国药集团
SINOPHARM

# CHINA TRADITIONAL CHINESE MEDICINE HOLDINGS CO. LIMITED
# 中國中藥控股有限公司

*(Incorporated in Hong Kong with limited liability)*
**(Stock Code: 570)**

## INSIDE INFORMATION
## PROFIT WARNING

This announcement is made by China Traditional Chinese Medicine Holdings Co. Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2)(a) 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).

The board (the "**Board**") of directors (the "**Directors**") of the Company wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors of the Company that, based on the preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2025 (the "**Period**"), it is expected that (a) the Group would shift from a profit into a loss for the Period, with a net loss ranging from approximately RMB350 million to RMB500 million for the Period as compared to a net profit of approximately RMB20.77 million for the same period of last year; and (b) the adjusted net profit for the Period of the Group would decrease by 45% to 55% as compared to approximately RMB635.54 million for the same period of last year.

Based on the information currently available to the Board, the Board believes that:

(a) the Group's shifting from a profit into a loss for the Period was mainly due to the fact that (i) the scale of revenue and profitability of concentrated TCM granules business decreased as affected by multiple factors including increased proportion of centralized procurement business and intensified market competition; and (ii) the goodwill impairment, intangible assets impairment and credit impairment for the Period increased; and

(b) the adjusted net profit is defined as the net profit eliminating the effect of (i) the goodwill and relevant assets group impairment; and (ii) the remedial taxes in certain subsidiaries.

The Board believes that item (b) mentioned above would not pose adverse impacts on the Group's continuing operation. The Board hereby emphasizes that "the adjusted net profit" is not defined under the Hong Kong Financial Reporting Standards. The Board believes that eliminating the effect of the adjusted net items, which are either non-operating or non-recurring expenses of the Group, would provide valid information to potential investors and others in understanding and evaluating the operating results of the Group, and would be a necessary measure to significantly improve the Group's financial condition in the future.

The information contained in this announcement is only based on the preliminary assessment made by the Board with reference to the information currently available and the Group's consolidated management accounts for the Period which have not been audited by the independent auditor of the Company. Shareholders and potential investors of the Company are advised to refer to the announcement regarding the Group's annual results for the year ended 31 December 2025 to be published by the end of March 2026.

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

By Order of the Board
**China Traditional Chinese Medicine Holdings Co. Limited**
**YANG Jun**
*Chairman*

Hong Kong, 27 January 2026

*As at the date of this announcement, the Board comprises twelve Directors, of which Mr. YANG Jun, Mr. LI Hongjian and Mr. PENG Li are executive Directors; Mr. LIU Haijian, Mr. LI Xiangrong, Mr. ZU Jing, Ms. XU Jinghui and Mr. HUANG Hao are non-executive Directors; and Mr. XIE Rong, Mr. YU Tze Shan Hailson, Mr. QIN Ling and Mr. LI Weidong are independent non-executive Directors.*