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**Bayzed Health Group Inc**  
**佰澤醫療集團**

*(Incorporated under the laws of the Cayman Islands with limited liability)*

**(Stock Code: 02609)**

**ANNUAL RESULTS ANNOUNCEMENT**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**

The Board is pleased to announce the consolidated annual results of the Group for the year ended December 31, 2025, together with the comparative figures for the year ended December 31, 2024, which have been reviewed by the Audit Committee as follows:

**FINANCIAL HIGHLIGHTS**

Revenue for the year ended December 31, 2025 amounted to approximately RMB1,119.8 million, representing a decrease of approximately 5.8% as compared with the year ended December 31, 2024.

Gross profit for the year ended December 31, 2025 amounted to approximately RMB190.8 million, representing a decrease of approximately 8.4% as compared with the year ended December 31, 2024.

Loss for the year ended December 31, 2025 amounted to approximately RMB8.7 million, representing an increase of approximately 141.7% as compared with the year ended December 31, 2024.

Adjusted profit for the year ended December 31, 2025 amounted to approximately RMB17.9 million, representing an increase of approximately 43.2% as compared with year ended December 31, 2024.

Net cash flows from operating activities for the year ended December 31, 2025 amounted to approximately RMB222.3 million, representing an increase of approximately 31.9% as compared with the year ended December 31, 2024.

Cash and cash equivalents for the year ended December 31, 2025 amounted to approximately RMB616.0 million, representing an increase of approximately 109.4% compared with the year ended December 31, 2024.

Gearing ratio decreased from approximately 46.9% for the year ended December 31, 2024 to approximately 36.6% for the year ended December 31, 2025.

To supplement the financial information presented in accordance with IFRS Accounting Standards, we use non-IFRS measures, namely adjusted EBITDA (a non-IFRS measure) and adjusted net profit (a non-IFRS measure), as additional financial measures, which are not required by, or presented in accordance with, IFRS Accounting Standards. We believe that these non-IFRS measures facilitate comparisons of operating performance across different years and between companies by eliminating the potential impact of certain items. We believe that these measures provide useful information to investors and others, enabling them to understand and evaluate our consolidated operating results in the same manner as our management. However, the adjusted EBITDA (a non-IFRS measure) and adjusted net profit (a non-IFRS measure) we present may not be comparable to similarly titled financial measures presented by other companies. Non-IFRS measures have limitations as analytical tools, and you should not consider them in isolation or as a substitute for analysis of our operating results or financial condition as reported under IFRS Accounting Standards.

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended December 31, 2025

	<i>Notes</i>	<b>2025</b> <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Revenue</b>	4	<b>1,119,849</b>	1,188,846
<b>Cost of sales</b>		<u><b>(929,037)</b></u>	<u>(980,649)</u>
<b>Gross profit</b>		<b>190,812</b>	208,197
Other net income		<b>8,241</b>	4,971
Selling expenses		<b>(10,729)</b>	(11,834)
General and administrative expenses		<b>(156,973)</b>	(165,696)
Impairment loss on trade and bills receivables		<u><b>(479)</b></u>	<u>(649)</u>
<b>Profit from operations</b>		<b>30,872</b>	34,989
Finance cost		<u><b>(21,580)</b></u>	<u>(21,677)</u>
<b>Profit before taxation</b>	6	<b>9,292</b>	13,312
Income tax expense	7	<u><b>(17,970)</b></u>	<u>(16,869)</u>
<b>Loss for the year</b>		<u><b>(8,678)</b></u>	<u>(3,557)</u>
Non-IFRS adjusted net profit <sup>(1)</sup>		<b>17,943</b>	12,496

*Notes:*

- (1) Adjustments to net profit for the year ended December 31, 2025 include: (i) listing expenses of RMB26,621,000; adjustments to net profit for the year ended December 31, 2024 include: (i) listing expenses of RMB16,053,000;

## MANAGEMENT DISCUSSION AND ANALYSIS

### Business review

Adhering to the mission of “respecting life and promoting the widespread availability of high-quality medical resources for the benefit of the public”, the Group provides patients with high-quality medical services as a leading full-cycle oncology healthcare group in the PRC, and screening, diagnosis, treatment and rehabilitation are core services the Group provided in its full-cycle oncology healthcare services system, including but not limited to oncology diagnosis for patients, various kinds of oncology treatment, oncology rehabilitation and hospice care, as well as screening and early detection of cancer, vaccination and health management services to other potential healthy people including family members of oncology patients. The Group is dedicated to providing full-cycle oncology healthcare services to individuals (i) who have been diagnosed with cancer; (ii) who present with average or high risks of cancer, such as those with cancer incidents in their family history; and (iii) who have received oncology treatment including radical oncology treatment.

As of December 31, 2025, the Group operated and managed a network of eight hospitals in Beijing, Tianjin, Shanxi Province, Anhui Province and Henan Province with focus on provision of full-cycle oncology healthcare services, through its direct ownership in the equity interest in six private for-profit hospitals and management over two private not-for-profit hospitals. With the continuous efforts, the market position and oncology service capabilities of the in-network hospitals of the Group has been significantly enhanced.

For the twelve months ended December 31, 2025, revenue amounted to approximately RMB1,119.8 million, representing a decrease of approximately 5.8% as compared to the same period in 2024. The Group’s gross profit amounted to approximately RMB190.8 million, representing a decrease of approximately 8.4% as compared to the same period in 2024. The Group’s net loss amounted to approximately RMB8.7 million and its adjusted net profit amounted to approximately RMB17.9 million. The Group’s EBITDA amounted to approximately RMB117.8 million, and its adjusted EBITDA amounted to approximately RMB144.4 million.

For the year ended December 31, 2025, net cash generated from operating activities amounted to RMB222.3 million, representing a year-on-year increase of 31.9% and reaching a record high. The gearing ratio stood at 36.6%, representing a decrease of 10.3 percentage points as compared with the same period of last year, reflecting continuous optimization of the asset-liability structure.

*Notes:*

- (1) Adjusted net profit is calculated based on the loss for the period, excluding listing expenses;
- (2) EBITDA is calculated based on the loss for the period, excluding income tax expenses, depreciation of property, plant and equipment, amortization of intangible assets, depreciation of right-of-use assets, and net finance costs;
- (3) Adjusted EBITDA is calculated based on EBITDA, excluding listing expenses.

## **Core Operating Indicators**

### ***Self-owned Hospitals***

- Revenue from the hospital business amounted to approximately RMB915 million, of which approximately RMB440 million was related to oncology, accounting for approximately 48.1%;
- Total outpatient and emergency visits of 670,000;
- 11,021 surgeries performed, of which 6,453 were level III and IV surgeries, representing a year-on-year increase of approximately 16.9%, while level III and IV surgeries accounted for approximately 58.6%, representing a year-on-year increase of approximately 20.5%.

### ***Managed Hospitals***

The managed hospitals recorded revenue of RMB361 million for the year ended December 31, 2025.

- 5,420 surgeries performed at managed hospitals, of which 3,936 were level III and IV surgeries, while level III and IV surgeries accounted for approximately 72.6%, representing a year-on-year increase of approximately 1.8%.

## **Discipline Development and Business Operation**

### ***1. Industry Recognition and Clinical Breakthroughs***

During the Reporting Period, Taiyuan Peace Hospital under the Group, as the China Hospital Rehabilitation Medical Consortium Standing Director Unit (中國醫院康復醫學聯合體常務理事單位), jointly drafted the Expert Consensus on Cancer Rehabilitation (2025) (《腫瘤康復專家共識(2025)》) with Peking University Third Hospital and other

institutions, which was officially published. The consensus establishes the assessment standards for oncology rehabilitation and the “five prescriptions (五大處方)” strategy. The Group has made milestone progress in the standardization of the oncology rehabilitation sector.

In October 2025, Hefei Bayway Hospital was awarded the title of “Member Unit of the Lifestyle Medicine Alliance under the National Center for Cardiovascular Diseases (國家心血管病中心生活方式醫學聯盟會員單位).” This recognition signifies that the Group’s systematic expansion in preventive medicine has gained national-level endorsement.

In addition, by the end of December, all the Group’s hospitals had completed the compilation of medical order lists and medical order dictionaries based on the five prescriptions for oncology rehabilitation. In addition, their integration into the HIS has promoted the comprehensive implementation of the five prescriptions for oncology rehabilitation across the Group.

## **2. *Development of a Discipline-Based Ecosystem***

The Group remains committed to the oncology discipline as its core. We aim to drive the differentiated, high-quality development across our hospitals, forming a discipline-based ecosystem featuring cross-regional resource synergy:

- **Western Beijing Cancer Hospital:** Recognized as a group member of the China Anti-Cancer Association (CACA) (中國抗癌協會), the hospital has gained industry acknowledgment for its academic standing. Through the completion of its DSA suite and the introduction of an oncology nutrition team, the support system that integrates “treatment + nutrition” has been further improved. In addition, the successful implementation of its first intrathecal morphine pump implantation marks the formation of a technical closed loop in precision cancer pain management, strengthening the depth of its perioperative support capabilities.
- **Taiyuan Peace Hospital:** Leveraging the opportunity to establish itself as a Class-III A Rehabilitation Hospital, the hospital has comprehensively advanced its quality management system. During the Reporting Period, the AI Rehabilitation Center and the Second Rehabilitation Training Hall were officially put into operation, representing an intelligent upgrade of its rehabilitation capabilities. By hosting national-level academic conferences such as the Peace Rehabilitation International Forum (2025) (和平康復國際論壇(2025)), the hospital has effectively converted brand influence into academic appeal, solidifying its leading position in regional rehabilitation.

