OVERVIEW

Who We Are

We are a leading service provider for primary healthcare terminals in China. We primarily focus on pharmaceutical direct supply to primary healthcare terminals. We also offer integrated diagnosis and treatment solutions as well as testing and diagnostic solutions tailored to our primary healthcare terminal customers. We are dedicated to bringing high-quality medical resources to lower-tier markets and increasing public accessibility to Class III hospital-level medical services and products in these areas. Our offerings center on the core business process of primary healthcare institutions, forming a seamless "testing-diagnosis-medication" loop that supports their delivery of medical services to patients. According to CIC, we are the only service provider in the primary healthcare industry in China that offers primary healthcare institutions services and solutions with comprehensive coverage of their business scenarios, including testing, diagnosis, medication and the integration of diagnosis and treatment. According to the same source, in terms of revenue in 2024, we ranked second in the pharmaceutical direct supply market in primary healthcare in China.

We were one of the first to take the lead in and have been consistently utilizing digital intelligence in the provision of services to primary healthcare terminals, according to CIC. We began operations in 2016 to address the widespread inadequacy of clinical testing in primary healthcare institutions through the Internet, medical knowledge graphs and data analytics technologies. Since then, we have been continually expanding our solution portfolio to address the issues of limited digital competency, inadequate capabilities in clinical testing, diagnosis and treatment, as well as the lengthy, inefficient and homogeneous supply chain across the primary healthcare industry. We have established three business segments: (i) pharmaceutical direct supply and distribution services, (ii) integrated diagnosis and treatment solutions and (iii) testing and diagnostic solutions. Our customers are mainly primary healthcare terminals, including (i) primary healthcare institutions, encompassing village health stations, outpatient departments and clinics, and (ii) primary pharmacies, encompassing individual pharmacies and small-to-medium chain pharmacies.

We integrate long-accumulated medical capabilities, healthcare resources and digital intelligence capabilities in the primary healthcare industry in China. We connect upstream and downstream stakeholders across the industry chain. We have a large and active customer base. As of December 31, 2025, we had directly served more than 670,500 primary healthcare terminal customers, including more than 390,100 primary healthcare institutions and 280,400 primary pharmacies, which comprised more than 202,400 individual pharmacies and more than 77,900 small-to-medium chain pharmacies. The number of our registered primary healthcare terminal customers increased at a CAGR of 11.4% from December 31, 2023 to December 31, 2025. Through our primary healthcare terminal customers, we were able to indirectly benefit approximately 617 million people in the primary healthcare industry in China, which is calculated by multiplying the number of primary healthcare terminals we covered as of December 31, 2025 by the average number of individuals served by each type of primary healthcare terminal, according to CIC. We have also achieved extensive presence and deep penetration in the lower-tier markets. As of December 31, 2025, our coverage of primary healthcare terminal customers had extended to over 99% of the total number of counties in China.

In addition, we achieved a revenue CAGR of 11.7% from 2023 to 2025, with revenue increasing from RMB3,064.9 million in 2023 to RMB3,822.8 million in 2025. We also achieved scalable profitability since 2023.

Our Market Opportunities

The primary healthcare industry in China is massive in scale. This industry downstream primarily consists of primary healthcare terminals that cover the large-scale lower-tier markets in China, including primary healthcare institutions and primary pharmacies. According to CIC, as of December 31, 2024, there were approximately 1,636 thousand primary healthcare terminals, including approximately 1,040 thousand primary healthcare institutions, 291 thousand individual pharmacies and 304 thousand small-to-medium chain pharmacies in China. The number of primary healthcare terminals is expected to grow at a CAGR of 2.3% from 2024 to 2030, reaching 1,871 thousand by the end of 2030. In 2024, the market size of the primary healthcare industry in China in terms of revenue reached RMB544.5 billion, and is expected to grow at a CAGR of 9.2% from 2024 to 2030, reaching RMB922.0 billion by the end of 2030.

Despite the massive scale of the primary healthcare industry in China, fundamental challenges persist, including inadequate diagnosis and treatment, prolonged and homogeneous pharmaceutical supply chains, and limited digital competency. To address the pain points in primary healthcare, service providers are driven to provide more helpful and beneficial solutions for primary healthcare terminals, including testing and diagnostic services, pharmaceutical direct supply services, and integrated diagnosis and treatment services, with increasing application of digitalization and AI.

Inadequate diagnosis and treatment capabilities. The primary healthcare industry in China faces constraints due to inadequate medical knowledge, skill, and resources across clinical testing, diagnosis and treatment, as well as medication, indicating considerable potential for advancing overall healthcare service capabilities. See "Industry Overview." In 2024, primary healthcare institutions represented 95.2% of all medical institutions in China. Despite this huge number, primary healthcare institutions failed to meet the high demand for healthcare in the primary healthcare industry. As a result, hospitals, which constituted only approximately 3.6% of the total number of medical institutions in China in 2024, handled almost 43.8% of total outpatient visits and 81.8% of inpatient admissions.

Inefficient pharmaceutical supply chains. Primary healthcare terminals typically face significant operational pressure due to lengthy and inefficient supply chains, SKU homogeneity, limited bargaining power, elevated procurement costs and delayed deliveries. These issues increase the pressure on their business operations and ultimately make it difficult for patients in the primary healthcare industry to conveniently obtain affordable, high-quality pharmaceuticals.

Limited digital competency. Primary healthcare terminals in China generally lack systemic capabilities in digital management, including effective digital tools for clinical testing and subsequent diagnoses and treatments. This deficiency results in inefficient preservation and transmission of test results and patient data, difficulties in enhancing diagnostic and treatment capabilities, low adoption rate of electronic medical records ("**EMR**"), insufficient patient management capabilities, and low patient adherence. On the other hand, limited digital competency among primary healthcare institutions poses administrative and regulatory challenges, which may lead to issues such as unregulated medical records, inappropriate use of pharmaceuticals, and difficulties in overseeing the practices of healthcare professionals. These challenges further complicate efforts to enhance the diagnosis and treatment capabilities within the primary healthcare industry. This shortfall presents substantial opportunities for enhancements in supply chain management, SKU selection, human resources efficiency, and in-store space optimization.

Our Business Model

Our business model is rooted in our aspiration to bring high-quality medical resources to lower-tier markets and increase public accessibility to Class III hospital-level medical services. Through continuous innovation and iteration during the Track Record Period, we have developed and offered (i) pharmaceutical direct supply and distribution services, (ii) integrated diagnosis and treatment solutions and (iii) testing and diagnostic solutions for primary healthcare terminal customers. These three established business segments work in tandem to offer one-stop services and solutions to the vast number of primary healthcare terminals in the lower-tier markets in China.

The following diagram illustrates our business model:

The following table sets forth a summary of details of each business segment:

	Pharmaceutical direct supply and distribution services	Integrated diagnosis and treatment solutions	Testing and diagnostic solutions
Business model	We provide a wide variety of pharmaceuticals and other healthcare products. Private-label pharmaceutical business: focusing on pharmaceutical direct supply, we selectively choose categories of pharmaceuticals that are most demanded by customers and engage qualified upstream pharmaceutical manufacturers for production under our own brands or brands licensed exclusively to us by Sichuan JND and its subsidiaries through an exclusive license (the "**private-label brands**"). Common pharmaceutical business: focusing on pharmaceutical distribution and also including direct supply of pharmaceuticals of third-party brands, we procure pharmaceuticals and other healthcare products of third-party brands and sell them primarily to customers located in or near Sichuan Province and Chongqing. To improve customer satisfaction, drive customer loyalty and enhance our brand reputation, we also provide value-added pharmacy services which are generally complementary to our pharmacy customers, primarily including operational advisory support and online prescription services, to help further enhance their operational capabilities.	Targeting symptoms and conditions of common diseases and chronic diseases and featuring Traditional Chinese Medicine ("**TCM**"), we provide solution packages integrating testing, diagnosis and medication that are suitable for use in primary healthcare institutions. Our solution packages encompass the provision of testing and diagnostic services, the training of primary care physicians to identify and diagnose different symptoms and conditions, and the supply of pharmaceuticals and other healthcare products tailored to each of our solution packages.	We primarily provide laboratory testing and medical imaging examinations, helping primary healthcare institutions establish capabilities comparable to the clinical laboratory departments of Class III hospitals and establish medical imaging and pathology capabilities. To help our customers better utilize our testing and diagnostic solutions and to enhance customer loyalty, we also provide real-time assistance and pathology guidance to the primary care physicians, and offer point of care testing ("**POCT**") equipment as a supplement to our clinical testing services and other solutions.

	Pharmaceutical direct supply and distribution services	Integrated diagnosis and treatment solutions	Testing and diagnostic solutions
Customers and payers	Primary healthcare institutions, primary pharmacies and wholesalers (including direct wholesale customers and distributors), each paying for themselves.	Primary healthcare institutions and distributors, each paying for themselves.	Primary healthcare institutions.
Suppliers	Manufacturers and distributors for pharmaceuticals and other healthcare products.	Manufacturers for POCT equipment and relevant consumables, as well as manufacturers and distributors for pharmaceuticals and other healthcare products.	Independent clinical laboratories ("**ICLs**") and manufacturers for POCT equipment and relevant consumables.
Charging basis and pricing mechanism	We typically determine the pricing by taking into consideration our costs, the pricing of similar products in the market and the local market demand-supply dynamic.	We charge our customers bundled fees based on the components they purchase from the solution packages. In general, we determine the price for each customer's solution package by considering (i) the level of market competition in the pharmaceuticals and other healthcare products included; (ii) our cost of developing relevant training for diagnosis, treatment and medication; (iii) the testing and diagnostic services elected by the customer.	Price is typically ranged between our costs, such as the procurement price from ICLs, and the government-established list prices, which serve as a reference for how much our customers charge their patients for these tests. The actual price within this range is influenced by market supply and demand. Our customers pay us the service fees upon placing an order through our APP, where the prices at which we provide such tests to our customers is clearly labeled.
Revenue recognition	Revenue is recognized when products are delivered to the customers.	Revenue from the component of pharmaceuticals or other healthcare products is recognized when pharmaceuticals and other healthcare products are delivered to the customers, while revenue from the testing and diagnostic component is primarily recognized over time.	Revenue is recognized at the point in time when the test or examination report is issued to the customer.

In response to industry needs and trends, we continually upgrade our business model, products, services and solutions. We upgraded our offerings with an AI agent in August 2025, which has subsequently evolved into the AI Good Doctor Diagnosis and Treatment Support System. Designed as a lightweight cloud-based software solution and accessible through several interconnected customer portals, it helps primary healthcare institutions rapidly enhance their diagnostic capabilities. The platform integrates a HIS system, a compliance system and several AI expert assistants specialized in general practice, TCM and clinical testing, respectively. It furnishes primary healthcare terminals with digitally intelligent support throughout their entire business process, such as pre-diagnosis AI-empowered EMR generation through AI, during-diagnosis AI-assisted diagnosis and intelligent prescription review, and post-diagnosis intelligent health management. As of the Latest Practicable Date, our AI Good Doctor Diagnosis and Treatment Support System had covered more than 8,500 primary healthcare institutions across 29 provinces, 235 cities and more than 520 counties, served more than 24 thousand primary care physicians and more than 32 million outpatient visits, and generated more than 28 million EMRs. Since our acquisition of Hangzhou Good Doctor Trizen and as of the same date, we had cumulatively had over 3,500 orders with contract amount of more than RMB9.1 million from customers ordering our AI Good Doctor Diagnosis and Treatment Support System.

Benefiting from our deep insights into the primary healthcare industry, as well as our differentiated products and comprehensive coverage of business scenarios, we believe primary healthcare institutions and primary pharmacies can achieve stable and efficient operations, enhance their industry recognition and deepen their market influence. This translates into high customer engagement with our services and solutions as well as the increased costs of switching to our competitors. Once our customers begin to use and acknowledge the value of certain of our services and solutions, they can more conveniently capitalize on our other offerings. Consequently, customers increase their purchases from us, fueling our sustained business growth.

Our Social Responsibilities

We connect upstream and downstream stakeholders across the industry chain, advancing all participants and fostering mutually beneficial relationships, adding to our sustained business growth. We have enhanced access to high-quality medical resources in the primary healthcare industry, benefiting patients in regions with limited medical resources and addressing the imbalance between supply and demand in primary healthcare. We believe we play a vital role in both advancing primary healthcare in China and generating significant social value, benefiting all major stakeholders.

Primary healthcare institutions and pharmacies. Our products, services and solutions help primary healthcare institutions establish capabilities that are commonly available in the clinical laboratory, medical imaging, pathology and pharmacy departments at hospitals. This improves the medical capabilities of primary healthcare institutions, enabling more accurate diagnoses and treatments as well as more effective patient management. It also increases their operational efficiency, thereby improving the overall quality of the services delivered to their patients. We continually update and iterate our AI and information systems. This enables our primary healthcare institution customers to utilize advanced digital intelligence tools in scenarios such as consultations, assisted diagnosis, report interpretation and medical record compliance, improving their operational management efficiency. For pharmacies, our products, services and solutions help them expand their offerings with competitively priced, high-quality pharmaceuticals. For customers that want to differentiate their product offerings from their nearby competitors, we may customize the product offerings based on customers' needs. We also help enhance our pharmacy customers' operational capabilities, facilitating the transformation of the pharmacies into more convenient, professional and reliable primary healthcare terminals. By utilizing our products, services and solutions, our primary healthcare institution and primary pharmacy customers can realize more diversified revenue streams.

Patients. Our products, services and solutions improve accessibility to convenient, comprehensive and high-quality diagnostic and treatment services. In particular, patients are able to access more professional and accurate testing, diagnosis, medication and the integration of diagnosis and treatment at nearby primary healthcare terminals with our products, services and solutions. This facilitates earlier detection of illnesses and ensures more timely and effective medical care, thereby reducing the risk of delayed treatment and disease progression. Furthermore, our products, services and solutions help patients obtain medical services at lower costs, alleviating their financial burdens.

Upstream market participants. Our products, services and solutions connect the upstream market participants, including pharmaceutical companies, clinical laboratories and medical device providers, with downstream primary healthcare terminals and end customers. We help these upstream market participants establish market recognition of their products as well as expand the customer base and revenue streams, allowing their products and services to reach a large number of participants in the primary healthcare industry in China. We also enable upstream market participants to collect feedback from downstream primary healthcare terminals and end customers for their continual enhancement of products and services. With the accumulation of feedback, upstream market participants can undertake customer-driven product development, enhancement and targeted promotion to facilitate on-demand production driven by sales.

Healthcare administrators and hospitals' tiered diagnosis and treatment systems. Our products, services and solutions are designed to promote the implementation of a tiered diagnosis and treatment system, particularly empowering primary healthcare institutions as the first point of contact for the general public. By enabling patients and health-conscious individuals to receive quality healthcare services at primary healthcare providers, we believe our offerings allow hospitals to focus their resources on treating patients with critical or complex diseases, thereby reducing hospitalization rates. We believe this promotes a more balanced allocation and distribution of medical resources, reducing excessive examination and overtreatment. In turn, it contributes to the efficient deployment of the healthcare system's resources.

Our Historical Performance

During the Track Record Period, we achieved continual and stable improvement in our results of operations. In 2023, 2024 and 2025, our revenue was RMB3,064.9 million, RMB3,263.7 million and RMB3,822.8 million, respectively, growing at a CAGR of 11.7% from 2023 to 2025. We had a profit of RMB62.5 million, RMB37.8 million and RMB54.1 million in 2023, 2024 and 2025, respectively. We had an adjusted net profit, a non-HKFRS measure, of RMB65.3 million, RMB86.7 million and RMB82.9 million in 2023, 2024 and 2025, respectively.

OUR STRENGTHS

A Leading Service Provider for Primary Healthcare Terminals in China

We are a leading service provider for primary healthcare terminals in China. We focus on pharmaceutical direct supply to primary healthcare terminals. We also offer integrated diagnosis and treatment solutions as well as testing and diagnostic solutions tailored to our primary healthcare terminal customers. We were one of the first to take the lead and have been consistently utilizing digital intelligence in the provision of services to the primary healthcare terminals in China. As of December 31, 2025, we had directly served more than 670,500 primary healthcare terminal customers. According to CIC, in terms of revenue in 2024, we

ranked second in the pharmaceutical direct supply market in primary healthcare in China. We are also the only service provider in the primary healthcare industry in China that offers primary healthcare institutions solutions with comprehensive coverage of their business scenarios, including testing, diagnosis, medication and the integration of diagnosis and treatment.

With a clear mission to increase public accessibility to Class III hospital-level medical services and products, we began operations in 2016 to address the widespread inadequacy of clinical testing in primary healthcare institutions. We helped primary healthcare institutions cost-effectively establish clinical laboratory departments, enhancing their diagnostic capabilities through the Internet, medical knowledge graphs and data analytics technologies. In 2020, we expanded our business to include pharmaceutical direct supply and distribution services, offering carefully selected private-label brand pharmaceuticals to primary healthcare institutions and primary pharmacies across China. In 2023, building on our accumulated expertise in both diagnosis and treatment, featuring TCM and aiming to tackle the difficulty in accessing medical consultation, the high cost of medication and poor patient adherence prevalent with common diseases and chronic diseases in the primary healthcare industry, we launched our one-stop integrated diagnosis and treatment solutions. In 2025, we further upgraded our offerings with the digitally intelligent tools of HIS integrating AI capabilities. Our holistic offering matrix enabled us to establish operational advantages with comprehensive offerings to primary healthcare terminals, setting us apart from other participants in the industry.

We have evolved from having an initial single focus on clinical testing services to offering comprehensive services and solutions covering the entire business process of primary healthcare terminals. We are at the forefront of the large-scale, geographically scattered lower-tier markets in China. Throughout our business development, we have systematically gained profound insights into the primary healthcare industry in China. We have built an efficient and localized sales and customer service team and have accumulated a substantial customer base as discussed above. We have also achieved extensive presence and deep penetration in the lower-tier markets. As of December 31, 2025, we had served more than 660,600 primary healthcare terminal customers across over 99% of the total number of counties in China. Our comprehensive coverage of our customers' business scenarios helps create strong customer engagement and increase customers' willingness to purchase.

Deep Integration of Medical Expertise and Digital Intelligence Capabilities.

Benefiting from our strong connections with Sichuan JND, we possess robust insights into the pharmaceutical industry and substantial medical experience. Since our establishment, we have been committed to closely integrating leading technologies such as big data, cloud computing, digitalization and AI with our medical capabilities and resources, effectively enhancing the diagnostic and testing capabilities of primary healthcare institutions and advancing the overall medical standards in the industry. We are at the forefront of the digital transformation in China's primary healthcare industry.

