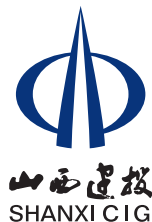


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華控康泰集團有限公司

Kontafarma China Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1312)

INSIDE INFORMATION CREDITORS' VOLUNTARY WINDING-UP OF SINGAPORE SUBSIDIARIES

This announcement is made by Kontafarma China Holdings Limited (the **“Company”**, together with its subsidiaries, the **“Group”**) pursuant to Rule 13.09 and 13.25(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the **“Listing Rules”**) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

LIQUIDATION OF SINGAPORE SUBSIDIARIES UNDER INSOLVENCY, RESTRUCTURING AND DISSOLUTION ACT 2018 OF SINGAPORE

The Board wishes to inform the shareholders and potential investors of the Company that the Company has been informed by True Fitness Pte. Ltd. (**“True Fitness”**) and True Yoga Pte. Ltd. (**“True Yoga”**), being two indirect non-wholly owned subsidiaries of the Company incorporated with limited liability under the laws of Singapore, that on 10 September 2026, the director of each of True Yoga and True Fitness passed resolutions to resolve to, amongst others, (i) lodge declarations of companies' inability to continue business by reason of the liabilities of True Fitness and True Yoga with the Official Receiver of the Ministry of Law's Insolvency Office of Singapore; (ii) appoint Messrs. Goh Wee Teck and Lin Yueh Hung, both licensed insolvency practitioners, care of RSM SG Corporate Advisory Pte Ltd as the provisional liquidators of True Fitness and True Yoga; (iii) convene extraordinary general meetings of True Fitness and True Yoga on 7 October 2026 at which creditors' voluntary winding-up (the **“CVL”**) will be proposed, and convene meetings of the creditors of True Fitness and True Yoga after the aforesaid extraordinary general meetings for the purpose of CVL affairs under the Insolvency, Restructuring and Dissolution Act 2018 of Singapore (the **“IRDA”**).

INFORMATION ON TRUE FITNESS AND TRUE YOGA

True Fitness, True Yoga and together with True Fitness (STC) Pte. Ltd. (being a wholly-owned subsidiary directly held by True Fitness, collectively, the “**True Singapore Group**”) are principally engaged in operation of fitness and yoga centres, and provision of consultation services for fitness and health activities in Singapore. The direct sole shareholder of True Fitness and True Yoga is True Yoga Holdings (Singapore) Pte. Ltd. (“**True Yoga Holdings**”). Fester Global Limited (“**Fester Global**”) (being a wholly-owned subsidiary directly held by the Company) holds directly 73% shareholding in TFKT True Holdings which in turn indirectly holds 100% shareholding in True Yoga Holdings and the True Singapore Group. As at the date of this announcement, the True Singapore Group operates fitness and yoga centres under “True Fitness”, “Yoga Edition” and “TFX” brands in Singapore which are intended to be closed under the CVL process.

The True Singapore Group recorded revenue and loss of approximately HK\$181.2 million and approximately HK\$34.3 million respectively for the year ended 31 December 2025. As at 31 December 2025, the True Singapore Group had total assets of approximately HK\$149.7 million, total liabilities of approximately HK\$555.5 million and net liabilities of approximately HK\$405.8 million.

Based on the unaudited management accounts of the True Singapore Group, (i) the True Singapore Group recorded revenue and loss for eight months ended 31 August 2026 of approximately HK\$118.4 million and approximately HK\$19.1 million respectively, and (ii) as at 31 August 2026, the True Singapore Group had total assets of approximately HK\$204.5 million, total liabilities of approximately HK\$633.8 million and net liabilities of approximately HK\$429.3 million. The debts and liabilities owed by the True Singapore Group were incurred by it in its ordinary course of business.

As the audited revenue of the True Singapore Group for the year ended 31 December 2025 represented more than 5% of the audited consolidated revenue of the Group for the year ended 31 December 2025, and the unaudited total assets of the True Singapore Group as at 30 June 2026 represented more than 5% of the unaudited consolidated total assets of the Group as at 30 June 2026, the True Singapore Group as a whole falls within the ambit of subsidiary for the purpose of Rule 13.25(2) of the Listing Rules whereby publication of announcement of the Company is required upon liquidation event of its subsidiary.

REASONS FOR THE LIQUIDATION OF TRUE FITNESS AND TRUE YOGA

Following the cessation of operation of franchise fitness business of the Group in Taiwan, which was the only region where the Group had franchise fitness business outside Singapore since 1 October 2025 as disclosed in the inside information announcement of the Company dated 30 September 2025, the fitness business of the Group remaining in Singapore has been increasingly challenging. As disclosed in the annual report of the Company for the financial year ended 31 December 2025 published on 23 April 2026, the fitness business of the Group in Singapore faces multiple