- Wuzhi Jimin Hospital: The hospital has established a medical consortium with the Department of Respiratory and Critical Care Medicine of the Chinese PLA General Hospital (301 Hospital) (解放軍總醫院(301醫院)) and the Chinese PLA 988 Hospital (解放軍第988醫院), thereby bringing in high-quality medical resources. On the technology front, the hospital has completed filings for national and provincial restricted technologies, including tumor ablation, while obtaining designation as a designated outpatient radiotherapy center. This marks its transformation from routine diagnosis and treatment to advanced oncology technologies. Meanwhile, through the “Oncology Disease Treatment Without Leaving the County” initiative and the commissioning of its DSA catheterization room, the hospital has significantly enhanced its technical penetration and patient acquisition capabilities in the county-level market.
- Hefei Bayway Hospital: Leveraging its large-scale hyperbaric oxygen chamber facility (with a capacity of 40 berths), the hospital has strengthened its hardware advantages in critical care and functional rehabilitation. During the Reporting Period, the hospital formally initiated a strategic partnership with Ping An Property Insurance (平安產險), actively exploring a payment closed loop between medical services and commercial insurance, with patient mix optimization and profitability expansion through medical-insurance synergy as its ultimate goal.
- Tianjin Shishi Hospital: The hospital has added a clinical psychology specialty, signed a medical consortium agreement with the 983rd Hospital of the Joint Logistics Support Force (聯勤保障部隊第九八三醫院) of the Chinese PLA, and entered into a deep collaboration with the team of Professor Jia Yingjie (賈英傑), a nationally renowned traditional Chinese medicine practitioner. These initiatives further refine its integrated oncology diagnosis and treatment system combining traditional Chinese and Western medicine as well as physical and mental care.
- Tianjin Nankai Jixing Hospital: The hospital has introduced a color Doppler ultrasound diagnostic system and infrared polarized light therapy devices. Furthermore, leveraging a specialized department – the “Traditional Chinese Medicine Wellness Center (中醫養生堂)”, it has expanded the boundaries of diversified health management through self-pay TCM wellness programs.
- Huangshan Shoukang Hospital (under management): The hospital has successfully hosted the 8th Huangshan Forum on New Advances in General Surgery (第八屆普外領域新進展黃山論壇), further strengthening its academic brand presence in the field.

## **Talent Team Development**

The Group regards talent as its core driver of development and continues to strengthen the construction of its medical workforce. Through the enhancement of a standardized training system and the “Double Eagle (雙鷹)” talent development program, the Group has established a well-structured medical team with exceptional technical expertise, while continuously recruiting high-caliber academic talent. At the organizational level, the Group has equipped its core specialists with dedicated support teams consisting of case managers, rehabilitation therapists and nutritionists, aiming to support clinical decision-making and improve the efficiency of medical outcomes. As of December 31, 2025, the Group had a total of 2,561 medical professionals, including 363 associate-chief physicians and chief physician, accounting for 38% of all physicians. Within the medical staff team, two physicians were promoted to senior professional rank, 16 physicians were promoted to associate-senior professional rank, and 33 physicians were promoted to mid-end professional rank.

Zhang Hongshui (張紅水), as the vice president of business of Taiyuan Peace Hospital, was appointed as the vice chairman of the Cognitive Impairment Rehabilitation Professional Committee of the Shanxi Association of Rehabilitation Medicine (山西省康復醫學會認知障礙康復專業委員會), and Tan Hongyan (譚紅燕), as the director of the nursing department, was appointed as a standing member of the Rehabilitation Nursing Professional Committee of the Chinese Association of Rehabilitation Medicine (中國康復醫學會康復護理專業委員會); Liu Jianping (劉建平), as the director of the Pharmacy Department of Western Beijing Cancer Hospital (北京京西腫瘤醫院藥劑科), was appointed as the vice chairman of the Beijing Non-public Pharmacy Professional Committee (北京非公藥學專業委員會); Ding Jie (丁捷), as the director of the department of anesthesia, was awarded the title of Outstanding Anesthesia Quality Control Officer by the Beijing Anesthesia Quality Control and Improvement Center (北京市麻醉質量控制和改進中心); Sun Huayue (孫華悅), a nurse in the operating room, obtained a patent for invention from the Intellectual Property Office of the United Kingdom; Zhang Chi (張馳), as the director of the clinical laboratory, was appointed as a member of the Fengtai District Transfusion Quality Control Center (豐台區輸血質控中心); and Gu Feng (顧峰), as the executive vice president of Wuzhi Jimin Hospital, was appointed as the vice chairman of the Hospital Quality Control Management Committee of Jiaozuo Medical Association (焦作市醫院協會醫院質量控制管理委員會).

## **Service Optimization and Quality Improvement**

During the Reporting Period, the Group continued to advance the standardization of service processes and the development of its quality management system, with focus on the two core areas – patient experience and medical quality – thereby driving steady improvements in service capabilities and operational efficiency across its hospitals.

## ***1. Standardized Services and Enhanced End-to-End Experience***

During the Reporting Period, the Group issued an updated Customer Service Standardization Manual, which maps out and standardizes over 400 service touchpoints covering the entire patient journey. The manual transitioned service management from an experience-driven approach to standardized process management. The Group also established a closed-loop mechanism spanning experience feedback, process optimization and effectiveness tracking. Meanwhile, it continuously refined service processes by engaging patients in the evaluation of key outpatient and inpatient procedures.

Each hospital improved its patient pathways and service environment based on its specific operational context. Western Beijing Cancer Hospital launched the “Jingtong – WeChat Pay” mobile medical insurance settlement system and achieved full coverage of online prescription review. By adding blood collection windows, implementing a smart queuing system, and upgrading its LIS system, the hospital reduced average patient waiting time by approximately 30% compared to the previous period. Taiyuan Peace Hospital completed the renovation of its outpatient area, improved its wayfinding system, and implemented vehicle-pedestrian separation. Wuzhi Jimin Hospital launched a cloud imaging system, reducing patient report retrieval time from approximately two hours to less than one hour. Huangshan Shoukang Hospital introduced bedside settlement, shortening discharge processing time to approximately five minutes. Tianjin Nankai Jixing Hospital established an internet consultation room, expanding online consultation and e-prescription services for follow-up visits. Hefei Bayway Hospital set up a patient service center offering integrated services such as registration, payment, and medical insurance inquiries. Tianjin Shishi Hospital completed age-friendly renovations for 12 wards, enhancing inpatient safety and accessibility.

The Group continued to monitor customer satisfaction and Net Promoter Score (NPS), and established a mechanism for tracking negative feedback. During the Reporting Period, over 13,000 patients and customers participated in evaluations, with overall satisfaction remaining at a high level. Notably, Western Beijing Cancer Hospital, Tianjin Shishi Hospital, and Taiyuan Peace Hospital received overall ratings of 4.8 or above on a 5-point scale, maintaining high satisfaction rates in indicators such as physician attitude and diagnostic and treatment skills.

## **2. *End-to-End Quality Control System and Risk Management***

The Group continues to enhance its medical quality management system, establishing a vertical management structure characterized by group-level coordination and hospital-level implementation, and has developed a quality control mechanism covering the pre-process, in-process, and post-process stages. During the Reporting Period, the Group further refined its quality control system based on the “one goal, three tiers, four networks” framework and incorporated the PDCA cycle into its routine quality management processes.

During the Reporting Period, the Group launched a medical dispute reporting platform and established a 24-hour response mechanism for major adverse events at the group level, to improve the efficiency of risk identification and handling.

At the quality execution level, the Group conducted regular special-purpose quality inspections. During the Reporting Period, the Group performed monthly sample reviews of medical records for key departments such as oncology and rehabilitation. Training sessions were organized on standardized medical record documentation, with over 500 medical staff participating cumulatively. Each hospital also advanced quality management initiatives tailored to its specific operations, including Western Beijing Cancer Hospital, which revised its core medical quality policies; Tianjin Shishi Hospital, which optimized the operating mechanisms of its medical quality management committee; and Hefei Bayway Hospital, which established a multidisciplinary medical record quality control team and updated its insurance-specific clinical pathways.

The Group also advanced the digitalization of quality management. During the Reporting Period, Huangshan Shoukang Hospital passed the National Electronic Medical Record Level 4 Review, enhancing its capabilities in structuring clinical data and monitoring quality. Wuzhi Jimin Hospital conducted cross-departmental disease-specific analyses, standardized the management of five ambulatory surgery disease categories, and launched an intelligent audit system, contributing to a year-on-year reduction of approximately 50% in suspected medical insurance irregularities.

### **Information Technology Development**

During the Reporting Period, by advancing the development of its data middle platform, the Group strengthened its digital governance foundation and built an AI-ready infrastructure. Leveraging end-to-end data resources that integrate early screening, diagnosis, treatment, rehabilitation and follow up, an intelligent management system has been established to provide solid support for standardized operations and scientific decision-making.

In terms of unlocking the value of data as a factor of production, the Group leveraged dedicated network connections to link its hospitals, breaking down data silos between systems and promoting the comprehensive integration of patient clinical data, post-discharge follow-up data, and operational management data. This effort gradually established a data governance system characterized by unified standards, standardized management, and clearly defined roles and responsibilities, resulting in the creation of two data assets: the “Lung Cancer Diagnosis and Treatment Analytical Data Asset” and the “Oncology Imaging Data Asset.” Successfully registration of these assets with relevant products being listed further enhanced the role of data as a factor of production in supporting medical innovation, operational improvement, and value creation.

In the area of digital innovation, the Group continued to deepen the application of its data middle platform. Leveraging its self-developed reporting system, it monitored operations and dynamically tracked the performance of each hospital. By building a dynamic operational cost monitoring model, the Group monitored key indicators such as labor costs, equipment depreciation, and drug and consumable expenses in real time, with automated anomaly identification and root-cause analysis. Through the development of a quality control system, the Group strengthened dynamic monitoring of core indicators including medical safety and oncology diagnosis and treatment quality. Utilizing its patient management system and the WeChat platform, the Group achieved precise engagement with patients and early-screening clients, continuously enhancing end-to-end service efficiency and refined management capabilities.

### **ESG Governance and Compliance Operation**

The Group has established a three tier ESG governance structure comprising board level decision making, management level coordination, and task force level execution. It has formulated and implemented the ESG Management System, defining the roles and responsibilities at each level to ensure that the principles of sustainability are deeply embedded in both strategic decision making and day to day operations. The Board of Directors is responsible for approving ESG strategies and major policies, while the ESG leadership team, headed by the Group’s president, oversees regulatory tracking, risk assessment, indicator monitoring, and report preparation. The ESG working group, composed of the heads of the Group’s hospitals and subsidiaries, is responsible for data collection, initiative implementation, and execution monitoring. The Group has also established an ESG advisory committee, engaging external experts to provide professional support and continuously enhance its governance system.

