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UNIVERSAL HEALTH INTERNATIONAL GROUP HOLDING LIMITED

大健康國際集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2211)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2026

ANNUAL RESULTS HIGHLIGHTS				
		For the year ended 30 June		
	Unit	2026	2025	Change
Revenue	<i>RMB million</i>	519.2	711.5	-27.0%
Gross profit	<i>RMB million</i>	87.8	113.4	-22.6%
Operating loss	<i>RMB million</i>	(11.6)	(25.5)	13.9 RMB million
Loss for the year	<i>RMB million</i>	(20.4)	(25.7)	5.3 RMB million
Adjusted EBITDA	<i>RMB million</i>	7.7	(8.7)	16.4 RMB million
Basic loss per share	<i>RMB cents</i>	(19.65)	(32.46)	12.81 RMB cents
Gross margin	%	16.9	15.9	1.0 pp
Operating loss margin	%	(2.2)	(3.6)	1.4 pp
Net loss margin	%	(3.9)	(3.6)	-0.3 pp

The board (the “**Board**”) of directors (the “**Directors**”) of Universal Health International Group Holding Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce the consolidated results of the Group for the year ended 30 June 2026 (the “**Year**”) together with the comparative figures for the year ended 30 June 2025 as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		2026	2025
	<i>Note</i>	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	2	519,206	711,509
Cost of sales	4	<u>(431,411)</u>	<u>(598,122)</u>
Gross profit		87,795	113,387
Selling and marketing expenses	4	(58,879)	(102,456)
Administrative expenses	4	(36,198)	(33,861)
Other income		1,524	358
Other (loss) gains – net		(590)	3,934
Change in fair value of biological assets		<u>(5,258)</u>	<u>(6,901)</u>
Operating loss		<u>(11,606)</u>	<u>(25,539)</u>
Finance income	5	463	3,066
Finance costs	5	<u>(5,871)</u>	<u>(1,125)</u>
Finance (costs) income – net	5	<u>(5,408)</u>	<u>1,941</u>
Share of post-tax results of an associate		<u>–</u>	<u>658</u>
Loss before income tax		(17,014)	(22,940)
Income tax expense	6	<u>(3,415)</u>	<u>(2,734)</u>
Loss for the year		<u>(20,429)</u>	<u>(25,674)</u>

		2026	2025
	Note	RMB'000	RMB'000
Other comprehensive income (loss):			
<i>Item that will not be reclassified to profit or loss:</i>			
Fair value changes in equity instruments designated as at fair value through other comprehensive income		17,275	(9,228)
<i>Item that is or may be reclassified to profit or loss in subsequent periods:</i>			
Release of other reserve upon deregistration of a subsidiary		583	–
Currency translation differences		4,164	90
Total other comprehensive income (loss) for the year		22,022	(9,138)
Total comprehensive income (loss) for the year		1,593	(34,812)
(Loss) Profit attributable to:			
– Owners of the Company		(20,429)	(26,006)
– Non-controlling interests		–	332
		(20,429)	(25,674)
Total comprehensive income (loss) attributable to:			
– Owners of the Company		1,593	(35,144)
– Non-controlling interests		–	332
		1,593	(34,812)
Loss per share attributable to owners of the Company for the year (RMB cents)			
– Basic and diluted	7	(19.65)	(32.46)

CONSOLIDATED BALANCE SHEET

	<i>Note</i>	2026 RMB'000	2025 RMB'000
ASSETS			
Non-current assets			
Property, plant and equipment		161,146	174,431
Right-of-use assets		4,416	4,550
Intangible assets		–	–
Equity instruments designated as at fair value through other comprehensive income		21,230	4,595
Biological assets		82,180	87,438
Deferred income tax assets		2,192	5,607
Total non-current assets		271,164	276,621
Current assets			
Trade and other receivables	9	66,467	52,077
Income tax recoverable		–	1,961
Inventories		47,633	65,494
Financial assets measured at fair value through profit or loss		1,000	–
Restricted cash		21,900	38,047
Cash and cash equivalents		35,979	13,403
Total current assets		172,979	170,982
Total assets		444,143	447,603

	<i>Note</i>	2026 <i>RMB'000</i>	2025 <i>RMB'000</i>
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital		74,740	53,102
Reserves		1,759,067	1,736,457
Accumulated losses		<u>(1,492,414)</u>	<u>(1,471,985)</u>
Total equity		<u>341,393</u>	<u>317,574</u>
LIABILITIES			
Current liabilities			
Trade and other payables	<i>10</i>	81,740	105,029
Borrowings		<u>21,010</u>	<u>25,000</u>
Total current liabilities and liabilities		<u>102,750</u>	<u>130,029</u>
Total equity and liabilities		<u><u>444,143</u></u>	<u><u>447,603</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

1.1 Basis of preparation

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to both periods presented, unless otherwise stated.

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards, which collective term includes all IFRS Accounting Standards, IAS Standards and IFRIC Interpretations issued by International Accounting Standards Board and the applicable disclosure requirements of the Companies Ordinance Cap. 622. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange.

The consolidated financial statements have been prepared under the historical cost convention, except for equity instruments designated as at fair value through other comprehensive income (“**FVOCI**”), financial assets measured at fair value through profit or loss and biological assets which are measured at fair value.

The preparation of consolidated financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies.

1.2 Going concern

During the year ended 30 June 2026, the Group reported a net loss of RMB20,429,000 and recorded net cash outflow from operations of RMB11,218,000.

The management of the Company has reviewed the current performance and cash flow forecast prepared by the management as part of their assessment of the Group's ability to continue as a going concern, and after carefully considering the matters described below, the directors have a reasonable expectation that the Group is able to continue as a going concern for at least the next twelve months from the end of the reporting period and to meet its obligations, as and when they fall due, having regard to the followings:

- (a) The Group continues to negotiate for external financing, including but not limited to, obtain further loan facilities, renew or refinance the loan facilities upon maturity and various forms of capital fund raising. During the reporting period, the Company successfully raised net proceeds of RMB22,226,000 through the issuance of new shares under the Specific Mandate, which were used as working capital for the Group. As at 30 June 2026, the Group had available unutilised banking facility of RMB58,745,000 and loan facility from a former associate for an amount of RMB40,000,000.
- (b) The Group continues to improve efficiency by implementing measures to tighten cost control over various operating expenses in order to enhance its profitability and to improve cash flow from its operations in future. During the year ended 30 June 2026, the Group has closed a number of loss-making retail stores to minimize operating cash outflows. The management believes that these measures will result in improvement in operating profitability and the resulting cash flows; and
- (c) The Group is actively exploring the opportunity of obtaining additional sources of cash inflows from sales of its owned assets/investments.