challenges, including but not limited to the increasingly fierce market competition, and rising costs in attracting customers. As further disclosed in the profit warning announcement of the Company dated 17 August 2026, the announcement of the Company dated 28 August 2026 (the “**2026 Interim Results Announcement**”) in respect of its interim results for the six months ended 30 June 2026 (the “**1H 2026**”) and the 1H 2026 interim report of the Company published on 4 September 2026, in spite of the cash funding provided by the Company hoping to support the Singapore fitness business, the Group’s fitness business in Singapore continued to underperform and face significant liquidity pressure. The challenges faced by the True Singapore Group are unprecedented. In particular, increasing popularity of boutique gyms has led to intensifying competition in fitness business industry. Further, more condominiums and residential developments provide gyms for their residents or guests reducing the need for some consumers to purchase an external gym membership. Moreover, competition extends beyond physical locations. Online training, mobile applications, video platforms and virtual coaching allow consumers to exercise at home or outdoors. As a result, fitness businesses are no longer competing with physical gyms in their local neighborhoods. They are competing with convenient and relatively inexpensive digital alternatives. All these factors present obstacle to attract customers, high operating costs and stringent cashflow. While the best endeavours have been made to control costs and optimise operational efficiency of the fitness business in Singapore, the fitness business is found extremely difficult to continue amid the fiercely challenging market. The Company is informed by True Yoga Holdings, being the sole direct shareholder of True Fitness and True Yoga, that in view of the insolvency of the True Singapore Group, True Yoga Holdings will resolve to pass the resolution of shareholder of True Fitness and True Yoga relating to CVL affairs.

To the best belief of the Company based on the information available and advices obtained as of now, the liquidation of True Fitness and True Yoga by way of CVL which is initiated by True Fitness and True Yoga would allow True Fitness and True Yoga to conduct structured, creditor-supervised liquidation process to wind down the business under the IRDA in Singapore. It can also allow the Company to deploy its resources in a more optimal way for the development of the pharmaceutical business of the Group for the interest of the Company and its shareholders as a whole in long run.

EFFECTS OF THE LIQUIDATION OF TRUE FITNESS AND TRUE YOGA ON THE GROUP

Upon the appointment of the provisional liquidators taking effect, the provisional liquidators will assume control of the affairs, business and property of True Fitness and True Yoga (and, indirectly, of True Fitness (STC) Pte. Ltd. as a subsidiary of True Fitness), and the powers of the directors will cease. The operation of the fitness and yoga centres is expected to cease in connection with the commencement of the provisional liquidation. The CVL will commence upon the passing of the special resolution at the extraordinary general meeting of each of True Fitness and True Yoga, following which the provisional liquidators are expected to be appointed as liquidators.

As a result of the loss of control over the True Singapore Group, the Company will cease to consolidate the results, assets and liabilities of the True Singapore Group in the financial statements of the Group with effect from the date on which control is lost, notwithstanding that the Company's indirect shareholding interest remains unchanged.

As a result of the True Singapore Group ceasing to be subsidiaries of the Company, the Group will record an impairment loss on intangible assets related to the Singapore fitness business for the amount of approximately HK\$76.9 million. Further, based on the unaudited management accounts of the True Singapore Group as of 31 August 2026, the True Singapore Group owed to the Group the net amount of approximately HK\$309.7 million. The final amount of such indebtedness is subject to adjudication by the liquidators, and recovery will depend on the assets realised in the liquidation and the distribution of such realisations to creditors in accordance with the statutory order of priority under applicable laws and regulations of Singapore. Moreover, the Company has provided guarantee in favour of an independent bank in respect of loan lent by such bank to True Fitness. As of the date of this announcement, the total sum due by True Fitness to such bank amounted to approximately SGD2.3 million.

The Group has been principally engaged in the manufacturing and sales of drugs in the People's Republic of China, including chemical drugs, active pharmaceutical ingredients ("API") and API intermediate. The Group has been making proactive efforts to grow its pharmaceutical business particularly after covid pandemic while adverse impact had been posed on the fitness business. As illustrated in the 2026 Interim Results Announcement, the revenue generated from the pharmaceutical segment of the Group made up to approximately 76.7% of the total revenue of the Group recorded for 1H 2026 and the total assets of the pharmaceutical segment of the Group made up to approximately 78.5% of the total assets of the Group as at 30 June 2026.

Save for the above, to the best knowledge, information available and the advices sought by the Group as of now, the Company believes that the CVL will have no other material adverse impact to the overall financial performance and operation of the existing business of the Group. In protecting the interest of the Company and its shareholders, the Company would seek advices from Singapore legal advisers on the legal position of the Company in respect of the CVL where necessary.

The Company will keep its shareholders and investors informed of material developments in relation to the CVL by way of announcement(s) as and when appropriate.

Shareholders and potential investors are advised to exercise caution when dealing in shares of the Company.

By order of the Board of
Kontafarma China Holdings Limited
Wang Limin
Chairman

Hong Kong, 10 September 2026

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Wang Limin (Chairman), Mr. Li Qingshan (President), Mr. Ge Shouwen (Vice President), and Ms. Guo Zixiu (Financial Controller); and three independent non-executive Directors, namely Dr. Tang Lai Wah, Dr. Ho Ho Ming and Mr. Yao Xiaomin.

** For identification purposes only*