The Group has established a tiered training mechanism. ESG focused training sessions are organized for Directors, senior management, and all employees. The training covers core issues such as business ethics, patient privacy protection, occupational health and safety, and environmental protection, with the aim of raising ESG awareness and strengthening the implementation capabilities of all staff. Following the materiality principle under the HKEX's ESG Reporting Guide, the Group conducted stakeholder surveys involving investors, patients, employees, and suppliers to identify 20 material issues. These issues were reviewed by the Board of Directors to form a materiality matrix, with the following identified as highly material: employee health and safety; service quality and safety; information security and privacy protection; anti corruption; high quality patient services; employee development and training; and waste management. These areas are prioritized in the Group's management and disclosure efforts.

The Group remains firmly committed to integrity and compliance. It maintains a zero tolerance policy toward corruption, bribery, fraud, and money laundering. In strict adherence to relevant laws and regulations, the Group has established a comprehensive risk prevention and control system covering the entire procurement process, management of pharmaceutical representatives, prevention of red envelopes and kickbacks, and integrity in practice, complemented by a robust disciplinary mechanism and risk early warning system. During the Reporting Period, the Group had no records of non-compliance relating to corruption, bribery, or money laundering.

Multiple reporting channels have been established, including hotlines, email, suggestion boxes, and hospital president mailboxes, with strict mechanisms in place to ensure whistleblower confidentiality, protection against retaliation, and independent investigation. In addition, the Group has built a comprehensive risk management framework spanning the Board of Directors, the president's office, and the audit and legal department, covering five major risk categories: strategic, financial, market, operational, and compliance risks. Annual risk assessments, regular internal audits, and a closed-loop corrective action process have further strengthened the "three lines of defense" for compliant operations, ensuring sound governance and supporting the Group's steady and sustainable development.

## **Social Responsibility and Brand Building**

The Group has embedded social responsibility into its development strategy, achieving simultaneous enhancement of brand influence and social recognition:

### ***1. Deep Commitment to Public Welfare and Social Responsibility***

The Group's hospitals have made targeted efforts in public welfare initiatives. Wuzhi Jimin Hospital collaborated with charitable organizations to provide assistance to financially disadvantaged cancer patients, and continued to organize public welfare activities such as the "Renowned Doctors Visit the Grassroots (名醫走基層)" initiative, Red Army physician free clinics, and voluntary blood donation drives. Western Beijing Cancer Hospital conducted community-based public welfare services, including the "Pink October (粉紅十月)" campaign and the Respect for the Elderly Month. Tianjin Shishi Hospital reached out to early childhood education groups and local communities, delivering health care through diverse free clinic activities. During the Reporting Period, a total of over 1,500 volunteer service participations were recorded across the Group, and more than 400 health awareness lectures were conducted, effectively raising public health awareness.

### ***2. Excellence in Academic Exchange and Ongoing Social Engagement***

Through participation in regional alliances and cross sector collaborations, the Group's hospitals have facilitated the optimized allocation of medical resources and the standardization of industry practices. By hosting international and national academic conferences, Bayzed Health Group Inc has undergone a transformation from a healthcare service provider to an academic thought leader. We remain committed to advancing the integrated development of medical education, research, and clinical practice, driving innovation in clinical technologies through outstanding academic achievements, ultimately benefiting a broad base of patients.

Hospitals under the Group, including Tianjin Shishi Hospital and Hefei Bayway Hospital, actively participated in relevant annual academic conferences. The latest research findings were translated into clinical practice to ensure that medical services remain at the forefront of the industry. Through the regional alliance platform of the Tianjin Anti Cancer Association (天津抗癌協會), the Group actively promoted the optimal allocation of medical resources, ensuring that frontline clinical practices remain aligned with the latest industry standards. The Group hosted the Annual Academic Conference of the Rehabilitation Psychology Professional Committee of the Chinese Association of Rehabilitation Medicine (中國康復醫學會康復心理學專業委員會學術年

會). This conference focused on cutting edge advancements in rehabilitation psychology, with the goal of enhancing the professional competence of practitioners and advancing the holistic rehabilitation model. Taiyuan Peace Hospital organized a forum themed “Psychological, Physical, and Organ Synergy for Holistic Progress” – an international bridge for medical exchange – bringing together over 300 experts from both domestic and international institutions.

We promote our community public welfare activities through digital channels (television, local media, WeChat official accounts, Douyin accounts, WeChat groups for chronic disease and other patients, as well as WeChat subscription accounts) and physical materials (hospital brochures, branded promotional materials, digital displays). We strive to expand our influence and encourage broader public participation in public welfare initiatives, and together to fulfill our social responsibilities.

### **3. *Authoritative Recognition and Brand Strength***

Several of the Group’s hospitals achieved notable rankings in the “Medical Institutions Established by Social Capitals” evaluation conducted by Asclepius: Taiyuan Peace Hospital was ranked among the “Top 10 Rehabilitation Hospitals.” Western Beijing Cancer Hospital was ranked among the “Top 15 Oncology Hospitals.” Huangshan Shoukang Hospital was once again named among the “Top 100 Single Hospitals.”

## **Future Outlook**

### ***Future Outlook: Deepening the Strategic Focus on Full-Cycle Oncology Management and Building Sustainable Growth Engines***

Looking ahead, the Group will continue to uphold its mission of “Reverence for Life, Benefit for All” and steadfastly advance its strategic positioning as a “value re-architect of full cycle oncology management in China.” We are committed to achieve business transformation from a traditional disease treatment model to a health management paradigm that covers the entire patient lifecycle. In light of the major policy opportunities presented by an aging population, the continued rise in cancer incidence, and the national policy of prioritizing early cancer prevention and control, the Group will focus on consolidating its foundations in fiscal year 2026, concentrating on capacity building, system refinement, and technology enablement. Our goal is to lay a solid foundation for the next phase of scalable replication and platform based upgrading.

*I. Strategic Direction: Building a Closed-Loop Service System Centered on the “Eight Links” of Prevention, Screening, Diagnosis, Treatment, Rehabilitation, Management, Connection, and Companionship*

The Group has established a full-cycle oncology service model centered on the “eight links” – prevention, screening, diagnosis, treatment, rehabilitation, management, connection, and companionship – systematically addressing the three major pain points in current oncology care: “data fragmentation, process discontinuity, and lack of care continuity.” This model not only aligns with the policy direction of establishing a precision prevention and control closed loop set forth in the national Five-Year Plan for Integrated Cancer Prevention and Control (2025–2030) (《全國腫瘤整合防治五年規劃(2025–2030)》), but also reflects the global trend of managing cancer as a chronic disease.

Through this eight link model, the Group is achieving three major service transformations:

1. From “Treating Disease” to “Managing Disease”: Extending medical services beyond the hospital to provide proactive health interventions and continuous care management;
2. From “Managing Disease” to “Connecting People”: Leveraging the Internet of Things (IoT), wearable devices, and telemedicine platforms to break down the physical boundaries of medical institutions, creating a “borderless hospital” that is “invisible yet always accessible”;
3. From “Connecting People” to “Accompanying People”: Establishing lifelong health partnership relationships through patient communities, electronic health records, palliative care, and grief counseling, embodying respect for life and enduring companionship.

*II. Execution Pathway: Concurrent Advancement of the “155 Strategy” and the “Dual-Engine” Model*

To ensure effective strategy implementation, the Group has formulated a clear “155 Strategy” implementation framework, supported by a “dual-engine” mechanism to ensure executional effectiveness.

(1) “155 Strategy”: A Five-Year Staged Development Blueprint

- 1 Core Goal: Taking “customer satisfaction” as the core performance indicator;

- 5 Reconfiguration Directions: Reconfiguration of model, experience, technology, evaluation, and ecosystem;
- 5-Year Development Pathway: With 2026 as the strategic foundation year, focusing on strengthening organizational, system, and standards foundations; entering export and regional replication phase in 2027–2028; achieving national leadership and platform-based leapfrog development in 2029–2030.

(2) “Dual-Engine” Model: Standardization and Digital Intelligence

- Engine 1: Standardized Management System

The Group is fully implementing its Service Standardization Manual, which covers over 400 key service touchpoints with detailed SOPs, encompassing clinical pathways, follow-up mechanisms, emergency response, and cross-departmental coordination, ensuring consistent service quality, manageable risks, and replicability.

- Engine 2: Intelligent Information System

The Group continues to advance the development of an AI-ready infrastructure. It has completed the software copyright registration for its data middle platform and achieved the confirmation and listing of medical data assets. The system integrates data pathways across in-hospital systems (HIS, EMR, LIS/PACS) and external IoT devices, initially establishing a “personal health digital twin” to provide data support for AI-assisted decision-making, recurrence prediction, and personalized interventions. This not only enhances current operational efficiency but also creates an operational environment for the future large-scale application of AI agents in healthcare management, driving the formation of a “human + AI” collaborative service model.

*III. Business Model Evolution: A Structural Shift from “One-Time Treatment” to “Lifetime Value”*

The Group is actively advancing the diversification of its revenue structure, gradually reducing its reliance on traditional one-time medical service revenues and exploring more sustainable profit models.

#### *IV. Financial and Capital Support: Strong Cash Flow to Sustain Long-Term Investment*

As of the end of 2025, the Group held cash and cash equivalents of approximately RMB616 million. The ample cash reserves provide a solid foundation for investments in digital infrastructure, service standardization, and talent acquisition. The Group adheres to a prudent and disciplined expansion strategy: prioritizing asset-light replication through management expertise, entrusted operations, and partnerships, while rigorously controlling investment risks to maximize capital efficiency.

#### **Conclusion**

In summary, the Group has moved beyond the traditional “scale expansion trap” prevalent in the private healthcare sector and has shifted onto a new growth trajectory centered on value creation. Leveraging its physical network spanning five provinces, a proven standardized operating system, industry-leading full-cycle service capabilities, and deepening technology enablement, we are confident in achieving the transition from “regional leadership” to “national benchmark” in the years ahead.

Although industry competition may intensify and uncertainties persist in the policy and reimbursement environment, the Group will remain committed to the principle of balancing medical excellence with humanistic care, continuously strengthening its core competitiveness. In doing so, we are committed to delivering more dignified medical services to our clients and generating sustainable long-term value for our Shareholders and other stakeholders.