Consequently, the management of the Company have concluded that the Group has adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties related to events or conditions which, individually or collectively, may cast significant doubt on the Group's ability to continue as a going concern.

Should the going concern assumption be inappropriate, adjustments may have to be made to write down the values of assets to their recoverable amounts, to provide for any further liabilities that might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in the consolidated financial statements.

1.3 Accounting policies

(a) *New and amended standards adopted by the Group*

These consolidated financial statements have been prepared on a basis consistent with the accounting policies adopted in the 2024/25 consolidated financial statements except for the adoption of the following new/revised IFRS Accounting Standards that are relevant to the Group and effective from the current year:

Amendments to IAS 21: Lack of Exchangeability

The amendments require an entity to apply a consistent approach to assessing whether a currency is exchangeable into another currency and, when it is not, to determining the exchange rate to use and the disclosures to provide.

The adoption of the amendments does not have any significant impact on the consolidated financial statements.

(b) *New and amended standards issued but not yet adopted by the Group*

A number of new and amended standards are effective for annual periods beginning on or after 1 January 2026, and have not been applied in preparing these consolidated financial statements. The Group will apply the new and amended standards when they become effective. The Group is in the process of making an assessment of the impact of the new and amended standards and does not expect that the adoption of these new and amended standards will result in any material impact on the consolidated financial statements of the Group.

		Effective for annual years beginning on or after
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to IFRS Accounting Standards	Volume 11	1 January 2026
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity	1 January 2026
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to IAS 21	Translation to Hyperinflationary Presentation Currency	1 January 2027
Amendments to IAS 28	Amendments to the Fair Value Option for Investments in Associates and Joint Ventures	1 January 2027
IFRS 20	Regulatory Assets and Regulatory Liabilities	1 January 2029
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

2. REVENUE

	2026 <i>RMB'000</i>	2025 <i>RMB'000</i>
Revenue from contracts with customers (a)	<u>519,206</u>	<u>711,509</u>

(a) Disaggregation of revenue

	For the year ended 30 June 2026		
	Distributions <i>RMB'000</i>	Retails <i>RMB'000</i>	Total <i>RMB'000</i>
Major products			
Prescribed drugs	52,904	72,011	124,915
Non-prescribed drugs	281,454	60,193	341,647
Healthcare products	38,628	24,388	63,016
Other pharmaceutical products	<u>26,195</u>	<u>9,291</u>	<u>35,486</u>
	399,181	165,883	565,064
Eliminations	<u>(45,858)</u>	<u>–</u>	<u>(45,858)</u>
Revenue from external customers	<u>353,323</u>	<u>165,883</u>	<u>519,206</u>
Timing of revenue recognition:			
Products transferred at a point in time	<u>353,323</u>	<u>165,883</u>	<u>519,206</u>
	For the year ended 30 June 2025		
	Distributions <i>RMB'000</i>	Retails <i>RMB'000</i>	Total <i>RMB'000</i>
Major products			
Prescribed drugs	79,020	61,354	140,374
Non-prescribed drugs	406,310	96,122	502,432
Healthcare products	57,003	34,085	91,088
Other pharmaceutical products	<u>34,163</u>	<u>6,322</u>	<u>40,485</u>
	576,496	197,883	774,379
Eliminations	<u>(62,870)</u>	<u>–</u>	<u>(62,870)</u>
Revenue from external customers	<u>513,626</u>	<u>197,883</u>	<u>711,509</u>
Timing of revenue recognition:			
Products transferred at a point in time	<u>513,626</u>	<u>197,883</u>	<u>711,509</u>

3. SEGMENT INFORMATION

The Board of Directors is the Group's chief operating decision-maker. Management has determined the operating segments based on the information reviewed by the Board of Directors for the purposes of allocating resources and assessing performance.

The Group is principally engaged in the distributions and retails of drugs and other pharmaceutical products in the northeastern region of the People's Republic of China (the "**PRC**").

Distributions, Retails and Others are presented to the Board of Directors to assess their performance and for making respective business decisions which are considered to be three segments in accordance with IFRS 8 "Operating Segment". The "Others" segment mainly comprises investment companies.

The Group's principal market is the northeastern region of the PRC. The Group has a large number of customers, which are widely dispersed within the northeastern region of the PRC. No single customer accounted for 10% or more of the Group's total revenues for the years ended 30 June 2026 and 2025.

Inter-segment sales are charged at cost. The revenue from external customers and the costs, the total assets and the total liabilities are measured in a manner consistent with that of the Group's consolidated financial statements.

The Board of Directors assesses the performance of the operating segments based on a measure of adjusted loss before interests, tax, depreciation and amortisation ("**Adjusted EBITDA**"). The measurement basis of Adjusted EBITDA excludes the effect of share of post-tax results of an associate, impairment loss or, if applicable its reversal on intangible assets, property, plant and equipment, right-of-use assets and investment in an associate.

The segment information for the Year and as at 30 June 2026 is as follows:

	For the year ended 30 June 2026			
	Distributions RMB'000	Retails RMB'000	Others RMB'000	Total RMB'000
Segment revenue	399,181	165,883	–	565,064
Inter-segment revenue	(45,858)	–	–	(45,858)
Revenue from external customers	<u>353,323</u>	<u>165,883</u>	<u>–</u>	<u>519,206</u>
Adjusted EBITDA	17,274	(4,942)	(4,653)	7,679
Depreciation and amortisation	(13,437)	–	–	(13,437)
Change in fair value of biological assets	(5,258)	–	–	(5,258)
Finance income	403	60	–	463
Finance costs	(756)	(1,220)	(3,895)	(5,871)
Loss on deregistration of a subsidiary	–	(590)	–	(590)
Income tax expense	(3,415)	–	–	(3,415)
Loss for the year	<u>(5,189)</u>	<u>(6,692)</u>	<u>(8,548)</u>	<u>(20,429)</u>
Additions of non-current assets (excluding financial assets and deferred income tax assets)	<u>18</u>	<u>–</u>	<u>–</u>	<u>18</u>
As at 30 June 2026				
	Distributions RMB'000	Retails RMB'000	Others RMB'000	Total RMB'000
Total assets before eliminations	1,194,813	310,716	1,387,626	2,893,155
Inter-segment assets	(833,037)	(252,496)	(1,363,479)	(2,449,012)
Total assets	<u>361,776</u>	<u>58,220</u>	<u>24,147</u>	<u>444,143</u>
Total liabilities before eliminations	896,195	788,324	7,911	1,692,430
Inter-segment liabilities	(833,040)	(752,198)	(4,442)	(1,589,680)
Total liabilities	<u>63,155</u>	<u>36,126</u>	<u>3,469</u>	<u>102,750</u>

