New Ray Medicine
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New Ray Medicine International Holding Limited
新銳醫藥國際控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 6108)

2025 ANNUAL REPORT – SUPPLEMENTAL INFORMATION

Reference is made to the annual report of New Ray Medicine International Holding Limited (“**Company**”, together with its subsidiaries, the “**Group**”) for the year ended 31 December 2025 (“**2025 AR**”). Capitalised terms used in this announcement shall have the same meanings as those defined in the 2025 AR. This announcement is made to provide supplemental information in relation to the 2025 AR.

Investment in Shengzhou Xin Rui Wan Ma

It is disclosed in the 2025 AR that the Group’s financial assets at FVTPL include its investment in Shengzhou Xin Rui Wan Ma, the fair value of which accounted for approximately 6.0% of the Group’s audited total assets as at 31 December 2025. As disclosed in the 2025 AR, the Group’s investment in Shengzhou Xin Rui Wan Ma is held through the Group’s holding of 39 ordinary shares of, representing 39% of, the paid up capital of New Ray Wanma. New Ray Wanma is the ultimate holding company holding the entire paid up capital of Shengzhou Xin Rui Wan Ma. The Company wishes to supplement that the aggregate investment cost of the Group in New Ray Wanma and Shengzhou Xin Rui Wan Ma amounted to HK$36.2 million.

Securities investments

Details of investment portfolio

The Company had equity instruments at FVTOCI of HK$42.7 million and financial assets at FVTPL of HK$49.0 million, which included securities investments classified as financial assets at FVTPL of HK$41.0 million as at 31 December 2025. All such investments were funded by the Group's internal resources and were not subject to any leverage, financing or pledge arrangements.

As at 31 December 2025, the Group's equity instruments at FVTOCI mainly comprised five listed securities and two unlisted investments while the Group's securities investments classified as financial assets at FVTPL comprised investments in Shengzhou Xin Rui Wan Ma and Shengzhou Xinrui Walin.

The Group adopts a stable investment approach towards this holding, targeting to obtain steady returns under a controllable risk level, with long-term holding as the primary investment strategy.

For the investment period, fair value and performance of the securities investment, please refer to the section headed "Financial Review – Equity Instruments at Fair Value through Other Comprehensive Income" and note 17 to the notes to the consolidated financial statements for the year ended 31 December 2025 in the 2025 AR.

Investment policy and objectives

The Group's securities investment activities are primarily intended to enhance the efficiency of utilising idle funds, generate reasonable returns and maintain a capital management strategy. Such investment activities are ancillary in nature and do not alter the Group's principal business focus. The investment scope of the Group under the investment policy is limited to potential investment targets with business operations located in Hong Kong and the PRC. Permitted investments consist of unlisted and listed equities. The Group is not permitted to engage in leveraged investments.

Risk management and control measures

(i) Defined Risk Limits and Specific Metrics

The Group implements strict thresholds across different types of risk to ensure effective risk management. Concentration risk is controlled by capping exposure to any single investment type at 20% of total assets. Risk limits are reviewed regularly by the investment committee of the Board ("**Investment Committee**", a committee of the Board comprising of all executive Directors), with any breaches escalated immediately to the Board. If the market value of any investment falls by 15% or more compared with its initial investment cost, the Investment Committee shall immediately convene a meeting to discuss the reasons and promptly implement a remedial investment plan. This may include maintaining, reducing or disposing of the investment, or taking such other remedial measures as may be considered appropriate. Any decision to retain an investment following such decline will be subject to the approval of the Investment Committee. The Investment Committee periodically monitors investment performance.

(ii) Counterparty Risk

Counterparty risk refers to the risk that a counterparty to an investment, financing or trading arrangement (including issuers of listed securities, issuers or sponsors of unlisted securities and providers of wealth management products or structured products) may fail to meet its contractual obligations, resulting in financial loss to the Group.