#### **FINANCIAL REVIEW**

##### **Revenue**

During the Reporting Period, the Group generated the revenue mainly from (i) operating six private for-profit hospitals the Group owned and providing healthcare services including full-cycle oncology healthcare services; (ii) managing and operating, and receiving management fees from two private not-for-profit hospitals in the in-network hospitals; and (iii) supply of pharmaceuticals, medical equipment and consumables. Given the nature of healthcare service market in the PRC, the Group focuses on full-cycle oncology healthcare services as a core part of the Group’s business operations, and the Group expects this trend to continue in the future.

The Group recorded revenue of RMB1,119.8 million for the year ended December 31, 2025, representing a decrease of approximately 5.8% from RMB1,188.8 million for the year ended December 31, 2024, primarily due to (i) a decrease of RMB37.4 million in revenue from hospital operations; and (ii) a decrease of RMB21.6 million in revenue from the supply of pharmaceutical products, medical equipment and consumables.

The table below sets out the breakdown of the revenue for the periods indicated:

	For the year ended December 31,			
	2025		2024	
	RMB'000	%	RMB'000	%
<b>Hospital business</b>	<b>914,571</b>	<b>81.7</b>	951,985	80.1
Inpatient services	<b>526,149</b>	<b>47.0</b>	544,428	45.8
Outpatient services	<b>385,679</b>	<b>34.4</b>	400,737	33.7
Others <sup>(1)</sup>	<b>2,743</b>	<b>0.3</b>	6,820	0.6
<b>Hospital management business<sup>(2)</sup></b>	<b>33,998</b>	<b>3.0</b>	39,567	3.3
<b>Supply of pharmaceuticals, medical equipment and consumables</b>	<b>169,062</b>	<b>15.1</b>	190,686	16.0
<b>Others<sup>(3)</sup></b>	<b>2,218</b>	<b>0.2</b>	6,608	0.6
<b>Total</b>	<b>1,119,849</b>	<b>100.0</b>	1,188,846	100.0

Notes:

- (1) The revenue derived from others of the hospital business during the Reporting Period primarily refer to revenue from nucleic acid testing services and government-procured medical service income.
- (2) The revenue derived from the hospital management business during the Reporting Period consisted of the management fee received from Huangshan Shoukang Hospital\* (黃山首康醫院) and Taiyuan Wanbailin District Peace Community Health Service Center (太原市萬柏林區和平社區衛生服務中心).
- (3) The revenue derived from others of the business during the Reporting Period primarily refer to revenue related to the provision of healthcare-related consultancy services, organizing and arranging experts to attend academic seminars and medical and healthcare related conferences held by the customers and provision of conference affairs, publicity and other related services.

The revenue generated from the hospital business decreased by approximately 3.9% from RMB952.0 million for the year ended December 31, 2024 to RMB914.6 million for the year ended December 31, 2025.

The revenue generated from the hospital management business decreased by approximately 14.1% from RMB39.6 million for the year ended December 31, 2024 to RMB34.0 million for the year ended December 31, 2025, which was in line with the decrease in revenue from managed hospitals and community health service centers.

The revenue generated from the supply of pharmaceuticals, medical equipment and consumables decreased by approximately 11.3% from RMB190.7 million for the year ended December 31, 2024 to RMB169.1 million for the year ended December 31, 2025, primarily due to the decrease in customer demand for medical equipment in 2025.

The revenue generated from the others decreased by approximately 66.7% from RMB6.6 million for the year ended December 31, 2024 to RMB2.2 million for the year ended December 31, 2025, primarily due to the fact that large-scale industry forums and academic conferences were held during the year ended December 31, 2024, whereas no such events took place in the same period in 2025.

### Cost of Sales

The cost of sales primarily consists of cost of pharmaceuticals, cost of medical instruments, staff cost, depreciation and amortization and others. Cost of sales of the Group decreased by approximately 5.3% from RMB980.6 million for the year ended December 31, 2024 to RMB929.0 million for the year ended December 31, 2025.

### Gross Profit and Gross Profit Margin

The Group recorded a gross profit of RMB190.8 million for the year ended December 31, 2025, representing a decrease from a gross profit of RMB208.2 million for the year ended December 31, 2024. Such decrease was primarily attributable to gross profit from our hospital operations decreased in the same year.

	For the year ended December 31,			
	2025		2024	
	Gross profit <i>RMB'000</i>	Gross profit margin %	Gross profit <i>RMB'000</i>	Gross profit margin %
Hospital business	132,841	14.5	144,879	15.2
Hospital management business	24,076	70.8	30,284	76.5
Supply of pharmaceuticals, medical equipment and consumables	33,299	19.7	31,211	16.4
Others	596	26.9	1,823	27.6
<b>Total</b>	<b>190,812</b>	<b>17.0</b>	<b>208,197</b>	<b>17.5</b>

The gross profit of hospital business amounted to RMB132.8 million for the year ended December 31, 2025, representing a gross profit margin of 14.5%, as compared to a gross profit of RMB144.9 million and a gross profit margin of 15.2% for the year ended December 31, 2024 respectively.

The gross profit of hospital management business amounted to RMB24.1 million for the year ended December 31, 2025, representing a gross profit margin of 70.8%, as compared to a gross profit of RMB30.3 million and a gross profit margin of 76.5% for the year ended

December 31, 2024 respectively. Such decrease was primarily due to the reduction in revenue from our managed hospitals and community health service centers (particularly Huangshan Shoukang Hospital) during the year, while the cost of sales of our hospital management business remained relatively stable.

The gross profit of supply of pharmaceuticals, medical equipment and consumables amounted to RMB33.3 million for the year ended December 31, 2025, representing a gross profit margin of 19.7%, as compared to a gross profit of RMB31.2 million and a gross profit margin of 16.4% for the year ended December 31, 2024 respectively. The primary reasons include improvements in procurement and supply chain management efficiency, optimization of sales channel structure, and refinement of pricing strategies.

### **Other Net Income**

Other net income is comprised of government grants, interest income, gains/losses on disposal of property, plant and equipment and intangible assets and others. Other net income of the Group increased by approximately 64.0% from RMB5.0 million for the year ended December 31, 2024 to RMB8.2 million the year ended December 31, 2025. Such increase was primarily due to the corresponding increase in interest income and net foreign exchange gain resulting from the rational coordination and efficient utilization of funds by the Group during the year.

### **Selling Expenses**

The selling expenses consist of marketing and promotion expenses, staff cost, office and travel expenses, depreciation and amortization and miscellaneous. The selling expenses decreased by approximately 9.3% from RMB11.8 million for the year ended December 31, 2024 to RMB10.7 million for the year ended December 31, 2025, primarily attributable to the reduction in corresponding marketing and promotional expenses, benefiting from the solid brand influence and favorable market reputation that the Group's owned hospitals have established locally.

### **General and Administrative Expenses**

The general and administrative expenses consist of staff cost, depreciation and amortization, office and travel expenses, professional service fees, leasing and repair and maintenance expenses and others. The general and administrative expenses of the Group decreased by approximately 5.3% from RMB165.7 million for the year ended December 31, 2024 to RMB157.0 million for the year ended December 31, 2025, primarily attributable to the Group's effective reduction of non-core administrative expenses through optimization of manpower structure, enhancement of budget management and improvement in operational efficiency, thereby driving a steady decline in overall operating costs.

### **Impairment Loss on Trade and Bills Receivables**

The Group recorded impairment loss on trade and bills receivables of RMB0.5 million for the year ended December 31, 2025, as compared to impairment loss on trade and bills receivables of RMB0.6 million for the year ended December 31, 2024, which remained stable.

### **Finance Costs**

The finance costs comprise the interest on interest-bearing borrowings, interest on lease liabilities and others. The Group recorded financial costs of RMB21.6 million for the year ended December 31, 2025, as compared to financial costs of RMB21.7 million for the year ended December 31, 2024, which remained stable.

### **Income Tax Expense**

The income tax expense consists of current tax and deferred tax. The Group recorded income tax expense of RMB18.0 million for the year ended December 31, 2025, as compared to income tax expense of RMB16.9 million for the year ended December 31, 2024.

### **Loss for the Reporting Period**

As a result of the foregoing, the Group recorded a loss of RMB8.7 million for the year ended December 31, 2025, as compared to a loss of RMB3.6 million for the year ended December 31, 2024.

### **Property, Plant and Equipment**

Property, plant and equipment is comprised of leasehold improvement, medical equipment, office and other equipment, buildings, motor vehicles and construction in process. Property, plant and equipment of the Group decreased by approximately 4.4% from RMB364.0 million as of December 31, 2024 to RMB347.9 million as of December 31, 2025, primarily due to the continuous depreciation of our property, plant and equipment.

### **Right-of-use Assets**

The right-of-use assets is comprised of land use right and property leased. The Group recorded right-of-use assets of RMB184.9 million and RMB165.2 million as of December 31, 2024 and December 31, 2025, respectively. Such decrease was primarily due to the continuous depreciation of right-of-use assets.

## **Intangible Assets**

The intangible assets comprise of management contracts, medical licenses, software, good supply practice licenses and cooperation relationship. The Group recorded the intangible assets of RMB236.4 million and RMB227.7 million as of December 31, 2024 and December 31, 2025, respectively. Such decrease was primarily due to the amortization of existing intangible assets.

## **Goodwill**

The Group recorded carrying amount of goodwill of RMB643.0 million and RMB643.0 million as of December 31, 2024 and December 31, 2025, respectively.

## **Inventories**

The inventories primarily consist of pharmaceuticals, medical equipment and consumables. The inventories decreased by approximately 4.6% from RMB62.8 million as of December 31, 2024 to RMB59.9 million as of December 31, 2025, primarily attributable to the optimization of inventory management at certain hospitals within the Group, which reduced inventory levels.

The inventory turnover days remained consistent at 23 days for the year ended December 31, 2024 and 2025.

## **Trade and Bills Receivables**

The trade receivables mainly represent the balances due from the public medical insurance programs for healthcare services provided by the private for-profit hospitals in the In-network Hospitals and the trade-nature receivables for the pharmaceuticals, medical equipment and consumables delivered. The bills receivables primarily represent bank acceptance bills receivable from the customers for purchasing the pharmaceuticals, medical equipment and consumables.

The trade and bills receivables decreased by approximately 9.0% from RMB262.1 million as of December 31, 2024 to RMB238.6 million as of December 31, 2025, primarily attributable to the completion of medical insurance settlement for 2024 at certain hospitals and the corresponding payments of deposits by medical insurance funds.