The segment information for the year ended 30 June 2025 and as at 30 June 2025 is as follows:

	For the year ended 30 June 2025			
	Distributions RMB'000	Retails RMB'000	Others RMB'000	Total RMB'000
Segment revenue	576,496	197,883	–	774,379
Inter-segment revenue	(62,870)	–	–	(62,870)
Revenue from external customers	<u>513,626</u>	<u>197,883</u>	<u>–</u>	<u>711,509</u>
Adjusted EBITDA	19,797	(22,785)	(5,682)	(8,670)
Depreciation and amortisation	(13,710)	–	–	(13,710)
Change in fair value of biological assets	(6,901)	–	–	(6,901)
Finance income	525	48	2,493	3,066
Finance costs	(619)	(501)	(5)	(1,125)
Gain on disposal of property, plant and equipment	1,649	115	–	1,764
Gain on disposal of an associate	1,987	–	–	1,987
Loss on disposal of a subsidiary	–	(9)	–	(9)
Share of post-tax results of an associate	658	–	–	658
Income tax expense	(2,698)	(36)	–	(2,734)
Profit (Loss) for the year	<u>688</u>	<u>(23,168)</u>	<u>(3,194)</u>	<u>(25,674)</u>
Additions of non-current assets (excluding financial assets and deferred income tax assets)	<u>68</u>	<u>–</u>	<u>–</u>	<u>68</u>
	As at 30 June 2025			
	Distributions RMB'000	Retails RMB'000	Others RMB'000	Total RMB'000
Total assets before eliminations	1,196,045	314,585	1,385,182	2,895,812
Inter-segment assets	(806,485)	(262,612)	(1,379,112)	(2,448,209)
Total assets	<u>389,560</u>	<u>51,973</u>	<u>6,070</u>	<u>447,603</u>
Total liabilities before eliminations	891,678	790,336	7,512	1,689,526
Inter-segment liabilities	(801,665)	(753,930)	(3,902)	(1,559,497)
Total liabilities	<u>90,013</u>	<u>36,406</u>	<u>3,610</u>	<u>130,029</u>

The amounts provided to the Board with respect to total assets are measured in a manner consistent with that of these consolidated financial statements. These assets are allocated based on the operations of the segment and the physical location of the assets.

Geographical information

All revenue of the Group for the years ended 30 June 2026 and 2025 was derived in the PRC, the place of domicile of the relevant group entities.

The Group's non-current assets (excluding equity instruments designated as at FVOCI and deferred income tax assets) are located in the PRC.

4. EXPENSES BY NATURE

	2026 <i>RMB'000</i>	2025 <i>RMB'000</i>
Costs of inventories sold	429,773	595,910
Employee benefit expenses	43,247	68,195
Lease payments on short-term leases	16,941	27,572
Transportation and related charges	12,787	16,383
Depreciation of property, plant and equipment	13,303	13,576
Depreciation of right-of-use assets	134	134
Other tax expenses	3,571	4,156
Auditor's remuneration	1,820	2,242
Professional fees	1,803	1,423
Office and communication expenses	1,032	2,109
Electricity and other utility fees	828	1,440
Travelling and meeting expenses	23	64
Advertising and other marketing expenses	17	54
Other expenses	1,209	1,181
	<u>526,488</u>	<u>734,439</u>

5. FINANCE (COST) INCOME – NET

	2026 <i>RMB'000</i>	2025 <i>RMB'000</i>
Finance income		
Exchange gains – net	–	2,489
Interest income	463	577
	<u>463</u>	<u>3,066</u>
Finance costs		
Interest on borrowings	(843)	(950)
Other charges	(146)	(175)
Exchange losses – net	(4,882)	–
	<u>(5,871)</u>	<u>(1,125)</u>
Finance (costs) income – net	<u>(5,408)</u>	<u>1,941</u>

6. INCOME TAX EXPENSE

	2026 <i>RMB'000</i>	2025 <i>RMB'000</i>
PRC enterprise income tax		
– Current income tax	<u>–</u>	<u>36</u>
Deferred income tax	<u>3,415</u>	<u>2,698</u>
Total income tax expense	<u>3,415</u>	<u>2,734</u>

Hong Kong profits tax has not been provided as there were no assessable profits subject to Hong Kong profits tax for the years ended 30 June 2026 and 2025. The subsidiaries of the Group in the PRC are subject to corporate income tax at a rate of 25% (2025: 25%) on its taxable income or deemed profit method as determined in accordance with the relevant PRC income tax rules and regulations.

7. LOSS PER SHARE

(a) Basic

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

	2026	2025
Loss attributable to owners of the Company (<i>in RMB'000</i>)	(20,429)	(26,006)
Weighted average number of ordinary shares in issue (<i>in thousands</i>)	<u>103,958</u>	<u>80,106</u>
Basic loss per share (<i>RMB cents</i>)	<u>(19.65)</u>	<u>(32.46)</u>

The number of shares for the purpose of calculating basic loss per share for the Year has been adjusted for the new shares issued during the Year.

The number of shares for the purpose of calculating basic loss per share for the year ended 30 June 2025 has been adjusted to reflect the share consolidation effective on 30 May 2025.

(b) Diluted

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

As the effect of the assumed conversion of the potential ordinary shares from exercising the Company's share options is anti-dilutive, the basic loss per share is equal to diluted loss per share for the years ended 30 June 2026 and 2025.

8. DIVIDENDS

The Board does not recommend the payment of any dividend in respect of the Year (2025: *Nil*).

