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Sinomax Group Limited
盛諾集團有限公司
(Incorporated under the laws of the Cayman Islands with limited liability)
(Stock Code: 1418)

VOLUNTARY ANNOUNCEMENT

BUSINESS UPDATE

The board of directors (the "**Board**") of Sinomax Group Limited (the "**Company**", together with its subsidiaries, the "**Group**") has recently received enquiries from certain stakeholders regarding the basis on which the Group classifies its revenue by geographical market and the downstream distribution of certain products sold to customers located in Mainland China (which, for the purpose of this announcement, means the People's Republic of China, excluding Hong Kong Special Administrative Region ("**Hong Kong**") and Macau Special Administrative Region ("**Macau**")) and Other Locations (as defined below), particularly where such products were subsequently sold, shipped or otherwise distributed to the United States (the "**U.S.**"). This announcement is made by the Company on a voluntary basis to address these enquiries and to provide the shareholders of the Company (the "**Shareholders**") and potential investors with supplementary information.

GEOGRAPHICAL REVENUE CLASSIFICATION

Reference is made to note 5 to the audited consolidated financial statements of the Group headed "Revenue and Segment Information" contained in the annual reports of the Company for each of the years ended 31 December 2021, 2022, 2023, 2024 and 2025 (collectively, the "**Relevant Years**"), which sets out the geographical classification of the Group's revenue from external customers (the "**Geographical Revenue Classification**").

For the purposes of the Geographical Revenue Classification, revenue from retail sales was classified by reference to the location of the relevant retail shops and concession counters, while revenue from wholesale sales was classified by reference to the location of the relevant customers, which was determined by reference to the billing address recorded on the sales invoice. Accordingly, sales to customers classified as located in (i) Mainland China and (ii) Hong Kong, Macau, Vietnam, other North American markets (excluding the U.S.), and other overseas markets (collectively, "**Other Locations**") were attributed to Mainland China and Other Locations, respectively, regardless of whether those customers subsequently sold, shipped, or distributed the relevant products, or incorporated them into finished goods, for markets outside Mainland China or Other Locations (as the case may be). The Geographical Revenue Classification therefore does not necessarily identify the ultimate end market or place of consumption of the Group's products.

DOWNSTREAM DISTRIBUTION TO THE U.S. OF CERTAIN PRODUCTS SOLD TO CUSTOMERS LOCATED IN MAINLAND CHINA AND OTHER LOCATIONS DURING THE RELEVANT YEARS

During the Relevant Years, based on the information available to the Group, certain customers located in Mainland China or Other Locations (as the case may be) subsequently sold, shipped or otherwise distributed products purchased from the Group to the U.S., either in their original form or after incorporating them into finished goods. Revenue from the Group's sales of the relevant products remained classified as revenue attributable to Mainland China or Other Locations because the Group's direct customers for those sales were located in Mainland China or Other Locations (as the case may be).

Based on the information available to the Group and to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the table below sets out the reported revenue attributable to the relevant geographical markets, together with supplementary information on revenue relating to products subsequently distributed to the U.S. or Other Locations.

For the year ended 31 December	**2021**	**2022**	**2023**	**2024**	**2025**
Reported revenue attributable to Mainland China *(HK$'000)* (A)	1,913,081	1,241,615	1,295,173	1,481,634	1,521,556
Reported revenue attributable to the U.S. *(HK$'000)* (B)	1,442,985	1,128,805	1,280,804	1,379,371	1,550,717