## **Prepayments and Other Receivables**

The prepayments and other receivables primarily consist of prepayments for inventories and services, receivables from related parties, deposits and amount due from staffs in relation to share-based payments. The prepayments and other receivables increased by approximately 97.3% from RMB120.6 million as of December 31, 2024 to RMB237.9 million as of December 31, 2025, primarily attributable to the increase in receivables from related parties.

## **Trade and Bills Payables**

The trade and bills payables primarily relate to the purchase of pharmaceuticals, medical equipment and consumables from the suppliers, which are non-interest bearing. The trade and bills payables decreased by approximately 28.5% from RMB313.9 million as of December 31, 2024 to RMB224.3 million as of December 31, 2025, primarily attributable to the settlement of procurement payables according to the relevant payment terms.

## **Other Payables**

The other payables consist of salary and welfare payables, other taxes payable, advances from related parties, payables for purchase of property, plant and equipment and others. The other payables decreased by approximately 13.8% from RMB115.2 million as of December 31, 2024 to RMB99.3 million as of December 31, 2025, primarily attributable to the decrease in salaries and welfare payables.

## **Contract Liabilities**

The contract liabilities represent considerations received from the customers before the Group satisfying performance obligations. As of December 31, 2024 and December 31, 2025, the contract liabilities were RMB30.7 million and RMB12.6 million, respectively. Such decrease was primarily due to the delivery of pharmaceuticals and consumables, with corresponding amounts recognized as revenue.

## **Lease Liabilities**

The lease liabilities of the Group decreased by approximately 10.6% from RMB160.1 million as of December 31, 2024 to RMB143.2 million as of December 31, 2025, primarily attributable to the settlement of rental payments for those leases.

## **Capital Structure**

The total assets of the Group increased from RMB2,203.1 million as of December 31, 2024 to RMB2,556.1 million as of December 31, 2025. The total liabilities of the Group decreased from RMB1,033.0 million as of December 31, 2024 to RMB935.6 million as of December 31, 2025. Liabilities-to-assets ratio decreased from approximately 46.9% as of December 31, 2024 to approximately 36.6% as of December 31, 2025.

## **Liquidity and Capital Resources**

The cash and cash equivalents of the Group increased by approximately 109.4% from RMB294.2 million as of December 31, 2024 to RMB616.0 million as of December 31, 2025, primarily attributable to the net proceeds from the Global Offering (after deduction of underwriting fees and commissions and relevant expenses incurred).

The business operations and expansion plans require a significant amount of capital, including upgrading the existing hospitals in the network, establishing and acquiring new hospitals and other working capital requirements. For the Reporting Period, the Group financed the capital expenditure and working capital requirements mainly through cash generated from operations, bank and other borrowings, capital contributions from Shareholders, and net proceeds from the global offering of the Shares, details of which were disclosed in the Prospectus.

The Group manages and monitors the exposure of liquidity risk to ensure appropriate measures are implemented on a timely and effective manner. The Group regularly monitors the liquidity requirements and the compliance with lending covenants, to ensure that the Group maintain sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet the liquidity requirements in the short and longer term. During the Reporting Period, the Group did not use any financial instrument for hedging purposes, did not have any outstanding hedging instruments and did not consider necessary to hedge in order to manage the liquidity and capital resources.

## **Borrowings and Indebtedness**

The indebtedness mainly consisted of interest-bearing borrowings and lease liabilities. As of December 31, 2025, the Group had indebtedness of RMB544.5 million, representing an increase of 5.3% as compared to RMB517.3 million as of December 31, 2024, primarily due to the increase in bank borrowings guaranteed by subsidiaries of the Group.

The following table sets forth a breakdown of the indebtedness of the Group:

	As of December 31,	
	2025	2024
	RMB'000	RMB'000
Interest-bearing borrowings	401,186	357,190
Lease Liabilities	143,212	160,068
Advances from related party	85	0
<b>Total</b>	<b>544,483</b>	<b>517,258</b>

Except as disclosed above and the guarantees issued by the Group to certain banks in respect of the credit facilities granted to Huangshan Shoukang Hospital, among which, the total amount of guarantees was approximately RMB260 million, and the outstanding balance of guarantees was approximately RMB144.2 million., as of December 31, 2025, any outstanding debt securities, mortgage, charges, debentures or other loan capital (issued or agreed to be issued), bank overdrafts, loans, liabilities under acceptance or acceptance credits, or other similar indebtedness, leasing and financial leasing commitments, hire purchase commitments, guarantee or other material contingent liabilities.

The following table sets forth the maturity profile of the interest-bearing borrowings:

	December 31, 2025		December 31, 2024	
	Balance	Percentage	Balance	Percentage
	RMB'000	%	RMB'000	%
Within one year or on demand	327,186	81.5	292,000	81.8
1 to 2 years	26,000	6.5	20,500	5.7
2 to 5 years	48,000	12.0	44,600	12.5
	<b>401,186</b>	<b>100.0</b>	<b>357,190</b>	<b>100.0</b>

### Gearing Ratio

Gearing ratio is calculated using the sum of interest-bearing debt and lease liabilities divided by total equity attributable to the Company's owners. The gearing ratio of the Group decreased from approximately 48.4% as of December 31, 2024 to approximately 35.8% as of December 31, 2025, which was primarily due to an increase in the Group's assets resulting from the net proceeds from the Global Offering (after deducting underwriting fees and commissions and relevant expenses).

## Key Financial Ratios

The following table sets forth certain of our key financial ratios of the Group:

	As of/for the year ended	
	December 31,	
	2025	2024
<b>Profitability:</b>		
Revenue growth rate	<b>-5.8%</b>	10.9%
Gross profit growth rate	<b>-8.4%</b>	16.9%
Gross profit margin <sup>(1)</sup>	<b>17.0%</b>	17.5%
Adjusted net profit margin (non-IFRS measure) <sup>(2)</sup>	<b>1.6%</b>	1.1%
Adjusted EBITDA margin (non-IFRS measure) <sup>(3)</sup>	<b>12.9%</b>	11.4%
<b>Liquidity:</b>		
Current ratio <sup>(4)</sup>	<b>1.7 times</b>	1.0 times
Quick ratio <sup>(5)</sup>	<b>1.6 times</b>	0.9 times

### Notes:

- (1) The calculation of gross profit margin is based on gross profit for the year divided by revenue for the respective year and multiplied by 100.0%;
- (2) The calculation of adjusted net profit margin (non-IFRS measure) is based on adjusted net profit after taxation (non-IFRS measure) for the year divided by revenue for the respective year and multiplied by 100.0%;
- (3) The calculation of adjusted EBITDA margin (non-IFRS measure) is based on adjusted EBITDA (non-IFRS measure) for the year divided by revenue for the respective year and multiplied by 100.0%;
- (4) The calculation of current ratio is based on current assets divided by current liabilities as of year-end; and
- (5) The calculation of quick ratio is based on current assets less inventories divided by current liabilities as of year-end.

## Contingent Liabilities

As of December 31, 2025, the Group did not have any material contingent liabilities, guarantees any litigations or claims of material importance, pending or threatened against any member of the Group that is likely to have a material and adverse effect on the business, financial condition or results of operations.

## **Pledge of Assets**

As at December 31, 2025, approximately RMB18.9 million of trade receivables were pledged as security for Interest-bearing borrowings to the Group.

## **Cash Flow from Operating Activities**

During the Reporting Period, the Group primarily generated cash inflows through the provision of medical services. Cash outflows from operating activities mainly comprised payments for purchases of pharmaceuticals and medical consumables, employee benefit expenses, and other operating expenses. For the year ended December 31, 2025, the Group's net cash generated from operating activities amounted to RMB222.3 million, representing an increase of 31.9% compared with the same period in 2024.

## **Cash Flow from Financing Activities**

During the Reporting Period, cash inflows from financing activities mainly consisted of proceeds from the Company's initial public offering and bank borrowings. Cash outflows from the Group's financing activities primarily comprised repayment of bank borrowings and payments on interest on bank borrowings. For the year ended December 31, 2025, the Group's net cash generated from financing activities amounted to RMB267.7 million, representing an increase of 258.9% compared with the same period in 2024.

## **Capital Expenditures**

The capital expenditures consist of expenditures on (i) property, plant and equipment, mainly comprising leasehold improvement, construction in progress and medical equipment; and (ii) intangible assets. The capital expenditures decreased by approximately 21.8% from RMB50.0 million for the year ended December 31, 2024 to RMB39.1 million for the year ended in December 31, 2025, primarily due to a decrease in demand for the purchase of new medical equipment, as such equipment typically has a useful life of 5 to 10 years and does not require annual replacement or upgrading.

## **Foreign Exchange Risk and Hedging**

As the Group's operations are conducted by the subsidiaries of the Group in Chinese mainland, the Group's presentation currency is RMB. The Company has its functional currency in USD. The proceeds from the Global Offering was received in HKD. As a result, the Group faces risks resulting from currency exchange rate fluctuations, particularly, the RMB against the HKD and the USD.

As of the date of this announcement, the Group has not hedged its foreign currency exchange risks but has closely managed its foreign currency risk by performing regular reviews of its net foreign currency exposures and may enter into currency forward contracts, when necessary, to manage its foreign exchange exposure.

### **Significant Investment, Material Acquisitions and Disposal of Subsidiaries, Associates and Joint Ventures**

For the year ended December 31, 2025, the Group did not have any material acquisitions and disposals of subsidiaries, associates or joint ventures. As of December 31, 2025, the Group did not hold any significant investment.