On the one hand, compared with Class III hospitals, primary healthcare institutions face significant challenges, including insufficient physician resources and a lack of supporting diagnostic equipment, leading to potential for improvement of testing, diagnostic and treatment capabilities. To address this, we have, since our inception, consistently focused on building and popularizing clinical testing capabilities and healthcare expertise in primary healthcare institutions. We have systematically established a comprehensive medical knowledge base covering a wide range of information on clinical tests and common knowledge on medical consumables, sampling, medical diagnostic labels and regulations, and more than 1,600 valid

laboratory information system ("**LIS**") data points, providing crucial support for clinical testing. In addition, we have standardized the sampling procedure and the subsequent interpretation of test reports for 149 types of health issues, offering convenient, useful and detailed references to primary care physicians in primary healthcare institutions. Beyond basic clinical testing capabilities, the vast number of primary healthcare institutions in lower-tier markets also serve as the first line for diagnosing complex diseases and treating common chronic conditions. To effectively enhance their diagnostic and treatment capabilities, we launched integrated diagnosis and treatment solutions featuring TCM, leveraging our medical and pharmaceutical resources. As of December 31, 2025, we have launched 13 solution packages, supported by full-time medical experts providing timely guidance to primary care physicians throughout their patient consultation and treatment processes. We also regularly organize academic meetings, seminars and observational learning sessions for primary healthcare institutions, and arranged more than 6,000 such sessions during the Track Record Period. Our ongoing investment of resources has led to positive market responses for multiple integrated diagnosis and treatment solutions, including Jin Chan Solution, Yan Dong Solution and Jing Hong Ge Wuxing Solution. As we achieved meaningful treatment outcomes, our primary healthcare institution customers experienced significant boosts in outpatient visits, cementing their strong reputations and creating an exemplary effect. This success has increased the number of registered primary healthcare institution customers for our integrated diagnosis and treatment solutions by 22.0%, from over 123,100 as of December 31, 2023 to over 150,100 as of December 31, 2024, and further increased by 7.6% to over 151,300 as of December 31, 2025.

On the other hand, the vast number and geographical dispersion of primary healthcare institutions in China makes the provision of pure offline services to them time-consuming, costly and inefficient. Therefore, we are dedicated to integrating our medical expertise with digital and intelligent technologies. Through our offerings, primary healthcare institutions and primary pharmacies can quickly access the various services they need, including real-time mobile access to a vast medical knowledge base, cloud storage and digital transmission of test results, real-time remote consultation and guidance for providing integrated diagnosis and treatment solutions, as well as convenient and intelligent pharmaceutical direct supply and distribution services. We also personalize the homepage layout based on customers' browsing and service usage preferences. We operate the three business segments via multiple APPs. As of December 31, 2025, these APPs collectively had more than 670,500 registered primary healthcare terminal customers, accumulating vast amounts of data that provides rich insights for our ongoing business innovation.

Our offerings for primary healthcare incorporate AI capabilities and undergo continual iterations, helping primary healthcare institutions enhance their diagnostic and operational capabilities. In clinical testing, we developed the system of "critical value" AI indicator for test results with our patented "System and AI Technologies for Determining Medical Labeling Based on Clinical Test Results" ("基於檢驗結果確定醫學標簽的系統及人工智能方法"). We have utilized AI technology and created around 2,400 medical diagnostic labels as of December 31, 2025 to assist with the rapid interpretation of test results. Our offerings provide customer-friendly guidance on interpreting the abnormality and criticality of test results, improving our customers' efficiency and accuracy of report interpretations. We are also actively promoting the application of such AI-enabled POCT equipment in medical imaging examinations, thereby enhancing the overall capabilities of medical imaging diagnostics. For example, our AI-supported carotid artery cloud ultrasound device helps doctors to identify more effectively, difficult-to-detect plaques and improves the accuracy of measurement, evaluation and analysis. In terms of diagnosis, treatment and operations, we provide our customers with digitally intelligent tools. We have launched the AI Good Doctor Diagnosis and

Treatment Support System for primary healthcare institutions, enabling lightweight cloud deployment without additional costs for server construction or maintenance personnel, allowing primary physicians to easily access digital systems while maintaining continual iteration and upgrades.

A Rapidly Growing Leading Player in the Pharmaceutical Direct Supply Market in Primary Healthcare in China.

We are well-positioned to address the challenges in the pharmaceutical circulation market in primary healthcare in China, which shows substantial scale and maintains strong growth momentum under favorable policies promoting the establishment of a hierarchical diagnosis and treatment system. According to CIC, the size of the pharmaceutical circulation market in primary healthcare in China reached RMB438.8 billion in terms of revenue in 2024 and is expected to grow at a CAGR of 8.6% from 2024 to 2030, reaching approximately RMB721.6 billion by the end of 2030. Despite its scale, the pharmaceutical circulation market in primary healthcare in China faces significant challenges from traditional operating models with excessive distribution layers and low operational efficiency. The direct supply distribution model we adopt reduces intermediary distribution layers and establishes direct connections between manufacturers and sales terminals. This model creates value for manufacturers, distributors, sales terminals and patients, representing an emerging trend in the pharmaceutical circulation market in China. Within the pharmaceutical circulation market in China, the pharmaceutical direct supply market in primary healthcare remains in the early stages of development. See "Industry Overview — Primary Healthcare Industry in China — Pharmaceutical Direct Supply Market in Primary Healthcare."

We are a leader in the pharmaceutical direct supply market in primary healthcare in China. According to CIC, we were the fastest-growing and the second-largest player in the pharmaceutical direct supply market in primary healthcare in China in terms of revenue in 2024. Based on our deep understanding of the primary healthcare industry in China, we established a unique competency framework for pharmaceutical direct supply through four key aspects:

Outstanding product selection ability. We have established close interactions with the vast number of primary healthcare institutions and primary pharmacies in lower-tier markets in China. Utilizing such advantages, we can promptly identify sales trends for specific pharmaceutical SKUs related to particular indications in particular regions, allowing us to accurately evaluate and comprehend the demand for pharmaceuticals in the primary healthcare industry. We can therefore quickly identify specific pharmaceutical categories for which developing affordable, high-quality alternatives to expensive pharmaceuticals and other healthcare products under our private-label brands is feasible and commercially sensible.

Strong brand endorsement and a rich product matrix. As of December 31, 2025, we have over 16 well-known private-label brands, such as "Shu Han Ben Cao (蜀漢本草)", "Fu Xin (芙新)", "Gu Fang Xuan Hu (古方懸壺)", "Chi Ming (馳銘)" and "Hao Jian Shan (好健膳)", typically presented side-by-side with the "Good Doctor" trademark ("  ") owned by Sichuan JND and licensed for our use. We have formed a diverse and unique pool of pharmaceuticals under these private-label brands, offering a wide selection of products to our customers and the end customers. The number of SKUs of pharmaceuticals and other healthcare products offered through our private-label pharmaceutical business increased from over 4,900 as of December 31, 2023 to over 10,600 as of December 31, 2025, at a CAGR of 46.6%. According to CIC, our number of SKUs is significantly ahead of competitors. This further solidifies our leading advantages.

Strict supplier selection standards. For identified pharmaceutical categories, we engage upstream pharmaceutical manufacturers to produce private-label pharmaceuticals. We have developed an effective set of manufacturer selection standards, including the requirements for no adverse quality reports within five years and on-site inspections by our quality control teams to ensure the high quality of our private-label pharmaceuticals. As of December 31, 2025, we had established deep and efficient cooperation with more than 2,000 manufacturers for our private-label pharmaceutical business.

Digitalized management and fulfillment capabilities. Our cooperation with pharmaceutical manufacturers for our private-label pharmaceutical business enables us to stay informed about their current manufacturing, logistics and inventory levels. This reduces the manufacturing cycle of each batch of pharmaceuticals and improves our turnover efficiency. For our customers, relying on Internet technology and digital grid management, we help enhance the exclusivity of SKU matrices for specific customers in specific regions. To fulfill our commitments, we have established a digital and intelligent supply chain system that includes our warehouses, which collectively are the largest in Southwest China as of December 31, 2025, according to CIC. By utilizing advanced AI technology, we effectively track and monitor logistics in transit and receive real-time alerts for any anomalies to ensure seamless logistics services while reducing packaging issues.

Our extensive and in-depth coverage of business scenarios provides us with unique advantages. Building on these, we operate pharmaceutical direct supply and distribution services as the primary means of commercialization, thereby achieving elevated customer loyalty, which ultimately drives rapid business growth and enables us to achieve high value creation and scalable profitability. With our established industry status and market-validated business model, we can capture future opportunities in terms of substantial transformation and integration in the pharmaceutical direct supply market in primary healthcare in China.

Relentless Innovation and Scalable Business Model Fueling Sustained Business Growth.

Since our foundation in 2016, we have closely aligned ourselves with the practical business needs of primary healthcare institutions and primary pharmacies, continually upgrading our business model. We have evolved from having an initial single focus on testing and diagnostic solutions to offering services and solutions with comprehensive coverage of the business scenarios of primary healthcare institutions. We have expanded from covering only Sichuan Province to nationwide coverage in over 99% of the total number of counties in China as of December 31, 2025. As of the same date, we had served more than 670,500 primary healthcare terminals. Our resolute innovation and scalable business model fuel our sustained growth.

Testing and diagnostic solutions. Testing and diagnostic solutions served as a crucial entry point for us into the primary healthcare industry. As of December 31, 2025, our testing and diagnostic solutions offered over 3,700 SKUs of clinical tests and were supported by a dedicated sales and customer service team as well as a professional medical team, covering more than 74,200 primary healthcare institutions. In comparison, our services and solutions across all three business segments collectively cover more than 390,100 primary healthcare institutions. This indicates that the penetration rate of our testing and diagnostic solutions presents significant potential for further improvement. We believe that testing and diagnostic solutions will translate into new momentum for our business growth in the future.

Pharmaceutical direct supply and distribution services. During the Track Record Period, with the data accumulated through our APPs, we consistently expanded the number and variety of SKUs of private-label pharmaceuticals as well as of commonly used pharmaceuticals of

third-party brands, offering more diverse choices for our customers. The number of SKUs offered through pharmaceutical direct supply and distribution services, including our private-label pharmaceuticals and commonly used pharmaceuticals of third-party brands, increased from over 29,400 as of December 31, 2023 to over 45,800 as of December 31, 2025, with a CAGR of 24.9%. In addition, by offering complementary value-added services for pharmacies, we achieved breakthroughs in targeted customer acquisition and rapidly expanded our customer base of small-to-medium chain pharmacies. As of December 31, 2025, the number of our small-to-medium chain pharmacy customers amounted to more than 77,900, achieving a CAGR from 2023 to 2025 of 20.1%.

Integrated diagnosis and treatment solutions. By utilizing our extensive experience in the primary healthcare industry and featuring TCM, we have developed solution packages integrating testing, diagnosis and medication targeting symptoms and conditions of common diseases and chronic diseases in the primary healthcare industry. We offer these packages to primary healthcare institutions as one-stop solutions. Furthermore, through forms of professional development events such as observation and shadowing, on-site clinical instruction, academic conferences and research camps, we help primary healthcare institutions enhance their diagnosis and treatment capabilities as well as accumulate reputation. During the Track Record Period, lighthouse clinic customers of our integrated diagnosis and treatment solutions, benefiting from their adoption of our solutions, experienced significant increases in outpatient visits. As of December 31, 2025, we had developed 13 integrated diagnosis and treatment solutions, offering over 1,000 SKUs of targeted and specialized pharmaceuticals and other healthcare products, and covering more than 151,300 primary healthcare institutions. We achieved revenue of RMB724.9 million from integrated diagnosis and treatment solutions in 2025 with a CAGR of 19.6% from 2023.

We base our scale monetization and profitability on pharmaceutical direct supply and distribution services while simultaneously sustaining our additional growth curve through our integrated diagnosis and treatment solutions supported by our testing and diagnostic solutions. At the same time, with the convenience and insights offered by our offerings, alongside our comprehensive coverage of business scenarios and distinctive, high-quality pharmaceuticals, we can significantly improve the operational quality and market presence of primary healthcare institutions and primary pharmacies. This leads to increased customer loyalty and higher conversion costs. Once customers engage with and acknowledge the value of our initial products and services, they can seamlessly access a broader range of our offerings through our APPs, deployed on cloud and interconnected on the back end. This enables us to capture a larger share of their spending and drive sustained, rapid growth in our business.

Continually Expanding Customer Base and Enhancing Customer Engagement.

Unlike large hospitals and pharmacy chains that are primarily located in urban areas of cities, the majority of our customers are within the large-scale lower-tier markets in China. We have achieved extensive presence and deep penetration in the lower-tier markets. As of December 31, 2025, our customers were spread across over 2,800 county-level administrative regions, accounting for over 99% of the total number of counties in China. To achieve effective customer acquisition and services, we have formulated targeted sales and service strategies that closely integrate our primary healthcare-focused offerings with efficient and localized sales and customer service teams. This approach is designed to deeply align with the needs of our customers in the primary healthcare industry, thereby continually expanding our customer base and enhancing customer loyalty.

We have profound insights into the demands of the primary healthcare industry and are taking the lead in empowering the operations of primary healthcare institutions and primary pharmacies online with digitally intelligent tools. This includes building a targeted online medical knowledge base, providing real-time remote consultations and medical guidance, as well as a digital supply chain system for pharmaceuticals that allows for convenient, 24/7 order placing. However, primary healthcare terminals are generally geographically dispersed in lower-tier markets, which requires our sales and customer service team to offer face-to-face, engaging communications, services and guidance. To achieve this, we have built an efficient and localized sales and customer service team and management structure. We arrange our sales and customer service team based on actual business needs by business segment. Our sales and marketing activities are carried out by a sales and customer service team comprising full-time employees and flexibly recruited sales personnel. Full-time employees generally are experts in customer development, management and operations, while the flexibly recruited sales personnel quickly learn about our business products, services and solutions through our established training and evaluation systems under the lead and coaching of our full-time employees. Our employee-facing customer relationship management system also enables our sales and customer service team to swiftly create customer profiles, design routes for customer visits, define key customer targets for each team member, and formulate targeted business development strategies, thereby enhancing the effectiveness of our sales and customer service.

Benefiting from efficient sales and customer service strategies, coupled with our ability to offer services and solutions with comprehensive coverage of business scenarios, our industry-leading capabilities in digital intelligence and our pharmaceutical supply chain with unique, high-quality SKUs, we are continually expanding our customer base and increasing customer engagement, thereby allowing us to compete effectively. According to CIC, the number of primary pharmacies we had served as of December 31, 2024, significantly leads that of our major competitors in the pharmaceutical direct supply market in primary healthcare in China.

Management Team with Extensive Experience in Primary Healthcare and Strong Shareholder Support.

Our founder, Mr. Geng Funeng, established the Good Doctor brand and serves as our lifetime honorary president. His almost 40-year focus on primary healthcare in China has provided deep market understanding and extensive experience across pharmaceutical R&D, manufacturing, commerce and team management. Mr. Geng Funeng has been elected as a deputy to the 12th, 13th and 14th National People's Congress (第12、13和14屆全國人大代表), has been awarded the titles of "Excellent Promoter of Socialism with Chinese Characteristics from Non-public Sector (全國非公有制經濟人士優秀特色社會主義建設者)", "Outstanding Individual in the Nationwide Tough Battle against Poverty Alleviation (全國脱貧攻堅先進個人)", "Dedication Award of National Poverty Alleviation Award (全國脱貧攻堅獎 — 奉獻獎)", the "China Charity Award (中華慈善獎)" and has been recognized as an "National Advanced Individual of Private Economy in the Fight Against COVID-19 (全國抗擊疫情民營經濟先進個人)." Mr. Geng Funeng also serves as vice chairman of the China Society of Private Economy (中國民營經濟研究會), vice chairman of the China Association of Traditional Chinese Medicine (中國中藥協會), vice chairman of the China Medicine Education Association (中國醫藥教育協會) and vice chairman of the Medicine Chamber under the All-China Federation of Industry and Commerce (全國工商聯醫藥商會).

Our co-founder, executive Director and Chairwoman, Ms. Geng Jie, developed a comprehensive understanding of and more than 16 years of expertise in the primary healthcare industry through her work in the pharmaceutical distribution and manufacturing divisions of the Sichuan Medical Trade before joining us. Our executive Director and chief executive

officer, Mr. Su Yazhou, has more than 17 years of expertise in the primary healthcare industry through his work in Good Doctor Pharmaceutical Group Co. Ltd. Our core management team has years of experience in primary healthcare with extensive expertise in pharmaceutical sales, medical diagnosis, supply chain management and IT.

Our shareholders bring extensive experience in the healthcare sector and extensive biomedical investment and operational expertise to support our development. For example, our shareholder, OAP Capital, has focused on global biomedical investment for more than 20 years with broad healthcare sector coverage. Their strong networks and resources help portfolio companies source products and technology, develop strategic partnerships and access international markets.

OUR STRATEGIES

Accelerate Our Development of AI Capabilities and Enhance Our Value-add to Primary Healthcare.

The extensive application of AI technology in the future will enhance the overall standardization, digitalization and intelligence levels of primary healthcare. To capture this excellent opportunity for the enhancement of primary healthcare capabilities, we will seek to accelerate the popularization of digital intelligence and the development of AI capabilities in the primary healthcare industry:

Popularizing the digitalization and intelligence of primary healthcare by implementing HIS systems. We plan to leverage the promotion and popularization of HIS systems embedded with AI capabilities among primary healthcare institutions to help our customers achieve digitalization and intelligence in key operational and administrative processes. Targeted scenarios include testing and diagnostic processes, automated patient information entry, automated transmission and synchronization of test results and the full adoption of automatically generated EMR systems, thereby enhancing the standardization, systematization and digitalization of testing and diagnostic processes among primary healthcare institutions and solidifying the digitalization and intelligence of primary healthcare.

