong). The business has demonstrated consistent performance over the years and continues to be a stable contributor to the Group's earnings. The Group has been and will be more cautious with the credit assessment and acceptance of customers from money lending and related business. In order to strike a balance between expansion of the money lending and related business segment and the risk control of the Group, the Group will adopt a more prudent credit assessment and procedures when accepting customers for money lending business in the future.

Investment holding

The Group will continue to hold some trading securities and will monitor and make appropriate changes on the investment portfolio from time to time to adapt to the economic environment. In addition, the Group will explore different short-term investment plans to improve its investment return by using the cash reserves on hand in different currencies. From time to time, there could be continued adjustments attributable to unrealised gains or losses arising from the fair value measurement of the Group's trading securities and unrealised gains or losses on the revaluation of foreign currency cash deposits.

New business segments

Whilst the Group is striving for progress in its existing businesses, the management is also actively seeking other business opportunities with a view of diversifying and enhancing income sources.

AUDIT COMMITTEE

The members of the audit committee of the Company comprise 3 independent non-executive Directors, namely Mr. Yuen Kwok Kuen, Ms. Zhou Siqi and Mr. Li Jun. The audit committee of the Company has reviewed the unaudited interim results and the interim financial information for the Period, and expressed no disagreement with its content and the accounting treatment adopted.

OTHER INFORMATION

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

CORPORATE GOVERNANCE CODE

Paragraph C.2.1 of the Corporate Governance Code (the "CG Code") contained in Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing. Starting from 4 November 2022, the roles of the chairman and chief executive officer of the Company were performed by the same individual, Ms. Dong Wei. She is responsible for formulating the overall business development strategy and planning of the Group. The Directors meet regularly to consider issues related to corporate matters affecting operations of the Group and considers that this deviation will not impair the balance of power and authority of the Board and the Company's management and thus, the Directors believe the current structure will enable effective planning and implementation of corporate strategies and decisions of the Group. Notwithstanding the above, the Company is endeavouring to identify suitable candidate for executive directors to share the roles of Ms. Dong Wei (as chairman and chief executive officer) as soon as practicable to meet the requirements of the CG Code.

In the opinion of the Directors, saved as disclosed herein, the Company has complied with the code provisions as set out in the CG Code throughout the Period.

The Company reviews its corporate governance practices from time to time to ensure compliance with the CG Code.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the "Model Code for Securities Transactions by Directors of Listed Issuers" as set out in Appendix C3 of the Listing Rules (the "Model Code") as its code of conduct regarding Directors' securities transactions. All Directors confirmed that they have complied with the Model Code throughout the Period.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Period (including any sale of treasury shares (as defined under the Listing Rules)). The Company did not have any treasury shares (as defined under the Listing Rules) as at 30 June 2026.

By order of the Board
China Tian Yuan Healthcare Group Limited
Dong Wei
Executive director

Hong Kong, 28 August 2026

As at the date of this announcement, the Board comprises five Directors of which Ms. Dong Wei is the executive Director; Ms. He Mei is the non-executive Director and Mr. Yuen Kwok Kuen, Ms. Zhou Siqi and Mr. Li Jun are the independent non-executive Directors.

* *for identification purpose only*