9. TRADE AND OTHER RECEIVABLES

	2026 <i>RMB'000</i>	2025 <i>RMB'000</i>
Trade receivables		
– From third parties	<u>60,719</u>	<u>45,268</u>
Prepayments		
– Prepayments to third parties	2,965	3,446
– Tax input credits – value added tax	<u>15</u>	<u>15</u>
	<u>2,980</u>	<u>3,461</u>
Other receivables		
– Deposits	350	456
– Others	<u>2,418</u>	<u>2,892</u>
	<u>2,768</u>	<u>3,348</u>
	<u><u>66,467</u></u>	<u><u>52,077</u></u>

The carrying amounts of trade and other receivables approximate their fair value.

Note: Retail sales at the Group's pharmacies are usually settled in cash or by debit or credit cards. For distribution sales, there is no concentration of credit risk with respect to trade receivables, as the majority of the Group's sales are settled upon delivery of goods. The trade receivables are with credit periods of not more than 90 days. The ageing analysis based on recognition date of the trade receivables is as follows:

	2026 <i>RMB'000</i>	2025 <i>RMB'000</i>
Up to 3 months	55,631	45,075
4 to 6 months	4,316	193
7 to 12 months	<u>772</u>	<u>–</u>
	<u><u>60,719</u></u>	<u><u>45,268</u></u>

10. TRADE AND OTHER PAYABLES

	<i>Note</i>	2026 <i>RMB'000</i>	2025 <i>RMB'000</i>
Trade payables			
– To third parties	<i>(a)</i>	<u>43,780</u>	<u>53,048</u>
Notes payables	<i>(b)</i>	26,141	38,027
Other payables		9,674	11,702
Due to an investee	<i>(c)</i>	<u>2,145</u>	<u>2,252</u>
		<u>37,960</u>	<u>51,981</u>
		<u>81,740</u>	<u>105,029</u>

- (a) The credit period of trade payables is normally within 90 (2025: 90) days. Details of ageing analysis based on recognition date of trade payables are as follows:

	2026 <i>RMB'000</i>	2025 <i>RMB'000</i>
Up to 3 months	43,780	51,148
4 to 6 months	–	1,297
7 to 12 months	<u>–</u>	<u>603</u>
	<u>43,780</u>	<u>53,048</u>

- (b) The credit period of notes payables is normally within 90 – 180 (2025: 90 – 180) days. As at 30 June 2026, the notes payables of RMB21,896,000 (2025: RMB38,027,000) was secured by restricted cash of RMB21,900,000 (2025: RMB38,047,000) and the remaining balance of RMB4,245,000 (2025: Nil) was secured by the buildings with carrying amount of RMB19,582,000 (2025: Nil). As at 30 June 2026 and 2025, the notes payables are expected to be settled within one year.

- (c) The amount due was unsecured, interest-free and has no fixed repayment terms.

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY OVERVIEW

The healthcare industry is a comprehensive industry centred on “prevention, treatment and rehabilitation”. With the deepening of the global population aging and the increasing awareness of proactive health management among residents, the healthcare industry has become an important engine of China’s economic growth. It is forecasted that the market size of China’s healthcare industry will reach RMB29.1 trillion by 2030.

Policy Matrix Driving High-quality Development

During the Year, the PRC central government has raised its support for traditional Chinese medicine (TCM) to an unprecedented level. The policies issued in the first half of 2025, including the Opinions of the General Office of the State Council on Comprehensively Deepening the Reform of Drugs and Medical Devices Regulation to Promote the High-Quality Development of the Pharmaceutical Industry (《國務院辦公廳關於全面深化藥品醫療器械監管改革促進醫藥產業高質量發展的意見》), the Opinions on TCM Quality Enhancement to Promote the High Quality Development of TCM Industry (《關於提升中醫藥質量促進中醫藥產業高質量發展的意見》), and Special Action Plan to Promote Healthy Consumption (《促進健康消費專項行動方案》), were fully implemented during the Year. The policy focus has shifted from “scale expansion” to “quality enhancement and efficiency improvement”, underscoring the unique role of TCM in prevention and rehabilitation, and charting the course for the modernisation and standardisation of the industry.

Since 2026, a series of policies and regulations have been introduced, including the Several Opinions on Improving the Mechanism for the Formation of Drug Prices (《關於健全藥品價格形成機制的若干意見》) issued by the General Office of the State Council, the Opinions on Promoting the High-Quality Development of the Pharmaceutical Retail Industry (《關於促進藥品零售行業高質量發展的意見》) jointly issued by the Ministry of Commerce and eight other departments, the notice on the Compliance Guidelines for Online Retail of Prescription Drugs (《處方藥網絡零售合規指南》) issued by the Comprehensive Affairs Department under National Medical Products Administration, the notice on the Guidelines for Home-Based Ward Services (Trial) (《家庭病床服務指南(試行)》) issued by the National Health Commission, the notice on the 15th Five-Year Plan for the Revitalisation and Development of Traditional Chinese Medicine (《中醫藥振興發展「十五五」規劃》) issued by the National Administration of Traditional Chinese Medicine and the National Development and Reform Commission, and the Guidelines for Health Station Services in Retail Pharmacies (《零售藥店健康驛站服務指南》) published by the China Association of Pharmaceutical Commerce, together with the proposed revisions to medical device standards for “Brain-Computer Interface”. These policies systematically established new guidelines, assigned new functions, and detailed new pathways for the development of the healthcare industry.

Technological Innovation and New Quality Productive Forces

Artificial intelligence (AI), big data and the Internet of Things (IoT) have become core drivers of industrial development. During the Year, AI-assisted diagnosis has significantly improved the efficiency and accuracy of diagnosis and treatment. In particular, in Northeast China, as the demographic structure evolves, the initial application of embodied robots in smart elderly care and logistics sorting has offered new solutions to address labour challenges.

Structural Changes in Consumer Demand

With the deepening of the “silver economy” policy, the “new silver-haired generation”, aged between 50 and 70, has emerged as a core consumer force, emphasising “prevention before disease onset”. Meanwhile, Generation Z and post-millennials have been driving the trend of “integrating health into daily life”, facilitating the penetration of TCM products into daily consumption scenarios. The growing prevalence of environmental protection and sustainable development concepts has also elevated the importance of the green health industry.