### **OTHER INFORMATION**

#### **Use of Proceeds**

The Shares of the Company were listed on the Main Board of the Stock Exchange on June 23, 2025. The net proceeds from the Global Offering amounted to approximately HKD473.1 million. The Company intends to use the net proceeds in the same matter and proportion as set out in the section headed “Future Plans and Use of Proceeds” of the Prospectus and there has been no change in the intended use of the net proceeds and the expected timeline. The following table sets forth the status of the use of the net proceeds from the Global Offering as of December 31, 2025:

	Percentage of intended use of net proceeds	Net proceeds from the Global Offering	Amount utilized during the year ended and up to December 31, 2025	Amount unutilized as of December 31, 2025	Expected timeline of full utilization of the net proceeds
	(%)	(In HKD millions)	(In HKD millions)	(In HKD millions)	
<b>To continuously strengthen the full-cycle oncology healthcare services</b>	<b>35.7</b>	<b>169</b>	<b>18.2</b>	<b>150.8</b>	<b>By the end of 2027</b>
Strengthening capabilities of screening and early detection of cancer services	10.5	49.8	2.4	47.4	By the end of 2027
Strengthening oncology treatment services capabilities	16.3	77.3	11.7	65.6	By the end of 2027
Strengthening rehabilitation services capabilities	2.8	13.0	4.1	8.9	By the end of 2027
Construction of the Oncology Center Building for Wuzhi Jimin Hospital	6.1	28.9	–	28.9	By the end of 2027

	Percentage of intended use of net proceeds	Net proceeds from the Global Offering (In HKD millions)	Amount utilized during the year ended and up to December 31, 2025 (In HKD millions)	Amount unutilized as of December 31, 2025 (In HKD millions)	Expected timeline of full utilization of the net proceeds
Intended use of net proceeds					
	(%)				
To acquire hospitals when appropriate opportunities arise	30.6	144.9	-	144.9	By the end of 2027
To expand the hospital management business	15.3	72.4	-	72.4	By the end of 2027
To upgrade the IT infrastructure and/or systems	10.2	48.3	8.7	39.6	By the end of 2027
Working capital and other general corporate purposes	8.1	38.5	6.8	31.7	By the end of 2027
<b>Total</b>	<b>100.0</b>	<b>473.1</b>	<b>33.7</b>	<b>439.4</b>	

The current expected timeframe for utilizing the remaining unused net proceeds in full are based on the best estimation by the Directors barring any unforeseen circumstances and may be subject to change based on the Group's operating conditions and prevailing and future development of market conditions. The Directors will assess the plans for the use of the unutilized net proceeds on an ongoing basis and may revise or modify such plans where necessary to respond to the changing market conditions with a view to promoting a better growth and development of the Group. The Group will continue to evaluate the use of the unutilized net proceeds cautiously and monitor the market conditions closely to adjust the use of the unutilized net proceeds from the fund raising activities by the Group where necessary for the long-term development of the Group. The Company will make appropriate announcement(s) in due course in accordance with and if required under the Listing Rules should there be any material change in the intended use of the unutilized net proceeds.

## Employee and Remuneration Policies

As of December 31, 2025, the Group had 1,998 employees, as compared with 2,080 employees as of December 31, 2024. The total staff cost (salaries, wages and other benefits and contributions to defined contribution retirement plan) were RMB318.4 million for the year ended December 31, 2025, as compared to RMB318.0 million for the year ended December 31, 2024, which generally remained stable.

The remuneration of employees was based on their performance, skills, knowledge, experience and market trend. The Group reviews the remuneration policies and packages on a regular basis and will make necessary adjustment commensurate with the pay level in the industry. In addition to basic salaries, employees may be offered discretionary bonus, cash awards and share awards based on individual performance.

The Group provides both in-house and external training periodically and across operational functions, including introductory training for new employees, technical training, product training, management training and work safety training, with a view to fostering the basic skills of new employees to perform their duties and improving the relevant skills of the existing employees as well.

The Group believes it has maintained good relationships with its employees. Employees of the Group's in-network hospitals are not represented by a labour union. As of the date of this announcement, the Group did not experience any strikes or any labour disputes with its employees which have had or are likely to have a material effect on its business.

The employees of the Group typically enter into standard employment contracts with the Group. Each in-network hospital independently recruits and enters into employment contracts with its own employees.

In compliance with PRC regulations, the Group participates in various employee social insurance plans that are organized by applicable local municipal and provincial governments, including maternity, pension, medical, work-related injury and unemployment benefit plans, as well as housing provident funds. The Group is required under PRC laws to make contributions to employee benefit plans.

For the purposes of (i) motivating the eligible participants to optimize their performance efficiency for the benefit of the Group; and (ii) attracting and retaining the eligible participants whose contributions are or will be beneficial to the long-term growth of the Group, the Company conditionally approved and adopted Post-IPO Share Option Scheme (as defined in the Prospectus) on August 8, 2023 and amended by the Board on June 9, 2025.

As no share options had been granted or agreed to be granted since the adoption of the Post-IPO Share Option Scheme, (i) no share options under the Post-IPO Share Option Scheme were outstanding as of December 31, 2025; (ii) no share options had been exercised, vested, cancelled or lapsed under the Post-IPO Share Option Scheme during the Reporting Period; and (iii) as of December 31, 2025, the Post-IPO Share Option Scheme Limit (as defined in the Prospectus) was 98,130,435 ordinary Shares. Further details of the Post-IPO Share Option Scheme are set out in the sections headed "Statutory and General Information – Share Option Scheme" in Appendix IV to the Prospectus.

## **Changes in Directors' Information**

Reference is made to the announcement of the Company dated September 26, 2025 that Mr. Zhao Yongkai (“**Mr. Zhao**”) voluntarily resigned from the position of Chairman and Dr. Chen Haoyang (“**Dr. Chen**”) was appointed as the Chairman. Mr. Zhao also resigned as the chairman of the Nomination Committee and the member of the Remuneration Committee and Dr. Chen was appointed as the chairman of the Nomination Committee and the member of the Remuneration Committee. Mr. Zhao Yongkai remains as an executive Director.

Save as disclosed above, there has been no change in the information of Directors which is required to be disclosed pursuant to Rule 13.51B (1) of the Listing Rules during the Relevant Period.

## **Purchase, Sale or Redemption of the Company's Listing Securities**

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities (including sales of treasury shares) of the Company in the Stock Exchange.

As of December 31, 2025, the Company did not hold any Shares as treasury shares (as defined in the Listing Rules).

## **Sufficiency of Public Float**

Rule 13.32B of the Listing Rules requires that at least 25% of the Company's total number of issued shares must be held by the public. From the information that is publicly available to the Company and within the knowledge of Directors, at the date of this announcement, the applicable public float requirement has been complied with.

## **Compliance with the Corporate Governance Code**

The Company is committed to maintaining and promoting stringent corporate governance. The principle of the Company's corporate governance is to promote effective internal control measures, uphold a high standard of ethics, transparency, responsibility and integrity in all aspects of business, to ensure that its affairs are conducted in accordance with applicable laws and regulations and to enhance the transparency and accountability of the Board to all Shareholders. The Company has applied the principles and has also adopted certain recommended best practices as set out in the CG Code.

During the Relevant Period and up to the date of this announcement, the Company has complied with the code provisions as set out in the CG Code. For the purposes of complying with the CG Code and maintaining a high standard of corporate governance of the Company, the Board will continue to review and monitor the corporate governance status of the Company.

### **Compliance with the Model Code for Securities Transactions**

The Company has adopted the Model Code as the Group's code of conduct regarding the Directors' securities transactions. Having made specific enquiry of all the Directors, all the Directors confirmed that they have strictly complied with the Model Code throughout the Relevant Period.

The Board has also established written guidelines on terms no less exacting than the Model Code (the "**Guidelines**") for securities transactions by relevant employees who are likely to be in possession of unpublished inside information of the Company in respect of securities in the Company as referred to in code provision C.1.3 of the CG Code. No incident of non-compliance with the Guidelines by the Company's relevant employees has been noted during the Relevant Period after making reasonable enquiry.

### **Audit Committee and Review of Annual Results**

As of the date of this announcement, the Audit Committee comprises three independent non-executive Directors, namely Mr. Chan Hok Leung, Ms. Liu Shuang and Dr. Guo Wei. Mr. Chan Hok Leung is the chairperson of the Audit Committee who possesses appropriate professional qualifications as required by Rules 3.10(2) and 3.21 of the Listing Rules. The Audit Committee has reviewed the annual results of the Group for the year ended December 31, 2025 and has recommended for the Board's approval thereof.

The Audit Committee has reviewed, together with the Company's management, the accounting principles and policies adopted by the Group and the consolidated financial statements of the Group for the year ended December 31, 2025. The Audit Committee considered that the annual results of the Group are in compliance with the applicable accounting standards, laws and regulations, and the Company has made appropriate disclosures thereof.

### **Scope of Work of the Auditor**

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, and the related notes thereto for the year ended December 31, 2025 as set out in the preliminary announcement have been agreed by the Group's auditor, KPMG, Certified Public Accountants, to the amounts set

out in the Group's consolidated financial statements for the year ended December 31, 2025. The work performed by KPMG in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by KPMG on the preliminary announcement.

### **No Material Change**

During the Relevant Period and up to the date of this announcement, there has been no material change to the Group's business.

### **Events After the Reporting Period**

Save for the above, there was no significant event which could have a material impact on the operating and financial performance of the Group from the end of the Reporting Period to the date of this announcement that is required to be disclosed by the Company.

### **ROUNDING**

Certain amounts and percentage figures included in this announcement have been subject to rounding adjustments. Any discrepancies in any table between totals and sums of amounts listed therein are due to rounding.

### **AGM**

The AGM will be held on or before June 30, 2026. A notice convening the AGM will be published on the HKEXnews website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the website of the Company ([www.bayzedhealthcare.com](http://www.bayzedhealthcare.com)) and will be dispatched to the Shareholders who have requested corporate communications in printed copy in accordance with the requirement of the Listing Rules in due course.

### **FINAL DIVIDEND**

The Board will not recommend payment of any final dividend for the year ended December 31, 2025.

### **PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT**

This announcement is published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.bayzedhealthcare.com](http://www.bayzedhealthcare.com)). The annual report of the Group for the year ended December 31, 2025 containing all the information required by the Listing Rules will be published on the aforesaid websites of the Stock Exchange and the Company in due course.