Driving continual improvement in diagnostic capabilities of primary healthcare through AI empowerment. We will actively build AI capabilities around common scenarios in primary healthcare institutions, providing a truly comprehensive AI assistant for the large number of primary healthcare institutions. In terms of improving diagnostic capabilities, we plan to continually upgrade our AI Good Doctor Diagnosis and Treatment Support, iterating on the existing auxiliary diagnostic capabilities based on medical information system to enhance its capabilities in natural language processing, medical record assistance analysis capabilities, intelligent diagnosis and treatment assistance capabilities. In terms of enhancing medical capabilities in primary healthcare, we plan to leverage our accumulated medical knowledge base and AI technology to create easily accessible medical intelligence and academic guidelines, case libraries and virtual training systems, helping primary care physicians continually improve their diagnostic skills. In terms of patient management, we also aim to use digital intelligence technology to help primary healthcare institutions provide personalized health management plans, health consultations and follow-up services for their patients. In terms of clinic management, we will leverage our digital intelligence capabilities to provide primary healthcare institution customers with convenient services such as medical insurance access and inventory management, enhancing their operational efficiency and ultimately improving patients' primary healthcare experience.

Actively building a digitally intelligent ecosystem for primary healthcare terminal customers through multifaceted empowerment. In addition to the promotion of HIS systems and the development of AI capabilities tailored for primary healthcare, we will also actively integrate industry resources to provide a more diverse range of empowerment for our primary healthcare terminal customers. Such empowerment includes digitally intelligent supply chain management, store operation improvement, supply chain financing and other value-added services. We also plan to explore medical insurance services to further extend our coverage to payment services. We aim to build a robust digitally intelligent ecosystem for participants, thereby increasing our competitive advantages while continually fulfilling our mission to comprehensively empower primary healthcare.

Enhance the Scale of Integrated Diagnosis and Treatment Solutions and Testing and Diagnostic Solutions.

As we continue to popularize digital intelligence and AI technology in the primary healthcare industry, our integrated diagnosis and treatment solutions as well as testing and diagnostic solutions are expected to become more convenient, handy and accessible for customers. In the future, we will focus on expanding the business scale of our integrated diagnosis and treatment solutions as well as testing and diagnostic solutions. Specifically:

We will expand the scale of our integrated diagnosis and treatment solutions. We plan to develop more solution packages targeting chronic disease management. Through enhanced medical capabilities and AI technology support, we will construct an AI-empowered medical knowledge base with an exposure to TCM, providing more timely and effective assistance to primary healthcare institutions. We plan to employ multiple approaches, including academic conferences, specialized learning sessions, clinical teaching and benchmark clinic observations, to help primary healthcare institutions enhance their diagnostic capabilities and reputation. We believe this will drive the expansion of the business scale of our integrated diagnostic and treatment solutions.

We will drive wider adoption of our testing and diagnostic solutions among primary healthcare terminal customers. Building on our large existing customer base, we see significant potential to increase the number of customers that actively and consistently adopt our testing and diagnostic solutions. We plan to strengthen our sales and customer services team's focus on promoting testing and diagnostic solutions while exploring the deployment of more user-friendly and comprehensive POCT equipment. We also plan to further explore and improve the effect of adopting AI technology in testing and diagnosis as discussed above. We believe that this will ultimately attract and encourage the increasing use of our testing and diagnostic solutions by primary healthcare institutions.

Continue to Expand Our Nationwide Pharmaceutical Direct Supply Network and Strengthen Our Industry Leadership.

We will expand our pharmaceutical direct supply network nationwide and strengthen our industry leadership:

Continue to deepen and broaden our customer coverage. We will continue to expand our primary healthcare institution customer base to maintain our industry leadership while accelerating the acquisition of small and medium-sized chain pharmacy customers through our pharmaceutical direct supply and distribution services and complementary value-added services for pharmacies.

Continue to expand the categories and SKUs of products offered through our pharmaceutical direct supply and distribution services. We aim to align closely with customer needs, establish close collaboration with high-quality upstream pharmaceutical manufacturers and suppliers, and further enrich the categories and SKUs of our pharmaceutical offerings, including TCM pieces and granules. We also aim to ensure a sustained shelf presence for our private-label pharmaceuticals.

Accelerate the development of intelligent warehousing facilities nationwide. As the scale of our pharmaceutical direct supply and distribution services enlarges, as well as our customer coverage expands, we will develop new warehouses at key logistics hubs across China. We plan to carefully evaluate and select three or four strategic locations for new warehouses. These new warehouses will enhance fulfillment efficiency and optimize our logistics costs. This will enable us to lower minimum purchase requirements and free shipping thresholds for customers. As a result, the broad customer base will benefit from an improved customer experience, leading to increased order frequency and higher order values. To support our nationwide warehousing network, we also plan to further optimize our WMS and logistics systems to establish a solid foundation of digitalized systems for our nationwide multi-warehouse logistics network. We aim to further enhance the level of automation and intelligence of our warehouse and logistics systems to support the rapid development of our pharmaceutical direct supply and distribution services.

Pursue Strategic Partnerships and Explore Potential Investment and Acquisition Opportunities to Capitalize on Market Opportunities and Drive Business Growth.

As a complement to our organic growth strategy, we will selectively pursue strategic partnerships, investments and acquisitions in China. We will consider potential vertical investments in resources along the upstream and downstream of the industry value chain, such as collaborating with upstream suppliers of popular pharmaceuticals, other healthcare products and POCT equipment. We will also consider horizontally integrating channel resources in certain regional markets to strengthen our leadership in pharmaceutical direct supply and exclusive distribution. We will also consider potential strategic partnerships with, investments in, or acquisitions of, technology companies such as Software-as-a-Service ("SaaS") providers and AI application providers to enhance our digital intelligence capabilities to optimize our operational efficiency and provide a better customer experience. These efforts further enhance our position as a leading service provider for primary healthcare terminals in China. As of the Latest Practicable Date, we have not identified any specific partnership, investment or acquisition targets or entered into any such related agreements.

OUR SERVICES AND SOLUTIONS

We offer services and solutions to primary healthcare terminals through three major business segments: (i) pharmaceutical direct supply and distribution services, (ii) integrated diagnosis and treatment solutions and (iii) testing and diagnostic solutions. The majority of our revenue in each year during the Track Record Period was derived from our pharmaceutical direct supply and distribution services. We mainly serve primary healthcare terminal customers in the lower-tier markets in China, primarily consisting of primary healthcare institutions and primary pharmacies:

- Our pharmaceutical direct supply and distribution services provide our customers, primarily the vast number of primary healthcare terminals in the lower-tier markets with differentiated, high-quality products at competitive prices while alleviating operational pressures from supply chain homogeneity and ensuring the diversity of SKUs. We operate pharmaceutical direct supply and distribution services

predominantly through our private-label pharmaceutical business under a direct supply and exclusive distribution model. This business line is beneficially complemented by our common pharmaceutical business that focuses on the supply of commonly used pharmaceuticals of third-party brands. We primarily offer our pharmaceutical direct supply and distribution services through our relevant APPs, mainly Yao Yue Yue, and mainly generate revenue by directly selling products to primary healthcare terminal customers. To a lesser extent, we also sell commonly used pharmaceuticals of third-party brands to direct wholesale customers and distributors through our APP, Hao Yao You Xuan. The business arrangements, transactions and fund flows are entirely between our business customers and us. We generally do not sell to or charge any patients.

- Our integrated diagnosis and treatment solutions, targeting common and chronic diseases and featuring TCM, are offered as solution packages. We provide integrated diagnosis and treatment solutions primarily through our relevant APPs, mainly Zhen Jiao Shou, to primary healthcare institution customers and through offline sales to distributor customers, coupled with our online and on-site after-sales services to primary healthcare institutions who use our integrated diagnosis and treatment solutions. We generate revenue from our integrated diagnosis and treatment solutions primarily by charging our customers bundled fees based on the components they purchase from the solution packages. The business arrangements, transactions and fund flows are entirely between our business customers and us. We do not sell to or charge any patients.

- Our testing and diagnostic solutions enable primary healthcare institutions to deliver testing and diagnostic services to patients. We provide testing and diagnostic solutions through our relevant APP, Zhen Bao Bei, with our medical team dedicated to providing pathology assistance to customers in relation to testing and diagnostic solutions, both online and on-site. We primarily generate revenue from testing and diagnostic solutions by charging service fees. The business arrangements, transactions and fund flows are entirely between our primary healthcare institution customers and us. We do not sell to or charge any patients.

See "— Overview — Our Business Model" for a summary of details of each business line in a tabular format.

These three established business segments work in tandem to offer one-stop services and solutions for addressing the key pain points to the vast number of primary healthcare terminals in the lower-tier markets in China. Some customers who adopted one of our offerings might purchase another one or two of our offerings. Our offerings are primarily provided online through our APPs, which are deployed on cloud and interconnected on the back end, enabling us to gain insights into our customers' purchasing behavior and demands using big data and data analytics technology. Nonetheless, we operate these business segments separately with distinct business units and APPs. Furthermore, although the provision of pharmaceuticals and other healthcare products is involved in both our pharmaceutical direct supply and distribution services and integrated diagnosis and treatment solutions, there is no overlap in the SKUs.

The following table sets forth the revenue breakdown by business line for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except percentages)					
Pharmaceutical direct supply and distribution services	2,448,496	79.9	2,527,442	77.5	3,027,531	79.2
– Private-label pharmaceutical business	1,794,505	58.6	1,840,652	56.5	2,027,148	53.0
– Common pharmaceutical business	653,991	21.3	686,790	21.0	1,000,383	26.2
Integrated diagnosis and treatment solutions	507,195	16.5	666,688	20.4	724,923	19.0
Testing and diagnostic solutions	101,125	3.3	69,529	2.1	69,472	1.8
Others[(1)]	8,066	0.3	–	–	887	0.0
Total	**3,064,882**	**100.0**	**3,263,659**	**100.0**	**3,822,813**	**100.0**

Note:

(1) Others in 2023 mainly included revenue from Sichuan Huzhijia Human Resource Management Co., LTD., a subsidiary that we disposed of in 2023. Sichuan Huzhijia Human Resource Management Co., LTD. mainly engaged in promotional and after-sales customer management services. See "Financial Information — Description of Major Components of Our Results of Operations — Revenue" and Note 32 of the Accountants' Report set out in Appendix I to this document. Others in 2025 mainly included revenue from the AI Good Doctor Diagnosis and Treatment Support System.

The following table sets forth our key operating metrics during the Track Record Period:

	For the Year Ended/ As of December 31,		
	2023	2024	2025
SKU[(1)]			
Private-label pharmaceutical business	4,976	7,622	10,690
Common pharmaceutical business	24,446	28,587	35,189
Integrated diagnosis and treatment solutions[(2)]	157	725	1,006
Testing and diagnostic solutions	2,505	2,981	3,701
Customers			
Cumulative registered primary healthcare institutions	328,329	372,489	390,112
Cumulative registered individual pharmacies	158,303	187,755	202,482
Cumulative registered small-to-medium chain pharmacies	54,028	65,717	77,941
Cumulative registered customers for pharmaceutical direct supply and distribution services	422,284	527,631	569,343

	For the Year Ended/ As of December 31,		
	2023	2024	2025
Cumulative registered customers for integrated diagnosis and treatment solutions	214,961	262,129	270,027
Cumulative registered customers for testing and diagnostic solutions	65,446	68,510	74,224
Cumulative dormant customers[3]	138,762	150,046	241,221
Total cumulative registered primary healthcare terminal customers[4]	**540,660**	**625,961**	**670,535**
Monthly average paying customers	**120,901**	**121,970**	**122,722**
Monthly average newly registered customers	**13,745**	**7,126**	**3,765**
Total paying customers	**331,355**	**319,380**	**292,739**
Average revenue per paying customer (RMB)[5]	**9,250**	**10,219**	**13,060**
Conversion rate of newly registered customers to paying customers (%)[6]	**70.8**	**70.1**	**74.1**

Notes:

(1) Represents the cumulative number as of the date indicated.

(2) Reflects the SKUs of pharmaceuticals and other healthcare products that are included in solution packages.

(3) Dormant customers are registered users on our APPs who have not placed any purchase order from the moment they registered on our APPs to the date indicated.

(4) Does not include the number of direct wholesale customers or distributors. See "— Sales and Marketing — Sales Channel — Wholesale".

(5) Refers to the total revenue divided by the total number of paying customers in the same year.

(6) Conversion rate of newly registered customers to paying customers refers to the number of newly registered customers who have made purchase and a payment at least once during the given year divided by the number of newly registered customers whose identity verification has been approved as of the indicated date.

Commencing in 2023, as our business matured, we shifted focus more toward enhancing customer repurchase and ensuring the stability of our paying customer cohort while maintaining organic growth in our customer base. Consequently, both the monthly average number of paying customers and average revenue per paying customer increased throughout the Track Record Period, with the conversion rate of newly registered customers to paying customers reaching 70.1% in 2024 and 74.1% in 2025. Meanwhile, there was a decline in the monthly average number of newly registered customers and total paying customers throughout the Track Record Period.

Pharmaceutical Direct Supply and Distribution Services

As we empowered primary healthcare institutions with enhanced diagnostic capabilities since our foundation in 2016, we realized that they also lacked a systematic pharmaceutical supply chain and access to the high-quality and cost-effective pharmaceuticals necessary for treating diagnosed diseases. They were also unable to promptly access new medications available in large hospitals, which led to inferior clinical outcomes.

We started to offer the pharmaceutical direct supply and distribution services in 2020. We offer a wide variety of differentiated, high-quality pharmaceuticals to the vast number of lower-tier primary healthcare terminals. Our private-label pharmaceutical business, provided through our relevant APPs, focuses on providing private-label pharmaceuticals and other healthcare products of our private-label brands under a direct supply and exclusive distribution model. In addition to the private-label pharmaceutical business, we also procure pharmaceuticals and other healthcare products of third-party brands and sell them primarily to customers located in or near Sichuan Province and Chongqing under the common pharmaceutical business. Overall, our pharmaceutical direct supply and distribution services furnish primary healthcare terminals with digitalized, standardized and scalable B2B pharmaceutical platforms to enhance their pharmaceutical supply chain.

The number of SKUs of pharmaceuticals and other healthcare products offered under our pharmaceutical direct supply and distribution services, including both the private-label pharmaceutical business and common pharmaceutical business, increased from over 29,400 in 2023 to over 45,800 in 2025, at a CAGR of 24.9%.

Our pharmaceutical direct supply and distribution services have grown to become the centerpiece of our business model with the largest revenue contribution. For the years ended December 31, 2023, 2024 and 2025, the revenue generated from our pharmaceutical direct supply and distribution services was RMB2,448.5 million, RMB2,527.4 million and RMB3,027.5 million, respectively, accounting for 79.9%, 77.5% and 79.2% of our total revenue for the same years, respectively.

The products we offer though our pharmaceutical direct supply and distribution services can be categorized into (i) TCM products, (ii) western medicine, (iii) medical devices, and (iv) healthcare products and others. The following table sets forth the breakdown of the revenue of our pharmaceutical direct supply and distribution services by product category for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	(RMB in thousands, %)					
Private-label Pharmaceutical Business						
TCM	1,117,291	45.6	1,122,998	44.4	1,223,342	40.4
Western medicine	613,188	25.0	655,765	26.0	689,386	22.8
Medical devices[(1)]	42,872	1.8	38,374	1.5	71,419	2.4
Healthcare products and others[(2)]	21,154	0.9	23,515	0.9	43,001	1.4
Subtotal	**1,794,505**	**73.3**	**1,840,652**	**72.8**	**2,027,148**	**67.0**
Common Pharmaceutical Business						
TCM	265,481	10.8	316,257	12.5	470,542	15.5
Western medicine	368,681	15.1	357,523	14.2	491,105	16.2
Medical devices[(1)]	8,588	0.3	7,003	0.3	20,635	0.7
Healthcare products and others[(2)]	11,241	0.5	6,007	0.2	18,101	0.6
Subtotal	**653,991**	**26.7**	**686,790**	**27.2**	**1,000,383**	**33.0**
Total	**2,448,496**	**100.0**	**2,527,442**	**100.0**	**3,027,531**	**100.0**

Notes:

(1) Medical devices mainly represent medical devices and antiseptics.

(2) Others mainly represent groceries, such as food and personal care products.

The following table sets forth the details of the sales volume and average selling price of products offered under our pharmaceutical direct supply and distribution services by product category for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Sales volume	Average selling price	Sales volume	Average selling price	Sales volume	Average selling price
	(thousand units, RMB)					
Private-label Pharmaceutical Business						
TCM	189,284	5.9	188,442	6.0	216,811	5.6
Western medicine	124,885	4.9	132,317	5.0	157,315	4.4
Medical devices[(1)]	13,846	3.1	12,478	3.1	21,143	3.4
Healthcare products and others[(2)]	2,232	9.5	2,547	9.2	5,731	7.5
Common Pharmaceutical Business						
TCM	34,255	7.8	31,393	10.1	50,732	9.3
Western medicine	52,256	7.1	51,511	6.9	80,591	6.1
Medical devices[(1)]	2,294	3.7	1,805	3.9	9,787	2.1
Healthcare products and others[(2)]	659	17.1	468	12.8	1,454	12.5

Notes:

(1) Medical devices mainly represent medical devices and antiseptics.

(2) Others mainly represent groceries, such as food and personal care products.

Private-label Pharmaceutical Business

We established the private-label pharmaceutical business for the direct supply of affordable, high-quality alternatives to expensive pharmaceuticals and other healthcare products on a direct-supply and exclusive-distribution model. They are manufactured by qualified third-party companies and labeled with our brand. Our direct-supply model removes unnecessary distribution intermediaries and directly reaches customers, which helps primary healthcare institutions and primary pharmacies reduce procurement costs and enhance their sourcing efficiency. In terms of the upstream, our extensive customer base and reputable brand image assist our suppliers in reaching primary healthcare terminals in the lower-tier markets with reduced costs, lower operational risks and timely feedback on downstream demand. Our exclusive-distribution model requires that products offered under our private-label pharmaceutical business are generally only available through our APPs and not other sales channels. This ensures consistent pricing and quality, which helps to establish a strong brand image and boost customer loyalty.

During the Track Record Period, in the best-case scenario, our private-label pharmaceutical business helped customers lower their unit procurement costs by up to 50%, compared to the unit procurement costs of these customers prior to their adoption of our services. In addition, for customers that want to differentiate their product offerings from their nearby competitors, we may customize the product offerings based on customers' needs. This helps reduce direct competition among customers and promotes loyalty to our affordable, high-quality private-label pharmaceuticals. As of December 31, 2025, our private-label pharmaceutical business had cumulatively offered 10,690 SKUs of pharmaceuticals and other healthcare products and had more than 520,300 customers.