In managing counterparty risk, the Group will, where practicable and using its best knowledge and efforts: (a) conduct due diligence on counterparties, including review of their credit ratings (where available), business reputation and regulatory standing; and (b) diversify exposures across multiple counterparties, product providers and asset classes (including both listed and unlisted securities) to avoid excessive concentration. In the event that the Group identifies a material deterioration in a counterparty's creditworthiness or becomes aware of events that may materially adversely affect a counterparty's ability to perform its obligations (such as a significant downgrade in credit rating, adverse media reports, regulatory sanctions or liquidity difficulties), the Investment Committee will promptly assess the potential impact on the Group's investments and, if necessary, take remedial actions which may include reducing or exiting the relevant exposure, seeking additional security, or escalating the matter to the Board for further direction. The Group assesses counterparties' independence through background checks that incorporate financial strength, historical default data, sector outlook, and other relevant factors. Concentration risk is managed by setting limits to avoid excessive exposure to any single counterparty or group.

(iii) Liquidity Management Mechanisms

The Group maintains sufficient cash without using leverage for investment. The Company's management monitors daily liquidity positions, and the Directors receive regular monthly liquidity reports. In the event of a significant deterioration in market conditions or the Group's liquidity position (for example, a substantial decline in the market value/fair value of a material portion of the investment portfolio (whether listed or unlisted), unexpected large operating cash outflows, or constraints in accessing funding markets), the management of the Company will: (a) increase the frequency of liquidity monitoring from daily to intra day, as appropriate; (b) review and, if necessary, defer or scale down planned new investments or capital commitments; (c) consider the orderly disposal of liquid assets (including listed securities) to replenish cash reserves; and (d) report the situation to the Investment Committee and, where material, to the Board, together with recommended actions to restore liquidity to prudent levels.

Approval and oversight mechanism

The Group has established a comprehensive investment approval and oversight mechanism. The Group has adopted and implemented an investment policy governing its investments in listed and unlisted securities. The policy sets out the procedures and controls for the assessment, approval, monitoring and disposal of investments.

Before making any investment, the management is required to conduct appropriate due diligence on the relevant investment and its counterparty. For listed securities, the due diligence process may include reviewing publicly available information, financial statements, announcements, share price and trading information, business performance, industry outlook and other relevant market information. For unlisted securities, the management may, where appropriate, obtain and review financial statements, business plans, valuation information, material contracts, corporate and ownership information, and other relevant information concerning the investee company.

An investment report will be prepared for each proposed investment and submitted to the Investment Committee and/or the Board, as applicable, for consideration and approval. The investment report will set out, including but not limited to the rationale for the proposed investment, the proposed investment amount and consideration, the expected return, the investment period and exit plan, the principal risks, the results of the due diligence conducted, and the bases and assumptions adopted in assessing the investment.

The Group maintains proper records of its investments, including but not limited to the relevant investment reports, due diligence materials, approval records, supporting documents and monitoring reports. The management monitors the performance and risk profile of each investment periodically and report material developments to the Investment Committee and/or the Board, as applicable.

The Board is responsible for approving the investment policy, risk management framework and annual investment budget, and serves as the highest decision-making body in respect of investment matters. The Board does not make decisions in relation to individual investment decisions, except for transactions exceeding delegated authority thresholds or involving material deviations from the Group's approved investment strategy.

The Board maintains oversight of the Group's overall risk profile and compliance with applicable policies and procedure to ensure alignment with the Group's risk appetite and strategic objectives on a regular basis through the review of management reports and financial information, which include updates on investment performance, risk conditions and compliance matters.

The supplemental information provided in this announcement does not affect other information contained in the 2025 AR and, save as disclosed above, the content of the 2025 AR remains unchanged.

On behalf of the Board
New Ray Medicine International Holding Limited
Wang Qiuqin
Chairman & Executive Director

Hong Kong, 4 September 2026

As at the date of this announcement, the executive Directors are Ms. Wang Qiuqin, Mr. Chu Xueping and Ms. Zhou Wan; and the independent non-executive Directors are Mr. Leung Chi Kin, Ms. Li Sin Ming, Ivy and Mr. Sy Lai Yin, Sunny.