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

*For the year ended December 31, 2025*

	<i>Notes</i>	<b>2025</b> <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Revenue</b>	4	<b>1,119,849</b>	1,188,846
<b>Cost of sales</b>		<u><b>(929,037)</b></u>	<u>(980,649)</u>
<b>Gross profit</b>		<b>190,812</b>	208,197
Other net income	5	<b>8,241</b>	4,971
Selling expenses		<b>(10,729)</b>	(11,834)
General and administrative expenses		<b>(156,973)</b>	(165,696)
Impairment loss on trade and bills receivables		<u><b>(479)</b></u>	<u>(649)</u>
<b>Profit from operations</b>		<b>30,872</b>	34,989
Finance cost		<u><b>(21,580)</b></u>	<u>(21,677)</u>
<b>Profit before taxation</b>	6	<b>9,292</b>	13,312
Income tax expense	7	<u><b>(17,970)</b></u>	<u>(16,869)</u>
<b>Loss for the year</b>		<u><b>(8,678)</b></u>	<u>(3,557)</u>
<b>Other comprehensive income for the year that may be reclassified subsequently to profit or loss (after tax and reclassification adjustments)</b>			
Exchange differences on translation of financial statements of foreign operations		<u><b>(12,706)</b></u>	<u>1,270</u>
<b>Total comprehensive income for the year</b>		<u><b>(21,384)</b></u>	<u>(2,287)</u>

	<i>Notes</i>	<b>2025</b> <b><i>RMB'000</i></b>	2024 <i>RMB'000</i>
<b>Loss for the year attributable to:</b>			
Equity shareholders of the Company		<b>(12,957)</b>	(13,457)
Non-controlling interests		<b>4,279</b>	9,900
		<u><b>(8,678)</b></u>	<u>(3,557)</u>
<b>Total comprehensive income attributable to:</b>			
Equity shareholders of the Company		<b>(25,663)</b>	(12,187)
Non-controlling interests		<b>4,279</b>	9,900
		<u><b>(21,384)</b></u>	<u>(2,287)</u>
<b>Loss per share</b>			
Basic and diluted ( <i>RMB</i> )	8	<u><b>0.01</b></u>	<u>0.01</u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the year ended December 31, 2025

	<i>Notes</i>	<b>December 31, 2025 RMB'000</b>	December 31, 2024 RMB'000
<b>Non-current assets</b>			
Property, plant and equipment		<b>347,891</b>	364,021
Right-of-use assets		<b>165,166</b>	184,887
Intangible assets		<b>227,740</b>	236,395
Goodwill		<b>643,049</b>	643,049
Deferred tax assets		<b>6,454</b>	6,765
Other non-current assets		<b>4,863</b>	9,977
		<u><b>1,395,163</b></u>	<u>1,445,094</u>
<b>Current assets</b>			
Inventories		<b>59,867</b>	62,758
Trade and bills receivables	<i>9(a)</i>	<b>238,626</b>	262,087
Prepayments and other receivables	<i>9(b)</i>	<b>237,885</b>	120,637
Restricted cash		<b>8,615</b>	18,270
Cash and cash equivalents	<i>10</i>	<b>615,972</b>	294,240
		<u><b>1,160,965</b></u>	<u>757,992</u>
<b>Current liabilities</b>			
Trade and bills payables	<i>11(a)</i>	<b>224,261</b>	313,880
Other payables	<i>11(b)</i>	<b>99,342</b>	115,177
Contract liabilities		<b>12,568</b>	30,739
Interest-bearing borrowings	<i>12</i>	<b>327,186</b>	292,090
Lease liabilities		<b>18,933</b>	22,908
Current taxation		<b>6,604</b>	6,979
		<u><b>688,894</b></u>	<u>781,773</u>
<b>Net current assets/(liabilities)</b>		<u><b>472,071</b></u>	<u>(23,781)</u>
<b>Total assets less current liabilities</b>		<u><b>1,867,234</b></u>	<u>1,421,313</u>

	<i>Notes</i>	<b>December 31, 2025</b> <i>RMB'000</i>	December 31, 2024 <i>RMB'000</i>
<b>Non-current liabilities</b>			
Interest-bearing borrowings		74,000	65,100
Lease liabilities		124,279	137,160
Deferred tax liabilities		48,442	48,987
		<u>246,721</u>	<u>251,247</u>
<b>NET ASSETS</b>		<u><b>1,620,513</b></u>	<u>1,170,066</u>
<b>CAPITAL AND RESERVES</b>			
Share capital	13	87	78
Reserves		1,520,280	1,069,162
<b>Total equity attributable to equity shareholders of the Company</b>		<b>1,520,367</b>	1,069,240
<b>Non-controlling interests</b>		<b>100,146</b>	100,826
<b>TOTAL EQUITY</b>		<u><b>1,620,513</b></u>	<u>1,170,066</u>

## CONSOLIDATED CASH FLOW STATEMENT

For the year ended December 31, 2025

(Expressed in Renminbi (“RMB”))

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Operating activities</b>		
Cash generated from operations	240,923	195,835
Income tax paid	<u>(18,579)</u>	<u>(27,295)</u>
<b>Net cash generated from operating activities</b>	<u>222,344</u>	<u>168,540</u>
<b>Investing activities</b>		
Payment for the purchase of property, plant and equipment	(33,442)	(43,874)
Payment for purchase of intangible assets	(4,469)	(2,580)
Loans to related parties, net of repayment	<u>(128,828)</u>	<u>98,620</u>
<b>Net cash (used in)/generated from investing activities</b>	<u>(166,739)</u>	<u>52,166</u>
<b>Financing activities</b>		
Proceeds from interest-bearing borrowings	265,659	206,808
Repayment of interest-bearing borrowings	(429,401)	(350,849)
Capital element of lease rentals paid	(24,229)	(19,001)
Interest element of lease rentals paid	(7,101)	(8,038)
Interest expense paid	(14,429)	(13,462)
Increase in deposits with banks	–	(20)
Withdrawal of deposits with banks	–	20,641
Acquisition of non-controlling Interests	<u>(17,248)</u>	<u>(3,771)</u>

	<b>2025</b>	2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
<b>Financing activities</b>		
Repayment to related parties	<b>85</b>	(1,498)
Issuance of shares upon shares listing	<b>513,130</b>	–
Proceeds from equity-settled share-based payment	–	3,600
Expenses paid in connection with the proposed issuance of new shares	<b>(18,727)</b>	(2,867)
	<u>                    </u>	<u>                    </u>
<b>Net cash generated from/(used in) financing activities</b>	<b>267,739</b>	(168,457)
	<u>                    </u>	<u>                    </u>
<b>Net increase in cash and cash equivalents</b>	<b>323,344</b>	52,249
<b>Cash and cash equivalents at January 1</b>	<b>294,240</b>	241,991
<b>Effect of foreign exchange rate changes</b>	<b>(1,612)</b>	–
	<u>                    </u>	<u>                    </u>
<b>Cash and cash equivalents at December 31</b>	<b>615,972</b>	294,240
	<u>                    </u>	<u>                    </u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 1 COMPANY INFORMATION

Bayzed Health Group Inc (the “Company”) was incorporated in Cayman Islands on December 9, 2021 as an exempted company with limited liability under the Companies Act (As Revised) of the Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (together, “the Group”) primarily focused on hospital business and hospital management business. The revenue of the Group generated from (i) operating six private for-profit hospitals and providing healthcare services including full-cycle oncology healthcare services and other medical services, (ii) managing and operating, and receiving management fees from two private not-for-profit hospitals and (iii) supply of pharmaceuticals, medical equipment and consumables in the People’s Republic of China (the “PRC”).

On June 23, 2025, the Company’s shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

## 2 SIGNIFICANT ACCOUNTING POLICIES

### (a) Statement of Compliance

The financial statements have been prepared in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board (“IASB”). The financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

### (b) Basis of Preparation of Financial Statements

The consolidated financial statements for the year ended December 31, 2025 comprise the Company and its subsidiaries.

The measurement basis adopted in the preparation of the financial statements is the historical cost basis.

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the current circumstances, the results of which form the basis for making judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the revision is made if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

### (c) Changes in Accounting Policies

The Group has applied the amendment to International Accounting Standard 21 for the current accounting period: – The effects of changes in foreign exchange rates – Lack of exchangeability issued by the IASB for the current accounting period. The amendments do not have a material impact on these financial statements as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new or revised standard that is not yet effective for the current accounting period.

### 3 ACCOUNTING JUDGEMENTS AND ESTIMATES

Information about relevant assumptions and estimation uncertainties is as follows:

#### (a) Impairment of Non-Current Assets

If circumstances indicate that the carrying value of a non-current asset may not be recoverable, the asset is considered “impaired” and an impairment loss is recognised in accordance with the accounting policy for impairment of non-current assets. These assets are tested for impairment when events or changes in circumstances indicate that their carrying values may not be fully recoverable.

When such a decline occurs, the carrying value is reduced to the recoverable amount. The recoverable amount is the higher of fair value less costs of disposal and value in use. In determining the value in use, the expected future cash flows generated by the asset are discounted to their present value, a process that requires significant judgement with respect to the level of revenue and the amount of operating costs. The Group uses all available information to determine a reasonable approximation of the recoverable amount, including estimates based on reasonable and supportable assumptions and forecasts of revenue levels and operating costs. Changes in these estimates could have a significant impact on the recoverable amount of the assets and may result in additional impairment losses or reversals of impairment being recognised in future periods.

### 4 REVENUE

The Group is principally engaged in hospital business, hospital management services, supply of pharmaceuticals, medical equipment and consumables and other business.

Revenue from contracts with customers within the scope of IFRS 15 is disaggregated as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Over time:</b>		
– Inpatient services	526,149	544,428
– Hospital management services	33,998	39,567
	<u>560,147</u>	<u>583,995</u>
<b>At point in time:</b>		
– Outpatient services	385,679	400,737
– Supply of pharmaceuticals, medical equipment and consumables	169,062	190,686
– Other business	4,961	13,428
	<u>559,702</u>	<u>604,851</u>
<b>Revenue from contracts with customers</b>	<u>1,119,849</u>	<u>1,188,846</u>

## 5 OTHER NET INCOME

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Government grants	845	1,219
Interest Income	4,027	2,840
(Loss)/gain on disposal of property, plant and equipment and intangible assets	(7)	2
Net foreign exchange gain	1,612	–
Others	1,764	910
	<u>8,241</u>	<u>4,971</u>

## 6 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging:

### (a) Finance cost

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest on interest-bearing borrowings	14,429	13,462
Interest on lease liabilities	7,101	8,038
Others	50	177
	<u>21,580</u>	<u>21,677</u>

### (b) Staff cost

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Salaries, wages and other benefits	289,185	291,411
Contributions to defined contribution retirement plan	29,170	26,615
	<u>318,335</u>	<u>318,026</u>

The employees of the subsidiaries of the Group established in the Chinese mainland participate in defined contribution retirement benefit plans managed by the local government authorities. These subsidiaries are required to contribute funds which are calculated based on certain percentages of the average employee salary as agreed by the local municipal governments to the scheme to fund the retirement benefits of the employees.