Selection and Manufacturing of Products

We determine which products to offer based on market trends, consumer needs and the competitive landscape. Our decisions are informed by market research, public pharmaceutical sales databases and manufacturer recommendations. We have accumulated extensive data on our APPs and established close interactions with a vast number of primary healthcare institutions and primary pharmacies in lower-tier markets in China. Utilizing such advantages, we can promptly identify sales trends for specific pharmaceutical SKUs related to particular indications in particular regions, allowing us to accurately evaluate and comprehend the demand for pharmaceuticals in the primary healthcare industry. We can therefore quickly identify specific pharmaceutical categories for which developing affordable, high-quality alternatives under our private-label brands is feasible and commercially sensible. We focus on products with substantial demand, including western medicine and TCM. We order those pharmaceuticals and other healthcare products that meet our specifications from qualified manufacturers. Benefiting from our large volume of product requests and widely recognized brand name, we generally negotiate directly with the pharmaceutical manufacturers to obtain competitive procurement prices. We determine the procurement prices primarily based on the market prices for similar products and the raw material costs.

The table below sets forth the details of the best-selling SKUs of pharmaceuticals and other healthcare products we offered under private-label brands during the Track Record Period:

				GMV		
				Year ended December 31,		
No.	Name	Type	Brand	2023	2024	2025
				(RMB in thousands)		
1.	Shen Gu Tablets (腎骨片)	TCM	Shu Han Ben Cao (蜀漢本草)	16,627.4	14,534.2	16,317.9
2.	Fenghan Ganmao Granules (風寒感冒顆粒)	TCM	Shu Han Ben Cao (蜀漢本草)	14,887.0	11,923.7	14,968.4
3.	Ganmaoling Granules (感冒靈顆粒)	TCM	Shu Han Ben Cao (蜀漢本草)	25,840.4	10,185.8	7,566.1
4.	Huoxiang Zhengqi Oral Liquid (藿香正氣合劑)	TCM	Shu Han Ben Cao (蜀漢本草)	13,594.3	9,179.3	12,761.3
5.	Amlodipine Besylate Tablets (苯磺酸氨氯地平片)	Western medicine	Chi Ming (馳銘)	7,690.8	8,283.1	12,223.8

Once we identify and decide on the specifications of the products, such as dosage and packaging, we select pharmaceutical manufacturers with long-standing qualifications, reliability, production quality and production capacity and with competitive pricing. Before entering into any agreement, we perform due diligence by examining licenses, product certificates and public records. In addition, we conduct on-site visits to assess and verify their location, business scale, production capacity, properties and equipment, human resources, R&D capabilities, quality control systems and fulfillment capabilities. After we engage a pharmaceutical manufacturer supplier, we conduct regular reviews of its quality control systems and require the supplier to maintain valid certification and qualification during the course of dealing.

We have dedicated personnel in the procurement department to manage our suppliers. As of December 31, 2025, we had collaborated with more than 2,000 pharmaceutical manufacturers, establishing effective communication channels to stay informed about their current manufacturing, logistics and inventory levels. This reduces the manufacturing cycle of each batch of pharmaceuticals and improves turnover efficiency.

We typically enter into framework supply agreements with our suppliers for the private-label pharmaceutical business. The major agreement terms generally include the following:

- ***Duration.*** The agreement typically has a term of one to three years.
- ***Products to be manufactured.*** We specify the type and features of the product in each purchase order.
- ***Use of trademarks.*** The supplier agrees to use the authorized trademarks of our private-label brands exclusively for the production of the varieties and specifications outlined in the agreement. The supplier is prohibited from using our trademarks or logos for any other purpose.
- ***Payment and credit terms.*** We typically prepay a portion of the order amount upon purchase order confirmation, with the balance settled after delivery based on the actual quantity delivered.
- ***Delivery.*** The supplier is typically responsible for delivering products to our designated locations specified in each purchase order. We typically require the first and each subsequent batch of purchase orders to be delivered within a specified time frame.
- ***Quality control.*** The supplier must provide products that meet statutory quality standards and issue a drug inspection certificate. The supplier is responsible for any product quality issues unless there are product quality issues caused by us.

Brands

We require the suppliers to package the products under the private-label brands, which we authorize the suppliers to use in the manufacturing of the products, according to our packaging designs and requirements. We request prototypes of the packages from the suppliers before they mass produce them. As of December 31, 2025, we had offered 16 private-label brands, such as "Fu Xin (芙新)" "Gu Fang Xuan Hu (古方懸壺)" "Chi Ming (馳銘)" and "Hao Jian Shan (好健膳)" of affordable, high-quality pharmaceuticals and other healthcare products through our private-label pharmaceutical business. The brands we use in our private-label pharmaceutical business, such as "Shu Han Ben Cao (蜀漢本草)", "Fu Xin (芙新)", "Gu Fang Xuan Hu (古方懸壺)", "Chi Ming (馳銘)" and "Hao Jian Shan (好健膳)" are owned by us or licensed exclusively to us by Sichuan JND and its subsidiaries through an exclusive licence, and typically presented side-by-side with the "Good Doctor" trademark ("  ") owned by Sichuan JND's subsidiary and licensed for our use.

After-sales Services

We have a dedicated customer service hotline to handle customer inquiries and feedback regarding the products purchased under our private-label pharmaceutical business. We directly address non-product-related issues, such as payment or delivery concerns, as well as

product-specific and non-quality issues, such as the proper use of a product. For product-specific and quality-related issues, we liaise with suppliers in order to reach a resolution. For customer enquiries not requiring compensation, we obtain the necessary information from the suppliers and provide it to the customers. For confirmed product quality issues requiring compensation, we report the relevant details to the supplier and request compensation. The suppliers must indemnify us for at least the amount we reimburse to the customers. However, we may negotiate a higher amount in the purchase agreement. For compensation amounts less than RMB200, we typically directly refund the customers without retrieving the products. During the Track Record Period, the compensation received from suppliers and refunds paid to customers were insignificant.

Pricing

We generate revenue from the sales of pharmaceuticals and other healthcare products to customers. We typically determine the pricing by taking into consideration our costs, the pricing of similar products in the market and the local market demand-supply dynamic. Specifically, our pricing policy follows a structured approach based on product categories.

- **Pharmaceuticals (excluding TCM decoction pieces) and other healthcare products:** We generally benchmark our sales prices against competing products in the market. We strive to timely adjust our pricing to ensure optimal profit margin. Specifically, for commonly used pharmaceuticals such as cold and flu medicines and other healthcare products, where there are many competing varieties in the market and customers are generally sensitive to the prices, we strive to maintain a competitive price level by setting sales prices at or even below prevailing market price levels. For products with limited competition due to the differentiation barriers they have established in terms of precise clinical positioning, safety advantages and broad population applicability, we generally set our sales prices taking into consideration our procurement costs and market demand for the products.

- **TCM decoction pieces**: Pricing is determined considering a combination of factors such as product quality, origin, raw material standards and prevailing market prices to arrive at optimal gross margin levels.

Common Pharmaceutical Business

We have established the common pharmaceutical business for the direct supply as well as distribution of the products of third-party brands, complementing our private-label pharmaceutical business. This ensures stable and comprehensive pharmaceutical supplies, allowing our customers to find as many types of pharmaceuticals and other healthcare products on our APPs. We offer a wide range of high-quality commonly used pharmaceuticals as well as healthcare products of third-party brands at competitive prices primarily to our primary healthcare terminal customers under our common pharmaceutical business. As of December 31, 2025, our common pharmaceutical business had cumulatively offered over 35,100 SKUs and had approximately 159,800 customers.

Unlike the differentiated categories and SKUs available on our private-label pharmaceutical business, our common pharmaceutical business primarily addresses our customers' needs for commonly used items of third-party brands, creating a common pharmaceuticals procurement platform with stable and diverse supplies.

We select our pharmaceutical suppliers based on qualifications, brand reputation, reliability and supply volume. The supplier engagement, review and management protocols are similar to those under our private-label pharmaceutical business.

We enter into purchase agreements or distribution agreements with our suppliers. For purchase agreements, their salient terms specify the products, their specifications, quantities and prices of purchase. We typically settle the payment upon delivery of goods with a credit term of between 30 and 60 days. The suppliers are responsible for delivering the goods to our designated locations. The risk of the goods is borne by the suppliers until delivery, after which the risk transfers to us. The suppliers ensure that the product quality meets national and industry standards. In case of quality issues within the warranty period, the suppliers are responsible for replacement. We inspect the goods within two working days of receipt and must notify the suppliers of any non-conformities in writing. The suppliers must provide a solution within five working days of receiving the notification. For procurement agreements with our suppliers, see "— Sales and Marketing — Sales Channel — Wholesale — Distributors."

In addition to providing pharmaceuticals and other healthcare products to primary healthcare terminals, we sell pharmaceuticals and other healthcare products under third-party brands to direct wholesale customers and distributors who purchase our products as customers and on-sell to downstream customers through their own channels. Furthermore, to enhance our brand awareness in a cost-effective way among individual customers, which we believe would help us further attract and retain primary healthcare terminal customers to adopt our solutions, we sell pharmaceuticals and other healthcare products directly to individual customers through our self-operated online store on the third-party online platform, JD.com. During the Track Record Period, the revenue from our online sales on JD.com was immaterial in each year. See "— Sales and Marketing — Sales Channel."

Our revenue is derived from product sales. For product pricing, we take into consideration our procurement costs, market supply and demand as well as listed prices of the same products on other pharmaceutical platforms.

Complementary Value-added Services

To improve customer satisfaction, drive customer loyalty and enhance our brand reputation, we started to provide value-added pharmacy services, which are generally free of charge, to our pharmacy customers since September 2024. With these value-added pharmacy services, such as operational advisory support and prescription services, we aim to help further enhance their operational capabilities. Since the launch of complementary value-added services for pharmacies, we have witnessed significant growth in the number of small-to-medium-chain pharmacy customers.

With our complementary value-added services for pharmacies, we provide our pharmacy customers with advisory support. We have enhanced our customers' market competitiveness through a range of initiatives, including improvements in operational efficiency, SKU enrichment, inventory management, product optimization, staff training and promotional activity planning. Furthermore, through our Internet hospital, we offer prescription services to pharmacy customers. This enables our pharmacy customers to provide a broader range of pharmaceuticals to individual patients, thereby reducing the need for patients to visit large hospitals for getting prescriptions and saving both time and cost for patients. As of the Latest Practicable Date, we have introduced the AI Good Doctor Diagnosis and Treatment Support System, which is well positioned to further enhance and diversify our complementary value-added services for pharmacies.

Integrated Diagnosis and Treatment Solutions

As our primary healthcare institution customers improved their diagnostic capabilities by utilizing our testing and diagnostic solutions, they frequently sought advice from our medical experts on patient treatment following the diagnosis. We combined our experience in offering testing and diagnostic solutions and capabilities in pharmaceutical direct supply and distribution services to provide customers with our integrated diagnosis and treatment solutions. Targeting symptoms and conditions of common diseases and chronic diseases and featuring TCM, we created solution packages for targeted symptoms and conditions that are suitable for use in primary healthcare institutions. Our solution packages encompass the provision of testing and diagnostic services, the training of primary care physicians to diagnose different symptoms and conditions, and the supply of pharmaceuticals and other healthcare products tailored to each of our solution packages.

Primary healthcare institutions can purchase our integrated diagnosis and treatment solutions as solution packages through our APPs. Our goal is to empower primary healthcare institutions to efficiently diagnose and effectively treat common diseases and chronic diseases. We mainly provide solution packages to primary healthcare institution customers. We do not offer integrated diagnosis and treatment solutions directly to patients. As of December 31, 2025, we have launched 13 solution packages. Our solution packages are supported by full-time medical experts who provide timely guidance to the primary care physicians throughout their patient consultation and treatment process.

We charge our customers bundled fees based on the components they purchase from the solution packages. In general, we determine the price for each customer's solution package by considering (i) the level of market competition of the pharmaceuticals and other healthcare products included in the solution package; (ii) our cost of developing relevant training and consultation services for diagnosis, treatment and medication; (iii) the testing and diagnostic services elected by the customer.

As of December 31, 2025, we had offered the integrated diagnosis and treatment solutions to over 269,300 primary healthcare terminal customers. Since 2025, certain customer relationships under our integrated diagnosis and treatment solutions were assumed from the relevant businesses of Sichuan Medical Trade, following its discontinuation of these businesses at the end of 2024. Before we assumed the customer relationships (the "***Assumed Customers***"), Sichuan Medical Trade, among all of its businesses, was engaged in selling pharmaceuticals and other healthcare products manufactured under the Excluded Business of Sichuan JND and its close associates to (i) primary healthcare institutions and (ii) Sichuan Medical Trade's distributors which subsequently sold to primary healthcare institutions ("***Sichuan Medical Trade's Discontinued Business***"). See "Relationship with Controlling Shareholders — Interests of Our Controlling Shareholders Group in Other Business." Although Sichuan Medical Trade's Discontinued Business did not result in direct competition between our business and the Excluded Business, the products sold under Sichuan Medical Trade's Discontinued Business reached our target primary healthcare terminal customers (namely, the village health stations, outpatient departments, clinics and primary pharmacies.) See "Relationship With Controlling Shareholders — Interests of Our Controlling Shareholders Group in Other Businesses." Therefore, we took precautionary measures to prevent any scenarios where these products could inadvertently impact our market position. Through negotiations, Sichuan JND and its close associates ceased supplying Sichuan Medical Trade with the relevant products under their Excluded Business sold under Sichuan Medical Trade's Discontinued Business, and redirected their products exclusively to us. Consequently, Sichuan Medical Trade discontinued its sales to the Assumed Customers.

We subsequently entered into new sales contracts with the Assumed Customers, ensuring a seamless transition and continuity of product supply while reinforcing our commitment to maintaining a competitive edge in serving primary healthcare terminal customers. In addition, we established a team of in-house employees to operate the Sichuan Medical Trade's Discontinued Business. The team included some of the former employees of Sichuan Medical Trade who had been involved in Sichuan Medical Trade's Discontinued Business and who were familiar with the relevant products and the operations. After the assumption of Assumed Customers, we supplied the Assumed Customers with the relevant products under the Excluded Business as part of our integrated diagnosis and treatment solutions, together with the provision of diagnosis services and other medicines.

Our integrated diagnosis and treatment solutions feature the following:

Integrated solutions throughout the entire healthcare process. Our integrated diagnosis and treatment solutions can be readily adopted by our customers. The components of our most extensive solution packages include the provision of testing and diagnostic services, the training of primary care physicians to diagnose different symptoms and conditions, and the supply of corresponding pharmaceuticals and other healthcare products, enabling accurate and efficient management of complex yet prevalent diseases.

Focusing on common diseases and chronic diseases with actionable plans. We focus on common diseases and chronic diseases. We address such issues and empower primary healthcare institutions to deliver timely, effective interventions, improve disease control, enhance reputation and expand patient volumes. During the Track Record Period, lighthouse clinic customers of our integrated diagnosis and treatment solutions experienced a significant increase in outpatient visits as advised by the clinic.

Customization and flexibility. Our integrated diagnosis and treatment solutions are modular and adaptable, allowing healthcare providers to purchase full packages or selected components to complement existing capabilities.

Medical knowledge as a safeguard. To ensure optimal utilization, our in-house medical experts conduct regular online and on-site case discussions, enabling primary care physicians to make appropriate diagnoses and tailor treatment regimens to individual patient profiles. Our medical experts are available 24/7 for both general inquiries and complex case consultations. See "— Our Medical Knowledge Sharing."

Featured Solutions

We have developed 13 solution packages as of December 31, 2025. The pharmaceuticals and other healthcare products used in our integrated diagnosis and treatment solutions primarily include the products of our Controlling Shareholder and its associates. Below is a brief introduction to our featured solutions, including Jin Chan Solution, Yan Dong Solution and Jing Hong Ge Wuxing Solution, each of which targets one or more symptoms and conditions.

Jin Chan Solution

We have developed the Jin Chan Solution to facilitate lung repair and enhance pulmonary function, specifically targeting chronic cough and pulmonary conditions characterized by coughing, sputum production and shortness of breath.

Our Jin Chan Solution can be readily adopted by primary healthcare institutions and incorporates high-quality TCM materials. During the acute stage, the solution combines western medicine for rapid symptom control in conjunction with TCM modalities, including oral solutions, pastes, acupoint plasters, seasonal regimens, rectal administration and nebulization, to help inhibit disease progression. In the recovery stage, the solution primarily relies on TCM for body conditioning with a combination of rehabilitation exercises to promote ongoing lung repair and functional recovery. Jin Chan Solution addresses both immediate symptoms and chronic lung disease management, aiming to improve patient outcomes and reduce the overall duration of illness.

Yan Dong Solution

Our Yan Dong Solution offers an innovative and comprehensive approach. The solution seeks to (i) assist patients with tumors by focusing on dietary and lifestyle adjustments, supporting digestive system function and general well-being; (ii) help patients with chronic gastric disorders manage recurrence and improve their overall health; and (iii) support patients with chronic diseases by facilitating tissue repair and enhancing the body's natural defenses. Periplaneta americana, one of the key raw materials of the TCM used in our Yan Dong solution, is sourced from Sichuan JND's breeding base in China, certified under the Good Agricultural Practice for Chinese Medicinal Materials (中藥材生產質量管理規範), to ensure consistently high product quality. The production process of TCM in our Yan Dong Solution utilizes advanced processing techniques, such as liquid nitrogen protection and specialized encapsulation, to create fine peptide-enriched particles for optimal absorption and a refined product experience.

Jing Hong Ge Wuxing Solution

Our Jing Hong Ge Wuxing Solution is a comprehensive approach intended for individuals experiencing persistent discomfort, such as digestive issues and discomfort in the lung, as well as individuals recovering from diseases where conventional medical diagnoses may be inconclusive. By supporting the body's natural balance and promoting overall well-being, this method aims to harmonize bodily functions and alleviate discomfort. It also addresses imbalances in the body's tendencies, contributing to a sense of equilibrium and enhancing general health. Aligned with the "Healthy China 2030" initiative (健康中國2030) and the NHC's policy of integrating food-medicine homologous substances (藥食同源) into health management, our Jing Hong Ge Wuxing Solution incorporates traditional Chinese botanical and nutritional ingredients that are safe for both dietary and wellness applications. The production process of the nutritional products used in our Jing Hong Ge Wuxing Solution preserves the natural active components and enhances the release of beneficial ingredients. Such technology allows for smaller serving sizes, improved taste and a more enjoyable patient experience. By increasing the efficiency of ingredient extraction, it also helps to reduce the amount of Chinese herbs required, supporting the sustainable use of herbal resources.