For the year ended 31 December	**2021**	**2022**	**2023**	**2024**	**2025**
Revenue attributable to sales of products subsequently distributed to the U.S. from Mainland China ("**Revenue of Subsequent Distribution to the U.S. from Mainland China**") *(HK$'000)* [Note] (C)	254,570	151,651	144,768	158,758	162,880
Revenue attributable to sales of products subsequently distributed to the U.S. from Other Locations ("**Revenue of Subsequent Distribution to the U.S. from Other Locations**") *(HK$'000)* [Note] (D)	237,293	88,237	129,032	138,962	218,976
Revenue attributable to sales of products subsequently distributed to Other Locations from Mainland China ("**Revenue of Subsequent Distribution to Other Locations from Mainland China**") *(HK$'000)* [Note] (E)	119,806	66,567	96,100	100,493	126,424
Revenue attributable to Mainland China less Revenue of Subsequent Distribution to (i) the U.S.; and (ii) Other Locations, from Mainland China *(HK$'000)* (F=A-C-E)	1,538,705	1,023,397	1,054,305	1,222,383	1,232,252
Revenue attributable to the U.S. plus Revenue of Subsequent Distribution to the U.S. from (i) Mainland China; and (ii) Other Locations *(HK$'000)* (G=B+C+D)	1,934,848	1,368,693	1,554,604	1,677,091	1,932,573

Note: In determining the revenue attributable to sales of products subsequently distributed to the U.S., the Group obtained written confirmations from the relevant customers.

For the avoidance of doubt, the revenue attributable to Mainland China set out above represents the Mainland China component of the Group's China market revenue and excludes revenue attributable to Hong Kong and Macau. The supplemental information above distinguishes the location of the Group's direct customers from the downstream markets for its products. It does not reclassify revenue under the Group's audited Geographical Revenue Classification, create additional revenue or imply that all products sold to customers located in Mainland China or Other Locations (as the case may be) were, or will be, subsequently distributed outside Mainland China or Other Locations (as the case may be). No adjustments to the previously published financial statements arise from this announcement. The above supplemental information is provided solely for the purpose of better reflecting the ultimate end market or place of consumption of the Group's products.

UPDATE ON BUSINESS DEVELOPMENT IN THE U.S.

The Group has developed its business in the U.S. through Sinomax USA Inc., a wholly-owned subsidiary of the Company, since its establishment in 2005. Its U.S. operations include manufacturing, sales, distribution and customer development. The Group has further expanded its customer base and overseas business network through its initial investment in M DK Holdings ApS ("**MDKH**") in October 2024 and a further investment in August 2025. Following these investments, the Group acquired an aggregate of 55% equity interest in MDKH and MDKH has become a subsidiary of the Company. MDKH is principally engaged in the wholesale and retail of health and sleep products in Denmark, the European Union and the U.S. In addition, the Group completed the acquisition of intellectual property relating to the U.S. brand VIBE on 25 November 2025.

Under the Group's Geographical Revenue Classification, revenue from external customers attributable to the U.S. amounted to approximately HK$1,379.4 million in 2024 and HK$1,550.7 million in 2025. Such classification was based on the location of the relevant retail shops and concession counters or, in the case of wholesale sales, the location of the relevant direct customers. These figures are distinct from the supplemental information on downstream U.S. distribution set out above and do not reflect any reclassification of revenue described in that information.

Based on the supplemental information on downstream distribution set out above, the Group's revenue attributable to the U.S. under the Geographical Revenue Classification together with revenue from products ultimately distributed to the U.S. amounted to approximately HK$1,677.1 million in 2024 and HK$1,932.6 million in 2025. These figures indicate that the U.S. represented the Group's largest end market in terms of revenue attributable to the ultimate destination of its products during these two years.

The Group remains cautiously optimistic regarding the outlook for its U.S. business. It will continue to monitor market conditions, tariffs, customer demand and production and logistics costs, while maintaining flexibility in the allocation of production capacity across its global operations and exploring business opportunities with higher growth potential.

By order of the Board
Sinomax Group Limited
Lam Chi Fan
Chairman

Hong Kong, 10 November 2026

As at the date of this announcement, the non-executive Director is Mr. Lam Chi Fan (Chairman of the Board); the executive Directors are Mr. Cheung Tung (President), Mr. Chen Feng, Mr. Lam Kam Cheung (Chief Financial Officer and Company Secretary) and Ms. Lam Fei Man; and the independent non-executive Directors are Mr. Wong Chi Keung, Mr. Zhang Hwo Jie and Dr. Cheung Wah Keung.