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## **SUPPLEMENTAL ANNOUNCEMENT TO THE ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2023**

Reference is made to the 2023 Annual Report of China NT Pharma Group Company Limited (the “**Company**”) and its subsidiaries (collectively the “**Group**”) and the announcements of the Company dated 21 September 2023, 1 September 2023 and the supplemental announcement of the Company dated 14 September 2023 (collectively, the “**Announcements**”), in relation to the placing of up to 475,560,000 new shares under the general mandate of the Company (the “**Placing**”). Capitalised terms used herein shall have the same meanings as those defined in the Annual Report unless the context requires otherwise.

In addition to the information disclosed in the Annual Report, the board of directors (the “**Board**”) of the Company would like to provide to the shareholders of the Company and the potential investors with the following supplementary information.

### **BUSINESS PLAN OF THE GROUP**

Since its listing, NT Pharma Group has been a comprehensive pharmaceutical group that integrates research and development, production, and sales. It covers specialized fields such as hematology-oncology, central nervous system, liver diseases, and bone health, and has a certain brand value and sales scale. Over the past four years, the Group has completed the asset and business restructuring, disposed of heavy assets, and transformed into a light asset operation. In the future, the Company will engage in (1) OEM manufacturing and sales of proprietary products, (2) acting as an agent for other pharmaceuticals and medical devices and (3) providing medical digital services. As at the date of the report, the Group have set up the companies in Hainan and Beijing to engage in new business. Also the Company has applied the related license for OEM manufacturing, which is pending for approval. The Group’s business is divided into two parts: investment and operations, and we seized the opportunity of the national promotion of the bone health field and focused on bone health. We will continue to develop in the field of pharmaceutical and health, creating new value for shareholders.

We are continuing investment in the Miacalcic business of Beijing Kangchen Biotechnology Co., Ltd. (“Beijing Kangchen Biotech”), a subsidiary of A-share listed company Konruns Pharmaceutical, with a stake of 25.3% and dividend distribution.

The Group has been deeply cultivating the bone pharmaceutical business in the China pharmaceutical market for many years, accumulating a large number of bone health users, and establishing long-term cooperative relationships with medical institutions at all levels. Upon the business restructuring, the Group has currently operated medicine distribution service platforms, cross-border health platforms, medical device promotion platforms, and medical digital service platforms.

**Medicine Distribution Service Platform:** The Company has acquired one proprietary orthopedic pain treatment drug, which is currently under registration and expected to be launched and sold in 2024. The Company is acting as licensee of two osteoporosis treatment drugs, with one of them already having a signed agency service contract and starting promotion. Negotiations are underway for two products, and it is expected to sign a cooperation agreement this year. We are launching a new bone disease health brand this year to help the Company and its partners increase market penetration, enhance brand value, and achieve business objectives, aiming to become the largest specialized company in the orthopedic field in China.

**Cross-border Health Platform:** The Group has established an orthopedic health brand and research and development products in North America, the Asia-Pacific region, and Mainland China. We already own three proprietary products and act as licensee of over 10 international products, covering both domestic and international markets through cross-border platforms. Currently, the products are being sold on major e-commerce platforms such as JD.com, Tmall, Pinduoduo, and others.

**Medical Device Promotion Platform:** By utilising our existing channels and team, we have partnered with a domestic big data artificial intelligence diagnostic company to collaborate on promoting and selling osteoporosis diagnostic equipment and testing services in medical institutions of Mainland China and the Asia-Pacific region. Additionally, we have also collaborated with a domestic in-vitro diagnostics company to promote and sell bone metabolism testing instruments, reagents, and testing services in Mainland China’s medical institutions. All of these businesses have commenced in 2024.

**Medical Digital Service Platform:** We are establishing a digital healthcare service platform for bone health and a platform for the supply and demand of bone health products. This platform aims to provide digital promotion services to bone health product manufacturers and distributors, clinical healthcare institutions, and bone health consumers, which includes providing the following services for industry companies: 1) medical news update, 2) creating medical videos and articles, 3) medical conference content and reports and 4) market research and promotional activities. Our goal is to become the largest digital healthcare information service provider in the field of bone health in the country. In the first half of 2024, we have already provided services to one enterprise and are gradually expanding to reach more users.

## FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

On 21 June 2022, the Licensee, a wholly owned subsidiary of the Company, entered into the Licensing & Collaboration Agreement with the Licensor, pursuant to which the Licensor conditionally agreed to irrevocably grant the Licensee the License. As at the date of this report, the project is still on the schedule but encountered certain technical issues on samples and the agreed milestone document for current clinical trial stage has not been received. Further announcement(s) about the project, if any, will be made by the Company as and when appropriate to update its shareholders and potential investors. For the further details, please refer to the published announcement dated 14 September 2023 available on the website of The Stock Exchange of Hong Kong Limited.

## USE OF PROCEEDS FROM THE PLACING

On 21 September 2023, the Company completed the placing of a total of 263,073,000 new shares at a placing price of HK\$0.05 per placing share. The net proceeds from the Placing after deduction of all relevant expenses (including but not limited to placing commission, legal expenses and disbursements) were approximately HK\$12 million.

The table below sets forth the allocation and status of utilisation of the net proceeds as of 31 December 2023 and the expected timeline of the use of the unutilised net proceeds:

	Net proceeds of the Placing HK\$'000	Actual utilised amount during the year ended 31 December 2023 HK\$'000	Unutilised amount as of 31 December 2023 HK\$'000	Expected timeline for using the unutilised proceeds
<b>Business development</b>				
For the processing fee to produce orthopaedic drugs under the pharmaceutical license	2,000	–	2,000	Before December 2024
For the development of bone health products	1,500	1,500	–	–
For the capital of the research and development of a project	2,900	–	2,900	Before December 2026

<b>Usage of net proceeds</b>	<b>Net proceeds of the Placing HK\$'000</b>	<b>Actual utilised amount during the year ended 31 December 2023 HK\$'000</b>	<b>Unutilised amount as of 31 December 2023 HK\$'000</b>	<b>Expected timeline for using the unutilised proceeds</b>
<b>Working capital</b>				
Service fees for professional parties	2,500	1,000	1,500	Before September 2024
Office rental and utilities expenses	500	270	230	Before March 2024
Directors' emoluments and staff salaries	1,500	782	718	Before April 2024
Other general expenses	1,100	482	618	Before June 2024

As at the date of this report, the Board has no intention to change the planned use of the net proceeds as disclosed above. The expected timeline for using the unutilised net proceeds was based on the then best estimation made by the Group and was subject to change based on the market conditions. Further announcement(s) and/or disclosure in the Company's annual report(s) in respect of the change in the timeline, if any, will be made by the Company as and when appropriate to update its shareholders and potential investors.

The above supplemental information does not affect other information disclosed in the 2023 Annual Report. Save as disclosed above, the other information contained in the 2023 Annual Report remains unchanged.

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

By Order of the Board  
**China NT Pharma Group Company Limited**  
**Ng Tit**  
*Chairman*

Hong Kong, 12 July 2024

*As at the date of this announcement, the Board comprises the following Directors:*

*Executive Directors*

Mr. Ng Tit (*Chairman*)

Ms. Ng Anna Ching Mei

*Non-executive Director*

Dr. Qian Wei

Ms. Chin Yu

*Independent Non-executive  
Directors*

Mr. Yu Tze Shan Hailson

Mr. Ng Ming Kwan

Dr. Zhao Yubiao