Taking a broad view, China’s healthcare industry is currently in a golden stage of development driven by the “three-in-one” integration of “unlocking policy dividends, shifting technological transformation, and upgrading consumption structures”. Under the dual guidance of the country’s firm commitment to promoting the high-quality development of traditional Chinese medicine and the “silver economy” policy, the industry has accelerated its shift from a single pharmaceutical sales model to a health management system covering the whole life cycle. Despite volatility in external environment, the role of the healthcare industry as a “stabiliser” of the national economy has become increasingly evident. Looking ahead, with the deep penetration of “new quality productive forces” into the pharmaceutical distribution field and the gradual unlocking of the RMB29.1 trillion market potential, enterprises with “barriers against professional service entrants, digital and intelligent supply chain resilience, and regional scale advantages” will embrace historic growth opportunities. The Group will stay abreast of the times, uphold integrity while pursuing innovation amid changes, and strive to become a leader in the high quality development of the industry.

BUSINESS REVIEW

Looking back at the Year, the Group has consistently focused on its core pharmaceutical healthcare segment, and has successfully completed the strategic transition from “scale expansion” to “high quality deployment” amidst fierce market competition and industry transformation. During the Year, we thoroughly implemented the “light upgrading” strategy, not only steadily advancing the integration of our traditional physical retail chain stores and distribution networks, but also precisely optimising our store networks through data driven approaches. By eliminating inefficient assets, the Group ensured the concentration of overall operational resources on the Northeast core region with high growth potential, while advancing the brand building of “Health Station” in line with the times and expanding overseas business as appropriate.

The Group formally incorporated the pilot skin management and Chinese medicine moxibustion physiotherapy projects into the store value added service system. Through the integrated “pharmaceutical + therapy” model, the Group successfully attracted both the “new silver-haired generation” and younger consumer groups, shaping a new regional brand image that combines professional expertise with genuine care.

During the Year, as national health management needs shifted from “passive diagnosis and treatment” to “active prevention”, the Group comprehensively upgraded the talent development framework of its retail chain system. Leveraging the Group’s business institute, we completed professional skills training in rotation covering all frontline staff, with a particular focus on enhancing the service capabilities of licensed pharmacists in chronic disease control, pharmaceutical consultation, and TCM health preservation.

In the process of digitalisation, the Group has successfully transitioned from “single-point services” to a “full-channel (O2O) ecosystem”. During the Year, we fully rolled out diversified models such as mobile internet-based reservation, short-video livestream marketing, and telephone ordering with home delivery of medicine. The deep complementarity between online and offline channels not only broke geographical limitations and expanded service coverage, but also enabled data-driven operational feedback. Through “AI” empowerment, the Group achieved precise prediction of member needs and personalised services, laying the foundation for the “Health Station” service and building a solid competitive moat for the Group.

Chain Retail Business

During the Year, the Group held various promotion activities so as to enhance its presence in the regions and strengthen the market competitiveness of its chain retail business. The Group actively advanced digital transformation, improved its online operational infrastructure, and progressively built a more efficient network service system. In addition, the Group explored the introduction of specialized “peptide” skin management centers, moxibustion physiotherapy clinics and weight management. These initiatives aimed to provide value added services to members in areas such as medical aesthetics, traditional Chinese medicine physiotherapy and weight management, better satisfying public health needs while enhancing the flexibility of operational mechanisms and exploring new profit growth points.

At the end of the Year, the Group had a total of 116 (2025: 120) chain stores, and revenue for retail business was RMB165.9 million for the Year (2025: RMB197.9 million), representing a year-on-year decrease of 16.2%.

Nationwide Distribution Business

As at 30 June 2026, the Group had approximately 726 (2025: 1,027) distributors and 3 (2025: 3) large-scale distribution logistics centers. Despite promotional efforts and customer base optimisation, intense competition from large enterprises and online channels, alongside stricter regulatory policies such as centralised procurement and tightened compliance, resulted in customer attrition, revenue for distribution business was RMB353.3 million (2025: RMB513.6 million), representing a year-on-year decrease of 31.2%.

Direct-supply and Sales Model

The Group’s direct-supply model effectively reduced multiple layers in traditional sales processes, streamlined the supply chain structure, thereby enhancing sales efficiency and profitability. This model also made stable and substantial profit contributions for the Group’s high-margin products. Concurrently, the Group continued to refine its marketing strategies to align with the Chinese government’s “two-invoice system” regulatory requirements, thereby mitigating the impact of policy changes on the Group’s business operations at an institutional level.

Branded Products Operation

The Group continued to maintain the operational pattern of the original branded products, and dynamically adjusted the brand structure according to actual operational requirements. Relevant measures included phasing out certain products no longer suited to market demands and introduced promising new offerings, thereby achieving the objective of “maintaining high quality and pursuing innovation”. This approach served to preserve the competitiveness of existing branded products while enhancing the market influence of new branded products.

During the Year, a net reduction of 23 branded products was recorded. As at the end of the Year, the Group operated a total of 200 branded products.

Intelligent Warehouse Construction

The Group has set up 3 large-scale distribution logistics centers in Shijiazhuang, Harbin and Jiamusi, respectively progressively forming a distribution system that covers the whole country, with strong coverage across the northeastern region of the PRC. This layout has effectively enhanced the Group's logistics capabilities and regional service efficiency, providing robust supply chain support for the sustained development of its business

During the Year, the Group continued to leverage its Warehouse Management Software System, an intelligent sorting software, to further enhance labour productivity and optimise warehousing workflow. The implementation of such digital tools facilitated the improvement of operational efficiency, enhancement of resource allocation capabilities, and intelligent transformation of the warehouse system.

Meanwhile, the Group continued to enhance its warehousing and operational environments, fostering a safer and more comfortable workspace for employees and supporting the long-term stability and sustainable development of its operational systems.

Brand Image Promotion

The Group possessed long-accumulated operational strengths in brand promotion and marketing initiatives. During the Year, it continued to enhance brand influence and market competitiveness through diversified channels, thereby mitigating downward pressure on operating performance. During the Year, the Group continuously leveraged online channels including the internet, WeChat media and live streaming platforms to promote both product and corporate brands, complemented by multiple promotional activities to broaden market reach.

Moreover, the Group actively participated in public welfare and charitable activities and organised activities of promoting health information for free to enhance corporate reputation, fulfill its corporate social responsibilities, and further consolidate the brand's social image and public recognition.

Institute School Training

According to the characteristics of new era, new economy, new technology and new retail, the Group continued to optimise the training activities of the institute and made best use of the business institute on business development, talent nurturing and public welfare promotion. Taking the advantage of its lead in establishing business institute in the industry, the Group has enhanced its corporate cohesion, improved the thinking pattern of employees, and strengthened their adaptability to business transformation and upgrading.