The Group has no further material obligation for payment of other retirement benefits beyond the above contributions. Contributions to the plans vest immediately, there is no forfeited contributions that may be used by the Group to reduce the existing level of contributions.

(c) **Other items**

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Amortisation of intangible assets	11,510	11,053
Depreciation:		
– Owned property, plant and equipment	52,312	49,997
– Right-of-use assets	27,094	26,346
Auditor's remuneration	2,480	189
Cost of inventories	589,868	660,986

**7 INCOME TAX**

- (a) Taxation in the consolidated statements of profit or loss and other comprehensive income represents:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Current tax – the PRC Enterprise Income Tax</b>		
Provision for the year	18,204	18,529
<b>Deferred tax</b>		
Origination and reversal of temporary differences	(234)	(1,660)
	(234)	(1,660)
	17,970	16,869

- (b) Reconciliation between tax expense and accounting profit at applicable tax rates

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Profit before taxation	9,292	13,312
Notional tax on profit before taxation, calculated at the rates applicable in the jurisdictions concerned	(i), (ii) (iii) 2,323	3,328
Tax effect of non-deductible expenses	1,784	699
Effect of PRC tax concessions	(iv) (411)	(26)
Tax effect of unrecognised unused tax losses and other temporary differences	20,855	17,859
Tax effect of utilisation of previously unrecognised tax losses	(6,581)	(4,991)
Actual tax expense	17,970	16,869

*Notes:*

- (i) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands and the British Virgin Islands.
- (ii) The subsidiaries of the Group established in the Chinese mainland are subject to PRC Enterprise Income Tax rate of 25% for the year ended December 31, 2025.
- (iii) The provision for Hong Kong Profits Tax is subject to Hong Kong's two-tiered profits tax regime, under which the tax rate is 8.25% for assessable profits on the first HK\$2 million and 16.50% for any assessable profits in excess of HK\$2 million. The Group's subsidiary in Hong Kong SAR did not have any assessable profits for the year ended December 31, 2025.
- (iv) Certain subsidiaries of the Group have been approved as Small Low-profit Enterprise. The entitled subsidiaries are subject to a preferential income tax rate of 5% for the year ended December 31, 2025.

## 8 LOSS PER SHARE

### (a) Basic loss per share

The calculation of basic loss per share is based on the loss attributable to ordinary equity shareholders of the Company of RMB12,957,000 (2024: RMB13,457,000), divided by the weighted average of 1,255,378,321 ordinary shares in issue during the year (2024: 1,185,361,023).

The weighted average number of ordinary shares for the years ended December 31, 2025 and 2024 is calculated as follows:

	<b>For the year ended December 31,</b>	
	<b>2025</b>	<b>2024</b>
	<i>Number of shares</i>	<i>Number of shares</i>
Issued ordinary shares at January 1	<b>1,185,361,023</b>	1,185,361,023
Issue of shares	<b>70,017,298</b>	–
	<hr/>	<hr/>
Weighted average number of ordinary shares at December 31	<b><u>1,255,378,321</u></b>	<b><u>1,185,361,023</u></b>

### (b) Diluted loss per share

The diluted loss per share is the same as the basic loss per share for the years ended December 31, 2025 and 2024 as there were no dilutive potential ordinary shares outstanding during both years.

## 9 TRADE AND BILLS RECEIVABLES, PREPAYMENTS AND OTHER RECEIVABLES

### (a) TRADE AND BILLS RECEIVABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade receivables		
– Related parties	44,523	44,857
– Third parties	182,771	187,043
Less: loss allowance	(4,749)	(4,270)
	<u>222,545</u>	<u>227,630</u>
Bills receivable	16,081	34,457
	<u>238,626</u>	<u>262,087</u>

#### *Ageing analysis*

The ageing analysis of trade receivables and bills receivable, based on the invoice date and net of loss allowance, as at the end of the reporting period is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 3 months	137,981	156,536
3 to 6 months	54,913	61,977
6 to 9 months	20,898	4,162
9 to 12 months	4,054	3,159
Over 1 year	4,699	1,796
	<u>222,545</u>	<u>227,630</u>

### (b) PREPAYMENTS AND OTHER RECEIVABLES

#### *The Group*

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Prepayments for inventories and services	12,692	15,917
Prepayment for cost incurred in connection with the proposed offering of the Company's shares	–	5,324
Receivables from related parties(i)	215,630	86,802
Deposits	5,005	6,864
Amount due from staffs in relation to share-based payments	70	470
Others	4,488	5,260
	<u>237,885</u>	<u>120,637</u>

- (i) Receivables due from related parties represent unsecured, interest-free loans repayable by the hospitals managed by the Group, which are expected to be settled within one year.

## 10 CASH AND CASH EQUIVALENTS

Cash and cash equivalents:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Cash on hand	899	884
Bank deposits	623,688	311,626
Less: Restricted deposits	<u>8,615</u>	<u>18,270</u>
Cash and cash equivalents	<u><u>615,972</u></u>	<u><u>294,240</u></u>

## 11 TRADE PAYABLES AND OTHER PAYABLES

### (a) TRADE AND BILLS PAYABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade payables	189,009	292,183
Bills payable	<u>35,252</u>	<u>21,697</u>
	<u><u>224,261</u></u>	<u><u>313,880</u></u>

All payables and bills payable are expected to be settled within one year or are repayable on demand.

The ageing analysis of trade and bills payable, based on the invoice date, as at the end of the reporting period is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 3 months	133,118	163,593
3 to 6 months	29,532	74,983
6 to 12 months	11,074	33,401
Over 1 year	<u>15,285</u>	<u>20,206</u>
	<u><u>189,009</u></u>	<u><u>292,183</u></u>

**(b) OTHER PAYABLES**

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Salary and welfare payables	56,541	63,116
Other taxes payable	1,340	4,567
Advances from related parties	85	–
Payables for purchases of property, plant, and equipment	14,360	18,331
Others	27,016	29,163
	<u>99,342</u>	<u>115,177</u>

All other payables and accrued expenses are expected to be settled within one year or are repayable on demand.

**12 INTEREST-BEARING BORROWINGS**

**(a) Analysis of the carrying amount of interest-bearing borrowings**

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Bank borrowings:		
Guaranteed by subsidiaries of the Group	389,808	335,190
Guaranteed by the Group and secured by trade receivables	6,378	20,000
Unsecured and unguaranteed	5,000	2,000
	<u>401,186</u>	<u>357,190</u>

**(b) Analysis of repayment terms**

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 1 year or on demand	327,186	292,090
After 1 year but within 2 years	26,000	20,500
After 2 years but within 5 years	48,000	44,600
	<u>401,186</u>	<u>357,190</u>

### 13 CAPITAL, RESERVES AND DIVIDENDS

#### (a) Dividend

The Company did not declare and pay any dividends for the year ended December 31, 2025 (2024: Nil).

#### (b) Share capital

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on December 9, 2021, with an authorised share capital of US\$50,000, divided into 5,000,000,000 shares with par value of US\$0.00001 each.

Issued share capital

	2025		2024	
	<i>No. of shares</i>	<i>RMB'000</i>	<i>No. of shares</i>	<i>RMB'000</i>
At January 1	<b>1,185,361,023</b>	<b>78</b>	1,185,361,023	78
Issuance of shares <sup>(i)</sup>	<b>133,105,800</b>	<b>9</b>	–	–
At December 31	<b><u>1,318,466,823</u></b>	<b><u>87</u></b>	<b><u>1,185,361,023</u></b>	<b><u>78</u></b>

- (i) On June 23, 2025, the Company was listed on the Stock Exchange. 133,105,800 ordinary shares of par value of USD0.00001 each were issued at a price of HK\$4.22 per ordinary share upon the listing of the shares of the Company. The proceeds of HKD10,448 (equivalent to approximately RMB9,000), representing the par value, were credited to the Company's share capital. The remaining proceeds, net of share issuance expenses (including issuance expenses of RMB5,324,000 paid prior to 2025), of approximately HK\$535,368,000 (equivalent to approximately RMB489,070,000) were credited to the Company's share premium account.

### 14 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

There were no significant subsequent events after December 31, 2025.

## DEFINITIONS

“AGM”	the forthcoming annual general meeting of the Company to be held on or before June 30, 2026
“associates”	has the meaning ascribed thereto under the Listing Rules
“Audit Committee”	the audit committee of the Board
“Board”	the board of Directors of the Company
“CG Code”	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
“Chairman”	the chairman of the Board
“China” or “PRC”	the People’s Republic of China, but for the purpose of this announcement and for geographical reference only, references herein to “China” and the “PRC” do not apply to Hong Kong, the Macau Special Administrative Region and Taiwan
“Company”	Bayzed Health Group Inc (佰澤醫療集團), an exempted company incorporated under the laws of the Cayman Islands with limited liability on December 9, 2021
“Director(s)”	the director(s) of the Company
“Global Offering”	has the meaning ascribed to it under the Prospectus
“Group”	the Company together with its subsidiaries
“HKD” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“IFRSs” or “IFRS Accounting Standards”	IFRS Accounting Standards as issued by the International Accounting Standards Board
“Listing”	listing of the Shares on the Main Board of the Stock Exchange
“Listing Date”	June 23, 2025, on which the Shares of the Company are listed and from which dealings therein are permitted to take place on the Stock Exchange

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	the Main Board of the Stock Exchange
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules
“Prospectus”	the prospectus of the Company published on June 13, 2025
“Relevant Period”	from the Listing Date up to the end of the Reporting Period
“Reporting Period”	twelve months from January 1, 2025 to December 31, 2025
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) with a par value of USD0.00001 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed thereto under section 15 of the Companies Ordinance
“USD”	U.S. dollar
“%”	per cent

By order of the Board  
**Bayzed Health Group Inc**  
(佰澤醫療集團)  
**Dr. Chen Haoyang**  
*Chairman and Executive Director*

Hong Kong, March 31, 2026

*As at the date of this announcement, the Board comprises executive Directors of Dr. Chen Haoyang, Mr. Zhao Yongkai, Ms. Xu Xu, Mr. Lu Jizhong and Mr. Feng Yu; and independent non-executive Directors of Mr. Chan Hok Leung, Ms. Liu Shuang and Dr. Guo Wei.*