Case Studies

Clinic A

We started to provide integrated diagnosis and treatment solutions focusing on chronic cough to Clinic A in 2023. Clinic A treated common diseases and served a wide range of patients with a broad age distribution. Prior to using our integrated diagnosis and treatment solutions, Clinic A was only able to provide patients with the most basic treatment, such as intramuscular injection, intravenous injection and standard western medication. With such limited capacity, the primary care physicians of Clinic A faced challenges including frequent

reliance on hormones and antibiotics, inconsistent treatment outcomes, time-consuming on-site treatment processes and difficulties managing a growing number of patients. These issues have led to lower patient satisfaction and higher rates of symptom recurrence.

The solutions we provided to Clinic A primarily included our Jin Chan Solution. Following the implementation of the Jin Chan Solution, Clinic A improved its ability to diagnose, treat and manage chronic lung diseases prevalent in primary healthcare, such as recurrent coughs, asthma and other respiratory conditions. As advised by the clinic, the solutions enabled the clinic to provide tailored treatments that did not require patients to remain on-site for injections and did not heavily rely on hormones and antibiotics. Furthermore, the effectiveness of the treatment adopting our solutions has enhanced Clinic A's reputation among patients, resulting in increased outpatient visits without the need for advertising. In addition, the enhanced efficiency in diagnosis and treatment allowed Clinic A's primary care physicians to accommodate more patients and streamline diagnosis and treatment processes, ultimately reducing the burden of patient care on primary care physicians of Clinic A and facilitating the establishment of a second clinic to serve more patients.

In light of the effective application of our integrated diagnosis and treatment solutions, we made Clinic A a benchmark clinic with successful case studies, and organized approximately 60 on-site visits to Clinic A to enable more primary physicians to gain practical insights into the application of our solutions.

Clinic B

In the third quarter of 2023, we commenced the provision of our integrated diagnosis and treatment solutions to Clinic B, focusing on a broad range of chronic diseases and difficult-to-treat conditions, including tumors and chronic digestive system disorders. We primarily provided Clinic B with our Yan dong Solution, which covered more than 80% of its patient base. The solution package we provided to Clinic B also included our POCT equipment that supports 12 core diagnostic items such as blood tests.

As advised by the clinic, prior to adopting our solutions, Clinic B was only able to offer fewer than 15 basic treatment services, including intramuscular injections, intravenous injections and standard western medication. With such limited capabilities in diagnosis and treatment, its primary care physicians faced challenges, including inconsistent treatment outcomes with success rates fluctuating between approximately 60% and 70%, time-consuming on-site treatment processes averaging over 45 minutes per patient and a daily inpatient visit capacity capped at approximately 25%, making it difficult to accommodate new patients with complex conditions. In addition, the success rate for managing difficult-to-treat diseases based solely on physicians' personal experience was low and the patients often left and sought treatment at other clinics.

Following the adoption of our Yan dong Solution in the third quarter of 2023, Clinic B enhanced its ability to diagnose, treat and manage chronic and complex diseases. As advised by the clinic, its service scope expanded from diagnosing and treating 28 to 53 disease types, with customized solutions offered to each patient. Patient demand for on-site injections dropped to zero, with all treatments provided through TCM. As of December 31, 2023, Clinic B achieved a patient satisfaction rate of approximately 95%, resulting in improved treatment outcomes, enhanced reputation among patients and increased outpatient visits.

Testing and Diagnostic Solutions

During the Track Record Period, we primarily provided testing services and POCT equipment for laboratory testing and medical imaging examinations to primary healthcare institution customers, helping them to swiftly and cost-effectively establish capabilities comparable to the clinical laboratory departments of Class III hospitals and establish medical imaging and pathology capabilities.

For the years ended December 31, 2023, 2024 and 2025, the revenue generated from our testing and diagnostic solutions was RMB101.1 million, RMB69.5 million and RMB69.5 million, respectively, accounting for 3.3%, 2.1% and 1.8% of our total revenue for the same year, respectively.

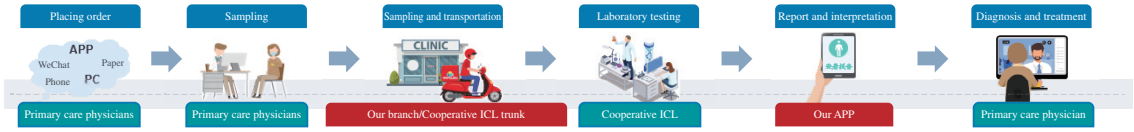
Clinical Testing

We commenced clinical testing services in 2016 to meet the needs of primary healthcare institutions for techniques, medical supplies and professional expertise in conducting clinical tests for medical diagnosis. Many diseases, such as HPV infection, can only be detected through clinical testing. For some other diseases, misdiagnoses and missed diagnoses can be prevented through clinical testing. By using our clinical testing services, customers improve the accuracy of their medical diagnosis. As of December 31, 2025, our clinical testing services had covered more than 3,700 SKUs of clinical tests, comprising a wide range of tests including blood pressure, body density and blood lipid tests, which are useful in detecting hypertension, osteoporosis and cardiovascular and cerebrovascular diseases. Our clinical testing services do not include genetic testing or any other testing services that involve the development and application of genetic diagnosis and treatment technologies.

Service Process

Customers typically purchase our clinical testing services through our relevant APP. When primary care physicians identify the need for clinical testing that is not supported at their institutions, they place orders with us for the specific tests required, including the medical supplies required for sample collection. They then collect test samples from patients in their clinics. Our local sales and customer service personnel conduct preliminary assessments of the appearance of test samples, including their packaging and labeling, to ensure they meet clinical testing standards. If the test samples do not meet those standards after preliminary assessments, we require the primary care physicians to resample. Once satisfactory samples are collected from the patients, our local sales and customer service personnel collect them from the customers for onward delivery to the collecting stations of the clinical laboratories. The clinical laboratories then transport the test samples to their testing centers, conduct testing, generate reports and send the test results back to our medical team. Our turnaround time for a clinical testing order placed by customers, measured from the time of order placement to the generation of test results by the relevant ICL and subsequent interpretation by us, is generally on the next day following the date of payment. See "— Logistics, Warehousing and Inventory Management — Logistics." Our medical team then reviews the test results, provides professional interpretations of the quantitative data and specific markers in the test results, and transmits both the test results and our interpretations through our APPs to the primary care physicians.

The diagram below sets forth the major stages of providing our clinical testing services:



Laboratories

We generally collaborate with renowned and experienced ICLs to offer our clinical testing services. As of December 31, 2025, we had collaborated with 92 ICLs for the provision of our clinical testing services. We select ICLs on the basis of qualification, brand, reliability and geographical coverage. We require ICL partners to maintain all licenses and permits required for operating clinical laboratories and conducting clinical tests. We also require ICL partners to accept test samples at least six days a week and complete clinical testing and issue reports within the stipulated time for each test. Our proprietary clinical laboratory, located in Chengdu, Sichuan Province, also maintains all licenses and permits required for operating clinical laboratories and conducting clinical tests.

We generally enter into collaboration agreements with ICLs for a term of one to three years. Under these agreements, we typically specify the required testing services and are responsible for ensuring that primary care physicians accurately collect test samples and provide complete documentation. The ICLs are obligated to promptly collect the samples from us and perform the testing in compliance with applicable industry standards and quality requirements. The ICLs bear primary responsibility for the accuracy and reliability of the test results, except where errors are attributable to us. Payments are generally settled monthly, with us receiving a credit term of 30 to 60 days from the date of the ICL's invoice. The ICLs are permitted to subcontract testing services to third parties, but remain fully accountable for the accuracy and reliability of all test results.

Pricing

Generally, the local Health Commission sets out the ceiling price for each type of clinical testing that medical institutions can charge a patient per test. All public medical institutions, including our public primary healthcare institution customers who are regulated by the Health Commission, shall strictly follow such pricing protocols when charging individual patients. All non-public medical institutions, including our private primary healthcare institution customers, generally set their prices for individual patients with reference to market prices based on market demand. We publish on our APP the service fees we charge our primary healthcare institution customers for each type of test, which are generally a proportion of the fees our customers charge their patients in need of clinical testing. The proportion normally falls within the range of 30% to nearly 100%, depending on various factors including the type of the tests. Building on this framework, our pricing policy takes into consideration the government-established list prices determined and published by the local Health Commission. The service fees we charge our customers for each type of test typically fall between our costs, such as the procurement price from ICLs, and the government-established list prices, which serve as a reference for how much our customers charge their patients. Our actual sales price within this range is influenced by market supply and demand. Our customers pay us the service fees upon placing an order through our APP, where we clearly label our sales price for each test.

Pathology Guidance

We provide real-time assistance to the primary care physicians of our clinical testing services with pathology guidance, both through our APPs and offline services at no additional charge. Our pathology guidance includes assistance in interpreting the clinical testing results, on-site instructions on clinical testing, and support for customers to address patient inquiries regarding clinical testing. Based on relevant clinical testing results, we assist primary care physicians with detailed explanations and comprehensive analyses of the etiology and pathogenesis of diseases.

POCT Equipment

In addition to clinical testing where the collected testing samples are delivered to the clinical laboratories, we also offer POCT equipment, including point-of-care devices for clinical testing, as part of the testing and diagnostic solutions. We provide our customers with the POCT equipment for simple laboratory tests and medical imaging examinations that can generate test and examination results on-site within minutes. As of December 31, 2025, we had offered 16 SKUs of POCT equipment to more than 2,400 customers. As of the Latest Practicable Date, we were exploring business opportunities of offering other types of POCT equipment, such as electrocardiogram devices, to expand our solution portfolio.

We typically own the POCT equipment, do not transfer the property right to our customers and are responsible for the maintenance of the devices we provide to customers. Once the customers receive the POCT equipment, we equip their primary care physicians with the skills necessary for the proper use and operation of these devices. Our medical team reviews the clinical test results and issues diagnostic reports that assist primary care physicians in patient consultations and medical diagnoses. Should a customer no longer need to use the POCT equipment, they return the equipment to us.

We typically enter into standard service agreements with our customers. Our service agreement typically has a term of three years. The agreement typically sets out that we are responsible for technical support, software services, operation services and hardware equipment support. We offered POCT equipment during the Track Record Period primarily as a supplement to our clinical testing services and other solutions, aiming to enhance customer loyalty to our comprehensive solutions. During the Track Record Period, the revenue generated from the provision of POCT equipment is immaterial.

We decide which type of POCT equipment to include in our solution portfolio based on our market research, participation in various exhibitions and interviews with industry participants. As of December 31, 2025, we engaged 19 suppliers to produce the POCT equipment under the brand of either Good Doctor or Cloud Healthcare. We carefully examine the reputation, historical record, portability and data transmission speed of available products and the sales price offered by our potential suppliers. The suppliers remain responsible for the quality of products they provide.

We provide detailed guides to primary care physicians in the proper use and operation of these devices and help them establish standard operating procedures for conducting point-of-care clinical testing to enhance their testing efficiency and quality. For POCT equipment for medical imaging examination, the interpretation of examination results, which are visual representations of the internal structures of patients' bodies, typically requires in-depth medical knowledge and experience. We offer assistance to primary care physicians in result interpretation for medical imaging examinations. Typically, the primary care physicians share the medical images captured by the devices with our medical experts through our APPs.

Our medical experts carefully analyze and interpret the examination results, providing valuable insights that assist primary care physicians in identifying physical abnormalities, structural issues or other visual indicators of diseases. To maximize the value of our services, our in-house medical experts also regularly offer on-site clinical instruction to the primary care physicians. See "— Our Medical Knowledge Sharing."

OUR MEDICAL KNOWLEDGE SHARING

Since the inception of our business in 2016, we initiated the promotion of medical and clinical testing knowledge in primary healthcare. As an underlying component of our various offerings, medical knowledge forms the foundation of our three revenue-generating business segments. We do not take medical knowledge sharing as a revenue-generating opportunity and did not charge for it during the Track Record Period. Instead, we believe that empowering primary care physicians and pharmacists with medical knowledge distinguishes our services and solutions from the rest of the market. This commitment to medical knowledge sharing not only distinguishes our services and solutions, drives customer loyalty and satisfaction across business lines, but also reinforces our dedication to advancing primary healthcare outcomes.

We offer online knowledge-sharing sessions, online Q&A sessions and written and visual knowledge-sharing materials tailored to primary care physicians on all of our APPs as a complementary offering to enhance their healthcare capabilities. We also organize offline knowledge-sharing events to facilitate communication among primary care physicians across the primary healthcare industry. In addition, to enhance the value of each business line, we offer tailored online and offline knowledge-sharing, 24/7 on-demand online discussion sessions, offline clinical guidance and prescription services to ensure that our customers maximize the benefits of our products, services and solutions. In 2024, we conducted three or more online knowledge-sharing sessions per week and more than 2,500 offline knowledge-sharing events per year. As of December 31, 2025, our medical knowledge-sharing events had facilitated primary care physicians for more than 210,000 person-times.

We have established a medical knowledge base covering a wide range of information on clinical tests and common knowledge on medical consumables, sampling, medical diagnostic labels and regulations, and more than 1,600 valid LIS data points, providing crucial support for clinical testing. In addition, we create and share instructional materials that we can selectively bundle and provide to customers, helping primary care physicians master testing and diagnostic procedures, interpret results accurately and uphold testing and diagnostic quality control. As of December 31, 2025, we have standardized the sampling procedure and the subsequent interpretation of test reports for 149 types of health issues, offering convenient, useful and detailed references to primary care physicians in primary healthcare institutions. These materials cover topics including (i) disease-specific testing and diagnostic methodologies, emphasizing the significance and necessity of these tests; (ii) information on pharmaceuticals, including their efficacy and indications, to enhance customer understanding of medications; (iii) experience in using medical devices, including the common mistakes in usage and maintenance tips; and (iv) other general information on clinical tests and common knowledge on medical consumables, sampling, medical labels and regulations. We have provided approximately 50 digital flyers for common medical topics, each focused on a single disease or infectious condition and presented on its own dedicated online pages. Every flyer generally follows a reader-friendly design with a clear header, a brief overview and sections on causes, symptoms, diagnosis, prevention, treatment, care tips and a carousel of related topics that suggests further reading. We make sure that the texts are concise and use lists and infographics to aid quick understanding. These digital flyers enable our audience, including primary care physicians of our customers or their patients, to access clear definitions, symptom checklists and practical tips.

We typically decide the content to share with our customers based on their clinical utility for our customers, scientific value and customers' needs. Our medical team prepares the materials to be shared with our customers and ensures the quality and accuracy of the materials by consulting professional medical guidelines and academic literature.

Medical Team

Our ability to empower primary care physicians and primary pharmacists with medical knowledge is enabled by our medical team. Our in-house medical experts, including doctors and medical assistants, are employed by us full-time, providing customers with fast turnaround times for services and assistance. We schedule their shifts to align with customers' needs for real-time Q&A sessions during peak and off-peak periods throughout the day. As of December 31, 2025, we employed 123 in-house medical experts, including 47 licensed medical practitioners (including general practitioners, specialists and pharmacists) with an average of approximately five years of medical experience, and 76 medical assistants. In addition to offering services and assistance to our customers, they also participate in the design and development of our integrated diagnosis and treatment solutions and the preparation of materials used in the knowledge-sharing sessions. See "— Our Services and Solutions — Integrated Diagnosis and Treatment Solutions."

Our in-house medical experts visit our customers on-site from time to time to provide timely clinical and offline guidance to the primary care physicians of our primary healthcare institution customers and the pharmacists of our primary pharmacy customers. They also assist our sales and customer service team in selling and providing a variety of customer services.

We have a stringent selection process for in-house medical experts, involving interviews, background checks, written tests and in-role trial evaluations. We typically select candidates with experience in the general medicine department of large hospitals, who are passionate about the healthcare industry, possess a customer service mindset and are willing to undertake challenging and thought-provoking tasks. We require our in-house medical practitioners to maintain one or more relevant professional certifications or qualifications, such as the clinical practitioner qualification (臨床執業醫師資格), pharmacist qualification (職業藥師資格), TCM pharmacist qualification (中藥師職業資格), professional qualification of internal medicine in TCM (中醫內科學專業技術資格) and physician practising certificate (醫師執業證書), among others, pass qualification exams and complete continuing education training. To our knowledge, during the Track Record Period and up to the Latest Practicable Date, our in-house medical practitioners have completed the necessary registration and have satisfied the relevant licensing requirements. Once qualified, as advised by our PRC Legal Advisor, the relevant medical practitioners can practice and provide healthcare services in healthcare institutions according to their registered practice locations and types of practice. We require our in-house medical assistants to possess related degrees or higher as well as proficient computer, communication and personal skills. We provide ongoing internal training and professional development programs to our in-house medical experts. These programs include general and specialized medical knowledge, case studies, corporate culture and IT skills, which are designed to enhance their professional knowledge and management skills and improve their performance. We conduct regular evaluations of our in-house medical experts based on the quality of service, customer feedback and efficiency. Compensation for our in-house medical experts consists of a basic salary, performance-based bonus and year-end bonus, which is typically calculated based on monthly evaluations.

We also collaborate with external professionals, who share clinical experience and medical knowledge with primary care physicians through online and offline knowledge sharing sessions and events. Similar to our in-house medical experts, we have a stringent selection

process for external professionals. In addition, external professionals who partner with us must adhere to our specified work scope, quality requirements and applicable rules and regulations. They are required to provide proof of one or more of their professional qualifications, such as clinical practitioner qualification (臨床執業醫師資格), pharmacist qualification (職業藥師資格), TCM pharmacist qualification (中藥師職業資格) professional qualification of internal medicine in TCM (中醫內科學專業技術資格) and Physician Practising Certificate (醫師執業證書), among others. To engage in the pathology guidance services and value added pharmacy services we provide to customers, we require that the external professionals have registered with the relevant authorities and obtained all necessary licenses and certificates to practice through our Internet hospital. To our knowledge, during the Track Record Period and up to the Latest Practicable Date, our external professionals have completed the necessary registration and have satisfied the relevant licensing requirements. Once qualified, as advised by our PRC Legal Advisor, the relevant medical practitioners can practice and provide healthcare services in healthcare institutions according to their registered practice locations and types of practice. As of December 31, 2025, we were collaborating with eight external professionals with an average of approximately 14 years of experience as healthcare professionals.

We typically enter into service agreements with the external professionals, pursuant to which the external professionals are required to prepare materials to be shared with primary care physicians, share experience and offer pathology guidance, as the case may be. We are required to pay them service fees by the agreed schedule and amount, generally determined based on the scope of services provided, the professional's level of expertise, experience as well as the prevailing market rates for similar consultation services. The external professionals use their spare time to provide services and their working hours are negotiated and set out in the agreement based on the external professionals' actual availability and our needs for their services. We may reserve the right to modify the terms regarding the external professionals' scope of service, pricing and service performance as necessary.