During the Year, the Group conducted a total of 15 internal training sessions encompassing both online video sessions and in person centralised classes. These initiatives further enhanced staff professional capabilities and overall competence, thereby providing talent support for the Group's sustained development.

Membership Service

During the Year, the Group had provided follow-up services and promotion benefits for approximately 1.17 million offline members, disseminated health knowledge and product information through online and offline channels, and empowered membership services with “AI” at the same time to enhance recognition and engagement of members, while boosting customer loyalty, and thus further shaping a healthy and professional corporate brand image.

Concurrently, the Group continued to provide various social value-added services, including the supply of public toilet, cold shelters in winter and lost children service centres, and advanced the brand building of “Health Station” on multiple fronts to meet the practical needs of the community. In addition, the Group also continued to participate in launching the public welfare activities, such as the “Love China” programme, actively fulfilling its corporate social responsibilities and cultivating a positive corporate image.

Industry Alliance

During the Year, the Group actively leveraged on the national strategic guidance of “Healthy China (健康中國)”, “Beautiful China (美麗中國)”, “Belt and Road (一帶一路)”, “Guangdong-Hong Kong- Macao Greater Bay Area (粵港澳大灣區)”, “Hainan Free Trade Port (海南自由貿易港)” and “Enterprises Going Global (企業出海)” gathered advanced industry experience and focused on technological innovation to seek further transformation and upgrade of the Group’s business and enhance the sustainability of future development.

FINANCIAL REVIEW

The Group recorded revenue of RMB519.2 million for the Year (2025: RMB711.5 million). Loss attributable to owners of the Company was RMB20.4 million for the Year (2025: RMB26.0 million). Loss per share for the Year was RMB19.65 cents (2025: RMB32.46 cents). The decrease in loss attributable to owners of the Company was mainly due to operational optimisation, despite the continued impact of China’s medical insurance policies, which caused a year-on-year decline in revenue.

Revenue

During the Year, the Group recorded revenue of RMB519.2 million (2025: RMB711.5 million). The decrease in revenue was mainly due to the impact of new China’s medical insurance policy and the decline in number of active customers within the nationwide distribution network.

Analysis of revenue by business segment

	Revenue (RMB million)			Percentage (%) of revenue		
	Year ended 30 June			Year ended 30 June		
	2026	2025	Change	2026	2025	Change
Retails	165.9	197.9	-16.2%	32.0	27.8	4.2 pp
Distributions	353.3	513.6	-31.2%	68.0	72.2	-4.2 pp
	<u>519.2</u>	<u>711.5</u>		<u>100.0</u>	<u>100.0</u>	

Retail Business Segment

As at 30 June 2026, the Group had 116 (2025: 120) chain stores in total, of which 91 (2025: 92) were located in Heilongjiang, 24 (2025: 27) were located in Liaoning and 1 (2025: 1) self-operated retail pharmacy was located in Hong Kong.

Distribution Business Segment

The Group adopted a prudent approach in running the distribution business and took appropriate actions to mitigate credit risks by strengthening the credit management of sales and minimising trade receivables in order to lower the risk of bad debts.

During the Year, the Group had a nationwide distribution network covering approximately 726 (2025: 1,027) active customers, among which, approximately 476 (2025: 722) pharmaceutical retailers, hospitals and clinics and approximately 250 (2025: 305) distributors.

Gross profit

Gross profit of the Group for the Year was RMB87.8 million (2025: RMB113.4 million). No significant change in gross margin in both years.

Analysis of gross profit by business segment

	Gross profit (RMB million)			Gross margin (%)		
	Year ended 30 June			Year ended 30 June		
	2026	2025	Change	2026	2025	Change
Retails	43.9	54.5	-19.4%	26.5	27.5	-1.0 pp
Distributions	43.9	58.9	-25.5%	12.4	11.5	+0.9 pp
	<u>87.8</u>	<u>113.4</u>				

Selling and marketing expenses

Selling and marketing expenses for the Year was RMB58.9 million (2025: RMB102.5 million) and accounted for 11.3% (2025: 14.4%) of the Group's revenue. The decrease in selling and marketing expenses was mainly due to the decrease in employee benefit expenses, rental expenses and transportation expenses.

Administrative expenses

Administrative expenses for the Year was RMB36.2 million (2025: RMB33.9 million) and accounted for 7.0% (2025: 4.8%) of the Group's revenue. The increase in administrative expenses was mainly due to the increase in employee benefit expenses.

Finance (costs) income – net

Net finance costs for the Year was RMB5.4 million (2025: Net finance income of RMB1.9 million). The increase in net finance costs were mainly due to foreign exchange fluctuations.

Income tax expense

Income tax expense for the Year was RMB3.4 million (2025: RMB2.7 million). The increase in income tax expense was mainly due to less deferred tax assets was recognised during the Year.

LIQUIDITY AND CAPITAL RESOURCES

The Company's treasury function formulated financial risk management procedures, which are also subject to periodic review by the senior management of the Company.

This treasury function operates as a centralised service for managing financial risks, including interest rate and foreign exchange rate risks, reallocating surplus financial resources within the Group, procuring cost-efficient funding and targeting yield enhancement opportunities. The treasury function regularly and closely monitors its overall cash and debt positions, proactively reviews its funding costs and maturity profiles to facilitate timely refinancing, if appropriate.

As at 30 June 2026, the Group's unpledged cash and cash equivalents were RMB36.0 million in aggregate (2025: RMB13.4 million), and the Group's net current assets were RMB70.2 million (2025: RMB41.0 million).

During the Year, net cash flows used in operating activities amounted to RMB11.2 million (2025: RMB59.8 million). The decrease in cash flows used in operating activities was mainly attributable to the decrease in purchase of inventory as a result of the decline in revenue.

During the Year, the Group had capital expenditure of RMB0.02 million (2025: RMB0.07 million).

Having considered the cash flow from operating activities and existing financial gearing, the management believes that the Group would replenish liquidity in a timely basis to fund its day-to-day operations, capital expenditures and prospective business development projects. The Board will continuously and closely monitor the Group's liquidity position and financial performance and implement measures to improve the Group's cash flows.

The Group mainly operates in the PRC, with most of its transactions denominated and settled in Renminbi. The Group's currency risk is insignificant and mainly arises from certain bank deposits that are denominated in Hong Kong dollars and United States dollars. As at 30 June 2026, the Group had cash and bank balances of RMB36.0 million, of which the equivalent of RMB3.5 million was denominated in Hong Kong dollars and United States dollars.