The table below sets forth the scope of services provided by our in-house medical team and external professionals, the details of individual level and company level qualifications required as well as the medical liabilities we bear to patients:

	In-house medical team	External professionals	Whether doctor-level qualification is required	Whether company-level qualification is required	Whether company bears medical liabilities to patients
Pharmaceutical direct supply and distribution services	Providing prescription services	Providing prescription services	Yes. Clinical practitioner qualification (臨床執業醫師資格), physician practising certificate (醫師執業證書), among others	Yes. Practice license for medical institutions (醫療機構執業許可證)	Yes
Integrated diagnosis and treatment solutions	Designing and developing integrated diagnosis and treatment solutions	Assisting our in-house medical team design and develop integrated diagnosis and treatment solutions	No	No	No

	In-house medical team	External professionals	Whether doctor-level qualification is required	Whether company-level qualification is required	Whether company bears medical liabilities to patients
Testing and diagnostic solutions	Issuing test and examination reports and assisting primary care physicians with test and examination interpretation	Issuing test and examination reports and assisting our in-house medical team as well as primary care physicians with test and examination interpretation	Yes. Clinical practitioner qualification (臨床執業醫師資格), physician practising certificate (醫師執業證書), among others	Yes. Practice license for medical institutions (醫療機構執業許可證)	Yes
Across all business lines	Responding to customer enquiries, providing pathology guidance, case consultations and instructions on clinical testing to primary care physicians both on-site and online, and preparing materials used in and speaking at knowledge-sharing sessions	Providing pathology guidance and case consultations to primary care physicians, and preparing materials used in and speaking at knowledge-sharing sessions	No	No	No

As confirmed by our PRC Legal Advisor, we possess the necessary qualification, namely the practice license for medical institutions (醫療機構執業許可證), to deliver the aforementioned services as required. In addition, we have taken a number of measures to reduce the risk of medical liabilities, including (i) continually providing training to our in-house medical team and requiring our in-house medical team to take regular examinations to ensure their grasp of medical knowledge and familiarity with our products, services and solutions; and (ii) having in place a supervising and quality control mechanism to ensure that the guidance provided to primary care physicians and the results thereof are tracked, supervised and timely reviewed for future improvement.

TECHNOLOGY

We consider robust R&D capabilities and solid technological competence essential for our ongoing success and for keeping pace with the swift progress of the Internet and software technology as well as the healthcare industry. We pay close attention to our customers' needs, responding to their feedback and requests by developing new products, services and solutions or incorporating advanced or optimized features into existing ones. In 2023, we were

recognized as the "Most Innovative Pharmaceutical Digital Service Platform" (最具創新醫藥數智化服務平台) during the Third China Pharmaceutical Digitalization Development Conference (第三屆中國醫藥數智化發展大會). See "— Awards and Recognitions."

Our R&D team is the cornerstone of our innovation and development efforts. The team is focused on creating and refining products, services and solutions to meet the evolving needs of primary healthcare terminals in the lower-tier markets in China. As of December 31, 2025, our R&D team comprised 204 professionals with an average of 10.9 years of R&D experience. In the years ended December 31, 2023, 2024 and 2025, our R&D expenses were RMB8.5 million, RMB7.5 million and RMB13.1 million, respectively, accounting for 0.3%, 0.2% and 0.3% of the total revenue for the same year, respectively. In 2023, 2024 and 2025, we also incurred deferred development costs of nil, RMB13.1 million and RMB25.5 million, respectively. See "Financial Information — Discussion of Selected Items From the Consolidated Statements of Financial Position — Intangible Assets."

Our Digital and Intelligent Operations

We are dedicated to integrating digital technologies and intelligent systems to enhance operational efficiency and overall business performance. Based on our deep understanding of the primary healthcare industry in China, we have built a digitally intelligent business system, covering our three business segments and our warehousing and logistics fulfillment.

AI Technology

We utilize AI and machine learning models specialized in the medical domain to strengthen our products, services and solutions provided to customers. Our business system integrates proprietary AI capabilities to assist in rapidly determining treatment based on pathogenesis obtained through differentiation of symptoms and signs (辨證論治). In addition, we have developed a proprietary AI report interpretation technology to enhance the accuracy of medical report interpretations. Specifically, we conceived an innovative concept in the system of "critical value" AI indicator with our patented "System and AI Technologies for Determining Medical Labeling Based on Clinical Test Results" ("基於檢驗結果確定醫學標籤的系統及人工智能方法"). Our AI indicators label patients' conditions by criticality based on specification expressions and historical cases, ensuring that patients with severe conditions are identified and flagged to the primary care physicians. This patented system offers detailed guidance on handling abnormal test results for primary healthcare institutions. We have utilized AI technology and created around 2,400 medical diagnostic labels as of December 31, 2025 to assist in rapid interpretation of test results. Our offerings provide customer-friendly guidance on interpreting the abnormality and criticality of test results for the vast number of primary healthcare institutions, improving the efficiency and accuracy of report interpretations.

Furthermore, we have developed a specialized, medical AI-driven platform, the AI Good Doctor Diagnosis and Treatment Support System, targeting primary healthcare, combining AI technology and HIS to serve primary healthcare institutions in China. The AI Good Doctor Diagnosis and Treatment Support System is embedded with the medical LLM developed by Hangzhou Trizen Medical Technology Co., Ltd. (杭州全診醫學科技有限公司) (the "**Trizen-Med-Omni LLM**") that has been registered through the National Cyberspace Administration's deep synthesis service algorithm. See "— Our R&D Collaboration." The AI Good Doctor Diagnosis and Treatment Support System, empowered by the Trizen-Med-Omni LLM, offers key support including:

Comprehensive medical knowledge integration and intelligent decision assistance. The AI Good Doctor Diagnosis and Treatment Support System integrates authoritative medical guidelines, textbooks, drug information and clinical templates, forming a robust medical knowledge base. Utilizing advanced knowledge integration and retrieval-augmented generation technology, the medical AI-driven platform efficiently processes both structured and unstructured medical data, offering real-time and accurate clinical decision assistance. Furthermore, the medical AI-driven platform effectively identifies individual needs, matches specialty-specific care pathways and supports complex clinical reasoning, with a particularly strong knowledge base and decision-assistance capabilities in areas such as TCM.

Optimization for primary healthcare scenarios and intelligent record generation. The AI Good Doctor Diagnosis and Treatment Support System is optimized for enhanced understanding of professional terminology, complex symptom descriptions and diagnostic logic featured in doctor-patient interactions. Through advanced fine-tuning and prompt engineering, the AI Good Doctor Diagnosis and Treatment Support System demonstrates strong performance in intent identification and semantic understanding. Furthermore, the AI Good Doctor Diagnosis and Treatment Support System can generate compliant medical records within five seconds, achieving a high compliance rate and content consistency, reducing doctors' documentation time and improving patient service efficiency. With developed functions, the medical AI-driven platform has been recognized by leading hospitals in China.

Flexible deployment and robust safety controls. The AI Good Doctor Diagnosis and Treatment Support System powers a modular and customizable platform that supports a wide range of healthcare scenarios, including triage, consultation, prescription and follow-up. The platform incorporates optical character and speech recognition technologies and supports cloud-based deployment to meet the data security and compliance requirements of healthcare institutions. Furthermore, the AI Good Doctor Diagnosis and Treatment Support System ensures that all outputs strictly adhere to medical standards and regulatory requirements.

Data Analytics

We leverage advanced technologies to enhance our products, services and solutions. We adopted a proprietary business intelligence data system ("**BI system**"), which collects and analyzes data to aid in decision-making and improve customer service quality. In market analysis, our BI system analyzes market share, customer satisfaction and competitor dynamics. In sales management, the BI system provides real-time updates on sales data, assisting sales personnel in strategy formulation. For example, during the Track Record Period, we conducted data analytics for customer profiling, which enabled us to present tailored product offerings on our APPs that aligned with the respective needs of each customer. We believe that this enhanced user experience and benefited our revenue growth. In inventory management, the BI system analyzes historical sales data to predict future demand and adjust inventory levels. In customer relationship management, our BI system analyzes customer purchase history to offer personalized marketing activities and customer services.

IT Infrastructure and Online Platforms

Our online platforms are built on a highly scalable and reliable IT infrastructure, which allows for the provision of remote services and underpins our efficient business operations. Our R&D team is dedicated to developing and maintaining the IT systems, ensuring seamless functionality and real-time data transfer. We follow standardized software development lifecycles and processes to enhance development efficiency and software quality. We provide customers with both AI-empowered consultation services and responsive human-operated online support. Such dual services operate in parallel, offering highly concurrent responses to

ensure exceptionally low interruption rates and exceptional service stability, fully meeting customer enquiry needs even during peak traffic periods. Our business system architecture is designed to ensure an exceptional customer experience in both search and usage processes. Through our APPs, customers can conveniently access the pharmaceuticals or services they require.

Furthermore, our business operations are supported by use of cloud technologies in various aspects. All of our offerings provided to customers online are deployed on the cloud. We implement a queue cluster architecture on the cloud, which enables us to process large volumes of customer purchase orders and centralized management of diagnostic report data. We utilize elastic container technology, which allows for real-time scalability, thereby accommodating user traffic on our APPs during peak times and ensuring high service availability. We employ real-time streaming data analysis for managing customer purchase information, which enhances our operational control. By using cloud computing that facilitates real-time logistics calculations and anomaly alerts, we are able to efficiently manage supply chain and ensure timely order fulfillment. Moreover, we use a wide range of cloud-native services and select the most suitable cloud-native services for different business scenarios to ensure optimal efficiency.

Supply Chain Management

We have developed supply chain tools to ensure efficient supply chain management. We use advanced technologies and supply chain optimization techniques to integrate the front and back ends of the supply chain, thereby enhancing our inventory management and enabling smooth and just-in-time delivery for customers. Our supply chain management system consists of procurement, warehousing, shipping and delivery as well as after-sales customer service.

In procurement, we have established deep and efficient cooperation with more than 1,600 pharmaceutical manufacturers under our private-label pharmaceutical business to stay informed about their current manufacturing, logistics and inventory levels. This reduces the manufacturing cycle of each batch of pharmaceuticals and improves turnover efficiency. Furthermore, by analyzing historical customer order data, we use big data technology to forecast product sales trends, providing actionable insights for procurement planning. This approach enables us to effectively manage inventory levels and prevent stockouts. In warehousing, we own the largest pharmaceutical warehousing facility, equipped with automated systems and equipment. We implement a WMS, which is seamlessly integrated with various business platforms such as the enterprise resource planning ("**ERP**") system and the logistics systems, to ensure comprehensive, standardized and intelligent management of pharmaceuticals and other healthcare products throughout the entire process from warehousing to distribution. In particular, our warehouse in Tianjin showcases a high level of digital intelligence through the use of automated guided vehicles ("**AGVs**") and a goods-to-person operation model. The AGVs, managed by our warehouse control system and robot control system, facilitate automated delivery of goods to picking stations. This integration ensures precise operational accuracy through coordinated movements, optimized storage allocation and path optimization. Working in tandem with our WMS, which dynamically assigns tasks and optimizes picking sequences, these systems and equipment enhance the efficiency of our logistics operations.

In shipping, we have independently developed a real-time order big data intelligent allocation system to optimize distribution and shipping plans for each order. This system allows for an approximately 80% likelihood of same-day shipping for orders placed before 16:00, significantly surpassing industry standards, according to CIC. In delivery, we have established a logistics intelligent early warning monitoring platform. Utilizing big data and AI

technology, this platform effectively tracks and monitors logistics in transit, providing real-time alerts and allowing us to proactively intervene in case of logistics anomalies. In after-sales, we adopt a logistics after-sales work order system that reduces the average after-sales customer enquiry response time from eight minutes to two minutes and shortens enquiry handling and processing times to under two hours on average. Certain complex after-sales issues, such as damaged packages, can be fully handled and resolved within half an hour. This system helps maximize customer satisfaction.

Our R&D Collaboration

As part of the strategic partnership established between our Group and Trizen Medical in July 2025, Trizen Medical has provided us with its Trizen-Med-Omni LLM. See "History, Development and Corporate Structure — Major Shareholding Changes of Our Group — Capital Increase in July 2025" and Note 31 of the Accountants' Report set out in Appendix I to this document. Building on the Trizen-Med-Omni LLM, we are working closely with Trizen Medical to jointly develop an open, flexible, scalable and easy-to-maintain AI intelligent system designed for primary healthcare in China.

In particular, we are jointly developing a cloud HIS system and a specialized, AI-powered medical information system tailored for primary healthcare, creating an "AI + cloud HIS" solution. Our joint R&D program will proceed in three phases. In the first phase, we plan to establish a distributed medical data processing platform to integrate primary healthcare knowledge data, and create a high-quality database for primary healthcare. The second phase will focus on refining the specialized, AI-powered medical information system through supervised tuning using the high-quality database established in the first phase. In the third phase, we plan to create an AI-powered medical information system for primary healthcare, launching at least five specialized, AI-powered medical applications for primary healthcare.

According to the agreement between us and Trizen Medical, the IP rights resulting from this joint R&D program will be jointly owned by both parties.

SALES AND MARKETING

Sales Channel

Our pharmaceuticals and other healthcare products are sold both directly to primary healthcare terminal customers, including primary healthcare institutions and primary pharmacies, and to direct wholesale customers and distributors who purchase our products as customers and sell to downstream customers through their own channels.

The table below sets forth a breakdown of our revenue by sales channel in absolute amount and as a percentage of our total revenue for the years indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except percentages)					
Direct sales	2,945,239	96.1	2,850,756	87.3	2,966,360	77.6
Wholesale	119,643	3.9	412,903	12.7	856,453	22.4
– Direct wholesale customers	70,756	2.3	193,121	5.9	363,834	9.5
– Distributors	48,887	1.6	219,782	6.8	492,619	12.9
Total	**3,064,882**	**100.0**	**3,263,659**	**100.0**	**3,822,813**	**100.0**

The revenue generated from direct sales remained relatively stable at RMB2,945.2 million in 2023, RMB2,850.8 million in 2024 and RMB2,966.4 million in 2025. The revenue generated from wholesale increased both in absolute amount and as a percentage of our total revenue throughout the Track Record Period. The revenue generated from wholesale increased by 245.1% from RMB119.6 million in 2023 to RMB412.9 million in 2024 and further increased by 107.4% to RMB856.5 million in 2025. The increases were primarily due to (i) our business growth during the Track Record Period and (ii) the assumption of customer relationships under the relevant business from Sichuan Medical Trade after it discontinued such businesses. See "— Our Services and Solutions — Integrated Diagnosis and Treatment Solutions."

Direct Sales

During the Track Record Period, the majority of our revenue generated from sales of pharmaceuticals and other healthcare products was from direct sales. We typically require our direct sale customers, namely the primary healthcare terminals, to register with our APPs and enter into platform service agreements which set out the obligations and rights of the customers and us. Customers are also required to submit their business licenses as well as relevant government-issued permits to verify their identities and qualifications. Registered customers can then place purchase orders with us on such platforms. While we do not charge membership fees from our direct sale customers, our revenue from them is generated from product sales. We require customers to pay before we deliver the products. After receiving orders and payments, we arrange delivery to customers' designated addresses through third-party logistics providers. The risks are transferred to the customers once the products are delivered to the customers. We attract direct sales customers primarily with our well-established brand reputation and affordable, high-quality and differentiated product portfolio as well as our marketing and promotion efforts. See "— Sales Channel" and "— Marketing."

We enter into sales and purchase agreement each time a customer places an order on our APPs. The salient terms of our sales and purchase agreements with direct sale customers during the Track Record Period are set forth below:

- ***Product Standards***. We must provide products that comply with national standards and industry standards.

- ***Pricing***. The pricing is indicated on our APP and we determine the sales price considering overall market conditions.

- ***Product return***. We typically do not allow customers to return products to us unless there are product quality issues caused by us.

- ***Logistics***. We generally are responsible for the delivery of products to the addresses designated by customers.

- ***Termination***. Both parties can terminate the agreement if the other party breaches its obligations and fails to remedy the breach within a reasonable timeframe.

To a much lesser extent, we sell pharmaceuticals and other healthcare products directly to individual customers through our self-operated online stores on a third-party e-commerce platform, JD.com. We operate the online stores mainly for promoting our brand awareness among individual customers in a cost-effective way, which we believe would help us further attract and retain primary healthcare terminal customers to adopt our services and solutions. We enter into agreements with the third-party e-commerce platform for the operation of our self-operated online store. The agreement generally has a one-year term, renewable annually.

Pursuant to the agreements, the platform provides software and Internet information services, for which we pay service fees, including annual fees and sales-based commissions. We adhere to the platform's payment rules, requiring customers to pay to the platform before order processing and delivery. Customer payments are released to us by the platform once product delivery is confirmed on the platform. During the Track Record Period, the revenue from our online sales on JD.com was immaterial in each year. The products offered on the third-party platform are not different to those sold directly by our sales and customer service team through our APPs. Returns of pharmaceutical products are generally not permitted, except in limited circumstances such as product quality issues caused by us.

Wholesale

In addition to supplying pharmaceuticals and other healthcare products directly to primary healthcare terminals, we also sell products under third-party brands to (i) direct wholesale customers; and (ii) distributors (together, the "**wholesale customers**").

These wholesale customers act as our customers, purchasing products for onward sale to downstream customers through their respective channels. All wholesale customers hold the necessary licenses and permits to sell pharmaceuticals to their downstream customers. According to CIC, it is an industry norm for a company that engages in pharmaceutical circulation to sell through wholesale customers. During the Track Record Period and up to the Latest Practicable Date, we had no material unresolved disputes or lawsuits with wholesale customers.

Direct Wholesale Customers

We enter into sale and purchase agreements with our direct wholesale customers for sales of commonly used pharmaceuticals and other healthcare products of third-party brands. Our direct wholesale customers are primarily pharmaceutical companies that engage in the circulation of pharmaceuticals and other healthcare products. They purchase commonly used pharmaceuticals and healthcare products from us primarily due to our potential price advantages and our ability to supply the required volumes for specific SKUs. According to CIC, it is an industry norm for companies that engage in pharmaceutical circulation businesses to transact with each other when the necessity arises, especially in scenarios when one party in the transaction has a comparative advantage in the pricing of certain products, and the other party needs to restock inventory of such products to meet customer demand. We require our direct wholesale customers to provide their business licenses as well as the relevant government-issued permits to verify their identities and qualifications. Our sales personnel typically negotiates with the direct wholesale customers' procurement team to confirm product demand, after which the direct wholesale customers submit purchase orders to us. They maintain their own inventories. We believe the risk of channel stuffing as a result of our sales to these direct wholesale customers is low, considering that (i) we maintain a contractual buyer-seller relationship with direct wholesale customers; and (ii) we typically do not allow direct wholesale customers to return products to us unless there are product quality issues caused by us. We do not restrict or require the appointment of distributors and do not mandate selling prices to downstream customers. During the Track Record Period, we did not have any material product return from our direct wholesale customers.

The salient terms of our standard sales and purchase agreements with direct wholesale customers during the Track Record Period are set forth below:

- ***Duration.*** We enter into a sale and purchase agreement every time we transact with a direct wholesale customer.

- ***Credit limits and terms.*** We generally provide a credit term of 30 days to the direct wholesale customers and we determine credit terms based on the creditworthiness of the customers and following arm's-length negotiation.

- ***Pricing.*** We negotiate with the direct wholesale customers and determine the sales price considering overall market conditions.

- ***Product return.*** We typically do not allow customers to return products to us unless there are product quality issues caused by us. This is in line with industry norms, according to CIC.

- ***Logistics***. We generally are responsible for the delivery of products to the addresses designated by direct wholesale customers.

- ***Termination.*** Both parties can terminate the agreement if the other party breaches its obligations and fails to remedy the breach within a reasonable timeframe.

Distributors

Pharmaceutical circulation and distribution are highly regulated by the PRC government. Pharmaceutical manufacturers in China generally establish a distribution network to distribute their pharmaceuticals and other healthcare products. Because no individual distributor can reach all end customers, pharmaceutical manufacturers sometimes engage multiple levels of distributors to increase customer penetration. As the party determining the distribution structure and deciding distribution policies, pharmaceutical manufacturers generally select one or several first-level distributors in each region, typically a province, and may also designate a range of sub-regions, such as some or all cities within the region, for the first-level distributors to further engage lower-level distributors. According to CIC, pharmaceutical manufacturers in China generally maintain strict and tight control over their distribution network and closely manage their distributors, including the selection and termination of their distributors. During the Track Record Period, we acted as the first-level distributor for several pharmaceutical manufacturers. As these pharmaceutical manufacturers' first-level distributor, in most cases, we enter into distribution agreements with the relevant pharmaceutical manufacturers, and we also enter into distribution agreements with our distributors, namely the second-level distributors of the pharmaceutical manufacturers, within the pharmaceutical manufacturers' designated regions. In a limited number of cases, the pharmaceutical manufacturers appoint us as the first-level distributor and also designate the second-level distributors, thereby forming a tripartite relationship. According to CIC, these arrangements are in line with industry norms.

We carefully manage our collaboration with distributors and mitigate the risks of channel stuffing. We believe the risk of channel stuffing as a result of our sales to distributors is low, considering that (i) we typically do not allow distributors to return products to us unless there are product quality issues caused by us; and (ii) distributors are required to share with us their distribution flow and inventory levels on a timely, typically monthly basis. As specified in our agreements with pharmaceutical manufacturers, we are generally not allowed to sell outside of our designated distribution regions. If we become aware that any second-level distributors or

their sub-distributors, as the case may be, are selling products outside the designated distribution regions, we may report such activities to the pharmaceutical manufacturers, who shall address such activities accordingly. Furthermore, we are required to report our distribution flow and inventory levels to pharmaceutical manufacturers. We do not restrict or require the appointment of sub-distributors and do not mandate selling prices to second-level distributors. Depending on the specific requirements of the pharmaceutical manufacturers, our selection and engagement of second-level distributors and their selection and engagement of sub-distributors, wherever applicable, generally need to be acknowledged by the pharmaceutical manufacturers.

In 2023, 2024 and 2025, revenue generated from our distributors amounted to RMB48.9 million, RMB219.8 million and RMB492.6 million, respectively. During the Track Record Period, we did not have any product returns from our distributors.

We typically enter into standard distribution agreements, the nature of which is sales and purchase agreements, with our distributors. Revenue is recognized when control of the products is transferred, being the point at which the products are delivered and accepted by the third-party brand distributors. The salient terms of the standard distribution agreements between us and our distributors during the Track Record Period are set out below:

- ***Duration.*** The duration of the agreements is typically one year.

- ***Designated regions.*** We specify the designated sales regions in the agreement. Distributors are generally not allowed to sell outside of their designated distribution areas.

- ***Sales target***. We agree on the incentive amount based on distributors' sales performance to encourage designated distributors to achieve or overachieve annual sales targets.

- ***Credit limits and terms.*** We generally provide a credit term of 30 to 45 days to our distributors, and we determine credit terms based on the creditworthiness of distributors and following arm's-length negotiation.

- ***Pricing.*** We negotiate with distributors and determine the sales price considering overall market conditions.

- ***Product return.*** We typically do not allow distributors to return products to us unless there are product quality issues caused by us. This is in line with the industry norm, according to CIC.

- ***Logistics.*** We generally are responsible for the delivery of products to the addresses designated by distributors.

- ***Sales and inventory reports.*** The distributors shall share with us their distribution flow and inventory levels at the agreed frequency, typically once a month.

- ***Termination.*** We generally have the right to terminate the agreement with designated distributors who breach their responsibilities specified in the agreement.

We enter into standard distribution agreements, the nature of which is sales and purchase agreements, with pharmaceutical manufacturers as our suppliers. Our agreements with pharmaceutical manufacturers typically set out the specifications and pricing policies for the products, payment methods and guidelines for the sale and distribution of their products, including restrictions on the regions in which the products may be sold, as well as the target

total purchase quantity. We are responsible for compliance with guidelines set by the pharmaceutical manufacturers. Our agreements with them generally do not restrict us from selling competing products. The salient terms of the standard distribution agreements between us and our pharmaceutical manufacturers during the Track Record Period are set out below:

- ***Duration.*** The duration of the agreements is typically one year.

- ***Designated regions.*** Pharmaceutical manufacturers specify the designated sales regions in the agreement. We are generally not allowed to sell outside of our designated distribution regions. If we become aware that any second-level distributors or their sub-distributors, as the case may be, are selling products outside the designated distribution regions, we may report such activities to the pharmaceutical manufacturers, who shall address such activities accordingly.

- ***Sales target.*** We agree on the incentive amount based on our sales performance.

- ***Credit limits and terms.*** We are generally provided a credit term of up to 90 days.

- ***Pricing.*** We negotiate with pharmaceutical manufacturers and determine the procurement price considering overall market conditions. Pharmaceutical manufacturers typically suggest, but do not mandate, the prices for us to sell to second-level distributors.

- ***Product return.*** We are entitled to return products to the pharmaceutical manufacturers for product quality issues.

- ***Logistics.*** The pharmaceutical manufacturers are generally responsible for the timely delivery and the quality of their products.

- ***Sales and inventory reports.*** We are required to share with the pharmaceutical manufacturers our distribution flow and inventory levels at the agreed frequency, typically once a month.

- ***Termination.*** The agreements with the pharmaceutical manufacturers may be terminated upon the mutual consent of the parties. The agreements with them may also be renewed upon mutual agreement.

During the Track Record Period, we purchased from our Controlling Shareholder, typically as its distributor. See "Connected Transactions — Non-exempt Continuing Connected Transaction (Subject to Reporting, Annual Review, Announcement, Circular and Independent Shareholders' Approval Requirements) — 2. Procurement of Pharmaceuticals and Other Healthcare Products."

In a limited number of cases, the pharmaceutical manufacturers appoint us as the first-level distributor and also designate the second-level distributors, thereby forming a tripartite relationship. In such instances, we participate in the selection of their second-level distributors, namely our distributors together with the pharmaceutical manufacturers. The pharmaceutical manufacturers determine any requirements regarding selling prices to downstream customers, periodic updates of distribution flow and inventory levels, sales targets, incentives and other obligations for the second-level distributors. This is in line with the industry norm, according to CIC.

The table below sets forth the total number of our distributors and the movement during the years indicated:

	Year ended/As of December 31,		
	2023	2024	2025
Number of distributors at the beginning of the year	–	101	331
Number of new distributors	101	278	216
Number of terminated distributors[(1)]	–	48	109
Number of distributors at the end of the year	101	331	438

Note:

(1) The number of distributors who purchased from us in the previous year but not in the indicated year.

During the Track Record Period, three of our direct wholesale customers were our connected persons (collectively, the "**Non-independent Direct Wholesale Customers**"). In 2023, 2024 and 2025, the revenue contributed by these Non-independent Direct Wholesale Customers amounted to RMB10.9 million, RMB1.8 million and RMB0.2 million, accounting for 0.4%, 0.1% and 0.0% of our total revenue for the respective years. We sold to these Non-independent Direct Wholesale Customers primarily because of the same reasons we sold to other direct wholesale customers: sometimes we may have a comparative advantage in the pricing of certain products, and the Non-independent Direct Wholesale Customers need to restock inventory of such products to meet customer demand. The sales and purchase agreements that we entered into with these Non-independent Direct Wholesale Customers generally contain the same terms and conditions that we offered to independent direct wholesale customers. We sell products to the Non-independent Direct Wholesale Customers generally at the same pricing levels that we apply to our independent direct wholesale customers.

To the best of our knowledge, other than the Non-independent Direct Wholesale Customers above, all of the other wholesale customers, including direct wholesale customers and distributors, are Independent Third Parties during the Track Record Period and up to the Latest Practicable Date.

Sales and Customer Service Team

We primarily rely on a direct sales model and also sell pharmaceuticals and other healthcare products to direct wholesale customers and distributors. See "— Sales Channel." We promote our products, services and solutions through a large, experienced, efficient and localized sales team, namely our sales and customer service team comprising full-time employees and flexibly recruited sales personnel. As of December 31, 2025, we employed 476 sales personnel and 8,881 flexibly recruited sales personnel placed by Contract Sales Organizations ("**CSOs**"). As of the same date, our sales and customer service team covered 31 provinces across China.

We conduct regular training sessions and performance reviews to keep all sales and customer service personnel updated on the latest industry trends, sales techniques and the features of our products, services and solutions. Our training program covers the matching of customer outreach strategies with each customer's profile and the planning of customer visits. The program is also supported by a comprehensive knowledge base that helps new team

members effectively address hundreds of common questions customers may have. Our employee-facing customer relationship management system also enables our sales and customer service team to swiftly create customer profiles, design customer outreach routes and strategies, and define key outreach targets for each personnel, thereby enhancing the effectiveness of our sales and customer service.

Our full-time sales personnel, being the core of our sales and customer service team, are deeply immersed in the primary healthcare industry and have substantial expertise in customer development, including customer acquisition, management and engagement. They serve as both leaders and coaches in the sales and customer service team, managing our flexibly recruited sales personnel. As of December 31, 2025, our in-house sales personnel on average have been working in the primary healthcare industry for more than 10.1 years and have a thorough understanding of the industry and the customers in their respective regions.

In addition to full-time employees, we engaged CSOs during the Track Record Period to promote our products, services and solutions to customers. The CSOs place with us sales personnel, who constitute an integral part of our sales and customer service team. They are responsible for acquiring, engaging, servicing and retaining customers across lower-tier cities, districts, counties and communities. Once they acquire a new customer, these personnel help our customer register accounts on our APPs. These personnel are required by our contracts with the CSOs to abide by our sales and customer service standards. We also require the CSOs to manage these personnel according to our standards.

We implement strict internal procedures to select the CSOs based on factors such as the quality of talent pools, industry experience, credibility, and reputation. We have developed a proprietary, dedicated online customer relationship management tool where we assign each customer to a dedicated, flexibly recruited sales personnel. This tool is able to record customers' historical purchases. Based on such records, our sales personnel can analyze customer purchasing preferences and predict purchase cycles through such records. Leveraging such customer relationship management tool, we are able to track the interactions of our flexibly recruited sales personnel with potential and existing customers, stay informed on leads, and manage customer relationships, ensuring a personalized and efficient sales and customer service process. In addition, as we treat these flexibly recruited sales personnel as an important and integral part of our sales and customer service team, we verify their identities for the purpose of their training and management.

The salient terms of the agreements with the CSOs are set out below:

- ***Term.*** The agreement generally has a term of one to two years.

- ***Nature and Scope of the Service.*** The agreement typically defines the scope of services to be provided by the CSO. We require the CSO to supply personnel to promote our services and solutions and ensure the personnel's satisfactory performance of duties. We are responsible for providing the necessary information and materials for the personnel to perform their duties. We generally retain the right to manage and supervise their work.

- ***Compliance.*** Both parties, as well as the personnel supplied by the CSO, are generally required to fulfill the responsibilities under the agreement in a manner in compliance with the relevant laws and regulations.

- ***Pricing.*** The fees are generally set out in the agreement and determined with reference to market rates.

- ***Payment.*** We typically agree on a payment schedule and may be granted a certain number of days of credit following receipt of the invoice.

- ***Termination.*** The agreement can generally be terminated upon mutual agreement. For example, in some circumstances, we have the right to terminate the agreement with a 30-day written notice. In certain other circumstances, neither party is permitted to terminate the agreement before the term expires unless the other party commits a breach.

Marketing

We employ a multifaceted marketing strategy to enhance our presence in the primary healthcare industry. We leverage the strong brand recognition and extensive network of customers on our APPs to market our products, services and solutions to more potential customers. We also invest in public relations and event sponsorships to enhance our brand's visibility and credibility. For example, we organize or actively participate in marketing activities, including industry conferences, such as the National Rural Doctors Conference (全國鄉村醫師大會). At such events, we introduce industry updates, showcase potential opportunities for innovation and deepen industry recognition of our brands. Additionally, we are exploring innovative methods such as live streaming to engage with our target customers and other participants in our business operations. As we continue to expand and enhance market penetration, we will optimize our sales and marketing network to ensure sufficient geographical coverage across both existing and new markets.

LOGISTICS, WAREHOUSING AND INVENTORY MANAGEMENT

Logistics

For the clinical testing services, our localized sales and customer service personnel manage the transportation of test samples, and we have strict protocols for our logistics practice. Our local sales and customer service personnel assign a barcode to each sample that contains information on the type of laboratory test and can be tracked on our APP using the barcode identification number. For test samples that contain infectious substances, we label the relevant infectious substance on the testing tube and perform sealing in accordance with our internal protocol. Our local sales and customer service personnel conduct preliminary assessments of the test samples, including inspection of the labels, sealing, and patient information, to make sure they satisfy the clinical testing standards. If the test samples do not satisfy the clinical testing standards, we will require the primary care physicians to re-sample. Once satisfactory samples are collected from the patients, for most of our customers who are near the clinical laboratories, our local sales and customer service personnel collect the test samples from the customers, deliver them to the clinical laboratories' collecting stations, and are responsible for the control of temperature and humidity of the condition in which the test samples are stored throughout this process. For customers distant from the clinical laboratories, our local sales and customer service personnel arrange for the test samples to be delivered to the clinical laboratories by air freight or train using third-party logistics providers' services, depending on the type of clinical tests and the nature of the test samples. Non-compliance with our protocol will incur a penalty ranging from RMB20 to RMB150 generally for each of the relevant local sales and customer service personnel, depending on the nature of the non-compliance incident.

For products, services and solutions other than the clinical testing services, we engage qualified third-party logistics service providers to deliver pharmaceuticals and other healthcare products from our warehouses to locations specified by our customers. We set strict standards for the transportation of our products that these third-party logistics service providers are required to follow. We audit the quality assurance capabilities of these providers before

entering into service agreements. We also evaluate the third-party logistics service providers monthly on their compliance and performance. We record information from third-party logistics service providers, such as the tracking number, transport method as well as agent and contractor details. To the best of our knowledge, during the Track Record Period, all of the logistics service providers we engaged were Independent Third Parties. We enter into service agreements with the third-party logistics service providers for a term of one year. We typically specify the scope of service, payment schedule and pricing in the service agreements. If the logistics service providers are responsible for any damage, such as packaging damage or contamination, to the products we entrust to them for logistics services, they shall compensate us in accordance with the terms of the agreement.

To manage the delivery of test samples and our products, we have developed supply chain tools, including systems for shipping and delivery to ensure timely delivery. See "— Technology — Our Digital and Intelligent Operations — Supply Chain Management" for details.

Warehousing and Inventory Management

We manage the warehousing of pharmaceuticals and healthcare products in accordance with relevant laws and regulations in China. As of December 31, 2025, we operated warehouses in China with an aggregate gross floor area of 128,145.3 sq.m. (comprising primarily warehouse facilities to store our pharmaceuticals, other healthcare products and consumable inventory as well as an integrated office area for administrative and operational functions), which collectively are the largest in Southwest China in terms of gross floor area. These warehouses are equipped with automated systems, such as an intelligent conveying and sorting system, a robotic piece-picking system and an electronic label picking system. Our warehouses are estimated to have the capacity to store more than one million packages of pharmaceuticals, with the ability to, on a daily basis, manage inbound and depalletizing operations for more than 40,000 packages, support the picking of over 20,000 order packages and dispatch more than 20,000 order packages. In addition, we commenced operations of a warehouse in Tianjin with an aggregate gross floor area of 21,278.0 sq.m. in July 2025.

We implement a WMS to ensure efficient control and management of our inventories. See "— Technology — Our Digital and Intelligent Operations — Supply Chain Management." We aim to maintain optimal inventory levels that effectively satisfy our customers' requirements while minimizing inventory waste and the potential for obsolescence. Our warehouse management system reported an average order processing time of approximately 23 hours per order in 2025, significantly improving from approximately 46 hours per order in 2023. Our inventories mainly comprise finished goods, mainly representing pharmaceuticals and other products. As of December 31, 2023, 2024 and 2025, our inventory was RMB464.2 million, RMB603.1 million and RMB568.3 million, respectively, representing 34.5%, 35.3% and 27.4% of our total assets as of the respective dates.

QUALITY CONTROL AND ASSURANCE

We have established and implemented quality control measures to ensure that the pharmaceuticals marketed or sold on our platforms or offered as part of our integrated diagnosis and treatment solutions are not substandard or, in cases of common pharmaceuticals or other healthcare products of third parties' brands, counterfeit. For each delivery we receive from suppliers, we inspect the products. If we find that such products fall below standards, we have the right to reject delivery or claim product return and refund. See "— Risk Management and Internal Control — Product Quality and Safety."