The Group did not use financial instruments for financial hedging purpose during the Year.

CAPITAL STRUCTURE

On 13 May 2025, the Company as issuer and Huang Yu Holdings Limited (皇御控股有限公司) as subscriber (the “**Subscriber**”) entered into a subscription agreement, pursuant to which the Subscriber has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, an aggregate of 30,440,263 shares (“**Share(s)**”) at the subscription price of HK\$0.80 per Share for cash of approximately HK\$24.35 million (the “**Subscription**”).

On 31 July 2025, the Board proposed to increase the authorised share capital of the Company from US\$10,000,000 divided into 100,000,000 Shares to US\$50,000,000 divided into 500,000,000 Shares by the creation of an additional 400,000,000 Shares which, if issued, shall rank pari passu in all respects with the existing Shares in order to accommodate the Subscription and the potential growth and development of the Group and to provide the Company with greater flexibility to raise funds in the future.

On 18 September 2025, 30,440,263 Shares were allotted and issued to the Subscriber.

As at 30 June 2026, 110,546,218 ordinary Shares of US\$0.1 each were issued by the Company.

As at 30 June 2026, the Group had total borrowings of RMB21.0 million (2025: RMB25.0 million) from banks, carrying an interest rate ranging from 3.5% to 4.4% (2025: 3.5%) per annum.

The gearing ratio of the Group as at 30 June 2026, calculated as net debt divided by sum of total equity, was N/A (2025: 3.7%).

CONTINGENT LIABILITIES AND PLEDGE OF ASSETS

As at 30 June 2026, the Group had no significant contingent liabilities (2025: Nil).

As at 30 June 2026, notes payables of RMB21.8 million were secured by restricted cash of RMB21.9 million, and notes payables of RMB4.3 million were secured by the buildings of the Group with carrying amount of RMB19.6 million (2025: the notes payables of the Group were secured by the restricted cash of RMB38.0 million).

The borrowings of RMB21.0 million (2025: RMB25.0 million) were secured by the buildings of the Group with carrying amounts of RMB161.1 million (2025: RMB152.6 million).

HUMAN RESOURCES

As at 30 June 2026, the Group had 601 (2025: 842) full-time employees with total employee benefit expenses amounted to RMB43.2 million for the Year (2025: RMB68.2 million). Employees are paid according to their positions, performance, experience and prevailing market practices, and are provided with management and professional training. The Group has implemented a number of initiatives to enhance the productivity of its employees. In particular, the Group conducts periodic performance reviews on most of the employees, and their compensation is tied to their performance. Further, the Group's compensation structure is designed to incentivise its employees to perform well by linking a portion of their compensation to their performance and the overall performance of the Group. The performance-based compensation partly depends on the employee's job function and seniority. Employees in Hong Kong are provided with retirement benefits under the Mandatory Provident Fund scheme, as well as life insurance and medical insurance. Employees in the PRC are provided with basic social insurance and housing fund in compliance with the requirements of the laws of China. Meanwhile, the Group endeavours to provide its employees with a safe workplace and structured training programmes.

SIGNIFICANT INVESTMENT, ACQUISITION AND DISPOSAL

During the Year, the Group did not make any significant investments, acquisitions or disposals that was required to be disclosed under the Listing Rules.

FUTURE PLAN

Looking ahead, the Group will unswervingly implement the strategic core of “high-quality development” and deepen the “light upgrading” pathway, focusing on enhancing the quality and efficiency of its core business of universal health. On the basis of consolidating and optimising its existing retail chain network and distribution system in Northeast China, the Group will drive structural transformation from the “supply side” and, through its three core strategies of “Specialization+”, “Platform+” and “AI+”, build new quality productive forces for the Group's development and shape growth engines for the new cycle. At the same time, the Company will keep pace with the times, advance the brand building of “Health Station” in line with national strategies,

and steadily expand into overseas markets, continuously developing new profit drivers and building new core competitiveness.

Firstly, the Group will comprehensively deepen its “Specialization+” strategy to build a professional moat for its pharmaceutical services. We will continue to strengthen the professional depth of our services. Taking licensed pharmacists as the core and leveraging on the resource advantages of the business institute, the Group will cultivate interdisciplinary talents equipped with modern pharmaceutical knowledge and digital marketing capabilities. By introducing famous doctors and integrating comprehensive outpatient services, the Group is committed to transforming its retail outlets into primary health service centres that integrate professional consultation, precision medication and chronic disease control. At the same time, we will seize the historic opportunities presented by the national medical insurance “dual-channel” policy and the outflow of prescriptions, and intensify efforts in the expansion of “DTP pharmacies” at the appropriate time, winning market trust through utmost professionalism and establishing a professional brand benchmark in the region.

Secondly, the Group will actively advance its “Platform+” strategy to expand the value-added dimensions of the healthcare ecosystem. In response to the growing diversified demand for health consumption, we will leverage the network advantages of our offline stores and introduce industry resources in the form of partners to enhance the comprehensive service capabilities of our stores. In light of the aging population trend in Northeast China, the Group will focus on the “silver economy” by developing chronic disease control and home-based elderly care services. At the same time, targeting the health and aesthetic needs of younger generation, the Group will open up business areas such as appearance economy and professional skin management. Through this platform based resource integration, the Group will achieve a full extension of its product structure from a single focus on “disease treatment” to “preventive care and lifestyle management”, adapting to the market shift under the new circumstances.

Lastly, the Group will fully drive its “AI+” strategy to achieve a paradigm shift from “tool connectivity” to “intelligent decision-making”. Unlike traditional internet applications, we will embed AI deeply into the business foundation, leveraging generative AI and big data technologies to empower the entire business chain. On the retail front, we will develop an “AI Smart Pharmacist Assistant” to provide 24/7 precise health consultations, and leverage AI powered membership management to deliver more accurate health services to the Company’s members. On the supply chain front, we will build predictive inventory models and utilise AI algorithms to optimise logistics routes and procurement cadence, significantly enhancing capital utilisation efficiency and response speed. At the same time, in line with AI and internet development trends, we will collaborate with third party technology platforms to build a marketing ecosystem that integrates “new business, new retail and new technology”, building a dynamic and leading competitiveness.

In summary, leveraging its deep-rooted brand heritage and network-layout advantages in Northeast China, the Group will continue to integrate new economic models and drive reforms in its franchise approach, committing to the ongoing optimisation and digital transformation of its operating structure. We firmly believe that by equipping the enterprises with digital and intelligent capabilities, the Group will continue to lead the industry in its pursuit of focusing on the core pharmaceutical business, innovating operational channels, building the “Health Station” brand, and expanding into overseas markets, thereby creating long-term value for both our shareholders (“**Shareholders**”) and society.

EVENTS AFTER THE YEAR

Capital Reorganisation

On 17 July 2026, the Company proposed to implement a capital reorganisation by reducing the nominal or par value of each existing Share then in issue from US\$0.10 to US\$0.01 by cancelling the paid-up capital to the extent of US\$0.09 on each then issue existing Share. Thereafter, each authorised but unissued Share then existing with a nominal or par value of US\$0.10 shall be subdivided into ten (10) adjusted Shares of a nominal or par value of US\$0.01 each (collectively the “**Capital Reorganisation**”). The Capital Reorganisation was approved at an extraordinary general meeting of the Company held on 15 September 2026 (the “**EGM**”) and became effective on 23 September 2026. For details, please refer to the circular of the Company dated 27 August 2026 (the “**Circular**”).

Rights Issue

On 17 July 2026, the Company (i) proposed, subject to the Capital Reorganisation becoming effective, to raise approximately HK\$176.90 million before expenses, by way of rights issue of a maximum of 442,184,872 rights Shares at the subscription price of HK\$0.40 per rights Share on the basis of four (4) rights Shares for every one (1) adjusted Share (the “**Rights Issue**”); and (ii) entered into a placing agreement with Yuet Sheung International Securities Limited (the “**Placing Agreement**”) in relation to the placing of unsubscribed rights Shares and the rights shares which would otherwise have been provisionally allotted to the non-qualifying Shareholders in nil-paid form that have not been sold by the Company. The Rights Issue, the Placing Agreement and the transactions contemplated thereunder were approved at the EGM. It is expected that the prospectus and the provisional allotment letters in relation to the Rights Issue will be despatched to the Shareholders on 5 October 2026. Please refer to the Circular for details.

Save as disclosed above, no important event has occurred after 30 June 2026 and up to the date of this announcement which would affect the Group.

FINAL DIVIDEND

The Board does not recommend the payment of any final dividend for the Year (2025: Nil).

CLOSURE OF THE REGISTER OF MEMBERS

The forthcoming annual general meeting of the Company will be held on Thursday, 10 December 2026 (the “**2026 AGM**”). Notice of the 2026 AGM and the relevant circular will be despatched to the Shareholders in due course.

The register of members of the Company will be closed from Monday, 7 December 2026, to Thursday, 10 December 2026, both days inclusive, in order to determine the identity of the Shareholders who are entitled to attend the 2026 AGM. All transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong before 4:30 p.m. on Friday, 4 December 2026.

CORPORATE GOVERNANCE

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (“**CG Code**”) as set out in Appendix C1 of the Listing Rules as its own code and complied with all applicable code provisions under the CG Code throughout the Year, except for deviation from code provisions C.2.1 and C.1.5 of the CG Code. The Company will continue to review and enhance its corporate governance practices to ensure compliance with the CG Code.

Under code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. During the Year, despite the responsibilities of the chairman and the chief executive officer of the Company vested in Mr. Chu Chuanfu, all major decisions were made in consultation with the Board. The Board considers that there is sufficient balance of power and the current corporate arrangement maintains a strong management position of the Company.

Under code provision C.1.5 of the CG Code, independent non-executive Directors and non-executive Directors should attend general meetings of the Company and develop a balanced understanding of the shareholders’ view. Due to other business engagement, some independent non-executive Directors were unable to attend the extraordinary general meeting of the Company (“**EGM(s)**”) held on 23 July 2025 and 19 August 2025 respectively. The Company will continue to review and enhance its corporate governance practices to ensure compliance with the CG Code.

Save for the above, the Company had complied with all code provisions as set out in the CG Code throughout the Year and, where appropriate, the applicable recommended best practices of the CG Code.

AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”) comprises three independent non-executive Directors, namely Mr. Zou Haiyan (chairman of the Audit Committee), Mr. Cheng Sheung Hing and Ms. Chiang Su Hui Susie. The main duties of the Audit Committee are to examine, review and monitor the financial data and financial reporting procedure of the Group, and overseeing the Group’s financial reporting system, risk management and internal control systems. The Audit Committee had reviewed the audited annual results of the Group for the Year.

SCOPE OF WORK OF FORVIS MAZARS CPA LIMITED

The figures in respect of the Group’s consolidated balance sheet, consolidated statement of comprehensive income, and the related notes thereto for the Year as set out in this annual results announcement have been agreed by the Group’s auditor, Forvis Mazars CPA Limited (“**Forvis Mazars**”), to the amounts set out in the Group’s audited consolidated financial statements for the Year. The work performed by Forvis Mazars in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Forvis Mazars on the preliminary results announcement.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its own code of conduct regarding directors’ securities transactions. Specific enquiries has been made with all the Directors and each of the Directors has confirmed that he/she has complied with the Model Code throughout the Year.

During the Year, the Company had also adopted its own code of conduct regarding employees’ securities transactions on terms no less exacting than the standard set out in the Model Code for the compliance by its relevant employees who are likely to be in possession of unpublished inside information of the Company in respect of their dealings in the Company’s securities.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the Year, except for the issuance of 30,446,263 new Shares on 18 September 2025 pursuant to the subscription agreement entered into between the Company as issuer and the Subscriber dated 13 May 2025 in relation to the Subscription, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities.

PUBLICATION OF THE ANNUAL RESULTS AND 2025/26 ANNUAL REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This preliminary annual results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.uhighl.com). The 2025/26 annual report containing all the information required by the Listing Rules will be despatched to the Shareholders and made available on the abovementioned websites in due course.

By order of the Board
Universal Health International Group Holding Limited
Chu Chuanfu
Chairman and Executive Director

Hong Kong, 30 September 2026

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Chu Chuanfu, Mr. Jin Dongkun and Mr. Zhao Zehua and three independent non-executive Directors, namely Mr. Cheng Sheung Hing, Ms. Chiang Su Hui Susie and Mr. Zou Haiyan.