For the interpretation of laboratory test results and medical imaging examination results, as well as the materials we create and share with primary care physicians, our in-house medical experts prepare the materials to be shared with our customers and ensure the quality and accuracy by consulting professional medical guidelines and academic literature.

During the Track Record Period and up to the Latest Practicable Date, we have not experienced any material product returns, material customer complaints, claims or recalls for the products or services we offered.

OUR CUSTOMERS

Our customers mainly include primary healthcare terminals that cover the large-scale lower-tier markets in China, primarily consisting of primary healthcare institutions and primary pharmacies, as well as direct wholesale customers and distributors. See "— Sales and Marketing — Sales Channel." For the years ended December 31, 2023, 2024 and 2025, our five largest customers in each year accounted for approximately 1.8%, 3.9% and 5.8% respectively, of our total revenue in the respective years and sales to the largest customer in each year accounted for approximately 0.5%, 1.6% and 1.5% respectively, of our total revenue in the respective years. During the Track Record Period, we were not subject to any material customer concentration risk.

During the Track Record Period, several of our five largest customers in each year was not independent (collectively the "**non-independent top-five customers**"). Among them, (i) Sichuan Medical Trade, in which one of our non-executive Directors and Controlling Shareholders, Mr. Geng Yuefei, currently holds less than 10% equity interest, was among our five largest customers in 2023. The revenue generated from Sichuan Medical Trade amounted to RMB8.3 million, RMB0.8 million and nil in 2023, 2024 and 2025, respectively, accounting for 0.3%, 0.0% and nil of our total revenue in the respective years. (ii) A pharmaceutical retail chain company that engages in pharmaceutical circulation businesses (Customer A), was among our five largest customers in 2024. One of our non-executive Directors and Controlling Shareholders, Mr. Geng Yuefei, currently holds less than 5% equity interest in a subsidiary in Customer A. The revenue generated from Customer A, including all of its subsidiaries with which we transacted, amounted to RMB2.6 million, RMB11.2 million and RMB25.3 million in 2023, 2024 and 2025, respectively, accounting for 0.1%, 0.3% and 0.7% of our total revenue in the respective years. We primarily sold pharmaceuticals and other healthcare products to these non-independent top-five customers during the Track Record Period. To the best of our knowledge, other than disclosed above, as of the Latest Practicable Date, none of our Directors, their close associates or any of our shareholders (who owned or, to the knowledge of Directors, had owned more than 5% of our issued share capital) had any interest in any of our five largest customers in each year.

During the Track Record Period, to the best knowledge of our Directors, our Group did not have any material disputes with our customers or face any major return of defective products.

OUR SUPPLIERS

During the Track Record Period, our major suppliers were primarily pharmaceutical manufacturers, pharmaceutical circulation companies, medical device manufacturers, ICLs and logistics service providers. For the years ended December 31, 2023, 2024 and 2025, purchases from our five largest suppliers in each year accounted for approximately 20.2%, 25.7% and 22.7% respectively, of our total purchases for the respective years, and purchases from our

largest supplier in each year accounted for approximately 10.3%, 13.7% and 15.4%, respectively, of our total purchases for the respective years, respectively. During the Track Record Period, we were not subject to any material supplier concentration risk.

During the Track Record Period, one of our five largest suppliers in each year was not independent (collectively the "**non-independent top-five suppliers**"). Among them, Sichuan JND, one of our Controlling Shareholders, was among our five largest suppliers in 2023, 2024 and 2025. The purchase amount to Sichuan JND was RMB302.2 million, RMB404.4 million and RMB528.6 million in 2023, 2024 and 2025, respectively, accounting for 10.3%, 13.7% and 15.4% for our total purchase amount in the respective years. We primarily procured pharmaceuticals and other healthcare products from these non-independent top-five suppliers during the Track Record Period. To the best of our knowledge, other than disclosed above, as of the Latest Practicable Date, none of our Directors, their close associates or any of our shareholders (who owned or, to the knowledge of Directors, had owned more than 5% of our issued share capital) had any interest in any of our five largest suppliers in each year.

We have strict policies in supplier engagement. See "— Our Services and Solutions." We have maintained stable business relationships with our major suppliers. During the Track Record Period, we did not experience any material disputes with our suppliers, difficulties in the procurement of supplies, interruptions in our operations due to a shortage or delay of supplies or significant fluctuations in their prices. We believe that we would be able to find alternative suppliers if required, given the relatively homogeneous nature of our supplies, procurement capabilities and relatively large supplier base in the market.

OVERLAPPING OF MAJOR CUSTOMERS AND SUPPLIERS

We sell pharmaceuticals and other healthcare products to companies engaged in the circulation of pharmaceuticals or other healthcare products, from whom we may also procure pharmaceuticals and other healthcare products. As a result, some of our customers are also our suppliers, or vice versa. According to CIC, it is not uncommon for a company that engages in the sales of pharmaceuticals and other healthcare products to have overlapping customer-suppliers.

During the Track Record Period, among our top five customers and top five suppliers in each year, there were 12 overlapping customer-suppliers (the "**overlapping customer-suppliers**"). In 2023, 2024 and 2025, the sales to these overlapping customer-suppliers amounted to RMB61.4 million, RMB158.5 million and RMB335.5 million, respectively, and accounted for 2.0%, 4.9% and 8.8% of our total revenue in the respective years. In 2023, 2024 and 2025, the purchase amount from them amounted to RMB236.9 million, RMB295.8 million and RMB350.2 million, respectively, and accounted for 8.1%, 10.0% and 10.2% of our total purchase amount in the respective years.

Among the 12 overlapping customer-suppliers, we had two non-independent overlapping customer-suppliers (collectively, "**non-independent overlapping customer-suppliers**").

Sichuan Medical Trade, in which one of our non-executive Directors and Controlling Shareholders, Mr. Geng Yuefei, currently holds less than 10% equity interest, was one of our overlapping customer-suppliers. In 2023, 2024 and 2025, the revenue generated from Sichuan Medical Trade amounted to RMB8.3 million, RMB0.8 million and nil, respectively, accounting for 0.3%, 0.0% and nil of our total revenue in the respective years. In 2023, 2024 and 2025, the purchase amount to Sichuan Medical Trade amounted to RMB18.0 million, RMB10.4 million and nil, respectively, accounting for 0.6%, 0.4% and nil of our total purchase amount in the respective years.

During the Track Record Period, we transacted with multiple subsidiaries of Customer A, including the one in which Mr. Geng Yuefei currently holds less than 5% equity interest. In 2023, 2024 and 2025, the revenue generated from Customer A, including all of its subsidiaries with which we transacted, amounted to RMB2.6 million, RMB11.2 million and RMB25.3 million, respectively, accounting for 0.1%, 0.3% and 0.7% of our total revenue in the respective years. In 2023, 2024 and 2025, the purchase amount to Customer A amounted to RMB52.7 million, RMB42.8 million and RMB47.0 million, respectively, accounting for 1.8%, 1.5% and 1.4% of our total purchase amount in the respective years.

We both sell and purchase from these non-independent overlapping customer-suppliers, which are companies engaged in the circulation of pharmaceuticals and other healthcare products, for the same reason we both sell and purchase from other independent third-party overlapping customer-suppliers. For the nature of sales and purchases to these non-independent overlapping customer-suppliers, see "— Our Customers" and "— Our Suppliers."

Our sales and purchases with these overlapping customer-suppliers were not inter-conditional with each other. All of our sales to and purchases from these overlapping customer-suppliers were conducted in the ordinary course of business under normal commercial terms and on an arm's-length basis. The terms with these customer-suppliers were generally comparable to those with other suppliers and customers. There was no instance of set-off of trade receivables from these overlapping customer-suppliers with trade payables to the company during the Track Record Period. Save as disclosed, to the best of our knowledge, none of our five largest customers during each year of the Track Record Period was a supplier of ours and none of our five largest suppliers during each year of the Track Record Period was a customer of ours.

SEASONALITY

Our results of operations are subject to mild seasonal fluctuations. During the Track Record Period, we usually observed an increase in revenue during winter, primarily due to the rise in the demand for pharmaceuticals and other healthcare products targeting respiratory and other seasonal diseases during winter. Furthermore, in winter, certain customers make arrangements to purchase more from us in light of unpredictable weather and unfavorable road conditions due to extreme weather. Seasonal fluctuations have not thus far posed material operational and financial challenges to us. However, the seasonal trends that we have experienced in the past may not apply to, or be indicative of, our future operating results.

INTELLECTUAL PROPERTY

We rely on a combination of patent, copyright, trademark and trade secret laws and restrictions on disclosure to protect our intellectual property rights. As of the Latest Practicable Date, we have registered 11 patents in China. We have registered 116 software copyrights with the PRC National Copyright Administration. We have 27 registered domain names in China. As of the Latest Practicable Date, we have 124 registered trademarks with the PRC State Intellectual Property Office. We take action when we are aware of a potential infringement of our intellectual property rights. We also perform routine checks on the public trademark registration platform to ensure our trademarks are not infringed by others.

As of the Latest Practicable Date, we were not aware of any legal proceedings preventing us from exploiting our intellectual property rights in a manner that would materially affect our business, or legal proceedings brought against us for infringement of intellectual property rights that would have a material adverse effect on our business, financial condition or results of operations.

DATA SECURITY AND PRIVACY

We are committed to protecting data security and privacy. We have established and maintained a strict policy on data collection, processing and usage.

We mainly collect information on our customers, including their business certificates and operators' names and contact information. When our primary healthcare institution customers use our services, we also collect their patients' data provided by them, including their medical condition descriptions, gender, age and test results, in order to provide corresponding services for such primary healthcare institution customers. We require our primary healthcare institution customers to confirm that they have obtained the patient's consent to collect and provide such information. During the process of providing clinical testing services, we collect personal information such as the age and gender of the examinees according to applicable laws and regulations, and retain their test results. We have adopted stringent policies to ensure that our collection and usage of data is in compliance with the relevant PRC laws and regulations. All our data is stored in China. We collect, use and retain such personal information after gaining users' consent and/or as permitted by laws and regulations.

We have adopted and implemented a robust internal control system focusing on data security and personal information protection. Our internal control protocols cover the full lifecycle of data processing, including data collection, data transportation, data storage security, data backup and recovery, data processing and analytics, proper use of data, data destruction and disposition. We have implemented stringent data security monitoring and alert systems for sensitive data. We have also established a business continuity plan in case of catastrophic events, including natural or unnatural disasters that could lead to various business interruptions, such as network and data security incidents, network failures, or physical server room malfunction. In addition, our information management team personnel closely monitors common technical issues and the usage of data resources. Our back-end security system is capable of handling malicious attacks, safeguarding the security of our platforms and protecting the privacy of our users.

As the regulatory regime is developing very quickly, we will continue to monitor the legislative developments in the field of data security. To mitigate the potential impact of any regulatory changes, we have conducted a thorough review of the status of our network security, data compliance and personal data protection and measures have already been taken to ensure compliance with currently effective laws and regulations in all material aspects, including internal control policies and procedures.

As of the Latest Practicable Date, we had not experienced any material data or personal information leakage or loss, infringement of data or personal information, or information security incident that would have a material adverse effect on our business operation. As of the Latest Practicable Date, we had not been subject to administrative investigation, inquiry, penalty, litigation or legal proceedings for noncompliance related to data privacy and cybersecurity during our operations that would have a material adverse effect on our business operation. Based on the foregoing, our PRC Legal Advisor is of the opinion that we are in compliance with the current effective and binding PRC laws and regulations regarding data privacy and cybersecurity in all material aspects as of the Latest Practicable Date.

COMPETITION

The primary healthcare industry in China is characterized by robust growth prospects, driven by increasing healthcare demand and improved patient payment capacity and willingness. Despite the massive scale of the primary healthcare industry in China, fundamental challenges persist, including inadequate diagnosis and treatment, prolonged and

homogeneous pharmaceutical supply chains and limited digital competency. To address these pain points in primary healthcare, service providers are driven to provide more helpful and beneficial services and solutions for primary healthcare terminals, including testing and diagnostic services, pharmaceutical direct supply services and integrated diagnosis and treatment services, with increasing application of digitalization and AI. Our key competitors include B2B platforms, pharmaceutical distributors and wholesalers, many of which have extensive marketing and sales networks and strong industry experience. The industry features a high level of market concentration and intense competition, as well as key challenges such as insufficient and underqualified medical talent, widespread pharmaceutical homogenization, supply chain inefficiencies and a lack of digital and intelligent support. See "Industry Overview."

According to CIC, in terms of revenue in 2024, we ranked second in the pharmaceutical direct supply market in primary healthcare in China. We are also the only service provider in the primary healthcare industry in China that offers primary healthcare institutions services and solutions with comprehensive coverage of their business scenarios, including testing, diagnosis, medication and the integration of diagnosis and treatment, empowered by digital intelligence and AI assistance. Our competitive edge is driven by the diversity of our product range, competitive pricing, customer experience, technological prowess, efficient risk management and our ability to collaborate with primary healthcare institutions, pharmacies and pharmaceutical vendors to tailor our products, services and solutions.

EMPLOYEES

We believe that our professional workforce is the driving force of our long-term growth. As of December 31, 2025, we had 1,635 full-time employees. The following table sets forth the number of our employees by function as of the dates indicated:

Employees categorized by function	Number of employees	Percentage of employees
		(%)
Administrative personnel	118	7.2
Sales and marketing	640	39.1
Clinical laboratory and medical experts	127	7.8
Warehouse personnel	546	33.4
R&D personnel	204	12.5
Total	**1,635**	**100.0**

Our workforce consists of skilled professionals from diverse fields and educational backgrounds, many of whom possess extensive expertise and experience in pharmaceutical companies and online healthcare service providers. As of December 31, 2025, 32.5% of our employees held a bachelor's degree or higher.

We place significant emphasis on investing in our employees and have established a well-rounded talent development system. Prior to commencing their roles, new employees are required to complete relevant training and pass examinations. We offer a wide range of specialized training aimed at enhancing the professional skills of our employees, including sales and marketing training and medical knowledge seminars. In addition, we have cultivated a number of internal training courses and developed a series of targeted professional courses to effectively implement our talent development strategy, foster the growth of key talent and enhance the managerial proficiency of our team.

We provide our employees with competitive remuneration and benefits. Employees' remuneration is decided on the basis of functions, performance appraisals and market practices. Our performance appraisals consider a variety of factors, such as our business development, return on equity and risk control. Meanwhile, we provide a variety of benefits to our employees, such as annual physical examinations, travel allowances, high-temperature subsidies and others.

We have established a labor union, and our employees may join the labor union voluntarily. We believe that we maintain a good working relationship with our employees. During the Track Record Period and up to the Latest Practicable Date, we had not experienced any major labor dispute or disturbance that has interfered with our operations.

INSURANCE

We consider our insurance coverage to be adequate as we have in place all the mandatory insurance policies required by Chinese laws and regulations and in accordance with the commercial practices in our industry. Our employee-related insurance primarily consists of pension insurance, maternity insurance, unemployment insurance, work-related injury insurance, medical insurance and housing funds, as required by Chinese laws and regulations. We have in place employer's liability insurance for our sales personnel and drivers. We also have in place property insurance for our inventories.

As of the Latest Practicable Date, we had not made nor been the subject of any material insurance claims. Our Directors consider that our existing insurance coverage is sufficient for our present operations and in line with industry practices in China.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

We are committed to promoting corporate social responsibility and sustainable development and integrating it into all major aspects of our business operations. This commitment is key to creating lasting value for our Shareholders by embracing diversity and community interests.

We aim to build a sustainable community with our employees, customers and business partners by supporting local initiatives that may include corporate philanthropy, establishing community partnerships and mobilizing our employees to participate in volunteer work. In addition, we strive to reduce our negative environmental impacts through energy-saving measures and sustainable practices. We focus on diversity, equal treatment and professional development for all of our employees, promoting equal career opportunities, work-life balance and a positive workplace culture. While maximizing equal career opportunity for everyone, we will also continue to promote work-life balance and create a happy culture in our workplace for all of our employees.

We will establish an ESG committee after the [**REDACTED**] responsible for our ESG vision, policy and target, and for evaluating, determining and addressing ESG-related risks annually. This committee will be at the Board level. Our Board members have rich experience in business and corporate governance. They will receive ESG training to enhance their capabilities in managing ESG-related risks as well as general ESG matters.

Our Board will assume the responsibilities to (i) guide and formulate our ESG vision, strategy and structure, ensuring they comply with relevant laws, regulations and standards; (ii) supervise the development and implementation of ESG policies; (iii) review the applicability

of our ESG policies; and (iv) approve our ESG reports and disclosures. Our Board will regularly discuss material ESG risks that could affect our operations and sustainable development, offering suggestions to implementation groups and strengthening our overall ESG system.

When identifying material ESG issues, our Board will consider the relevant laws, regulations and standards, such as the ESG Reporting Guide provided in the Listing Rules, Sustainable Development Goals promulgated by the United Nations, Standards published by the Global Reporting Initiative and the Standards published by Sustainability Accounting Standards Board, as well as current major economic, social and environmental issues, communicate with various stakeholders (such as our employees, sellers and buyers), and discuss and analyze the core ESG issues with our management, including what specific ESG issues to be prioritized. In particular, the Board and ESG committee will focus on common stakeholder concerns, operational impacts and recent legal and regulatory developments. Our ESG committee will: (i) analyze legal and regulatory requirements, macro-policies and industry practices, giving reference to international standards, ESG rating systems and outstanding practices of peer companies; (ii) communicate with internal and external stakeholders to understand their core concerns; (iii) conduct materiality assessments through matrix assessments; and (iv) classify lists of issues of high-importance, medium-importance issues and low importance.

Our ESG committee will oversee ESG issues and confirm with our Board the effectiveness of our ESG system. The Board may assess or engage third parties to evaluate ESG risks and review our existing strategy, target and internal controls. Necessary improvement will be implemented to mitigate the risks. The ESG committee will meet regularly to report progress and results. The execution of our ESG policies will involve key departments, such as supply chain management, operations, human resources, marking and legal. For example, the human resources department may adjust policies to comply with labor and safety laws, after consulting with our legal department.

Identification, assessment and mitigation of our ESG risks

During the Track Record Period and up to the Latest Practicable Date, we have not been subject to any fines or penalties due to non-compliance in relation to environmental, social and governance related matters, which had materially and adversely affected our financial condition or business operations.

We have identified the following ESG risks which we consider material and may have an impact on our business, strategies or financial performance.

Safety issues related to product quality

As an inherent risk in pharmaceutical transactions and services, we may face disputes or legal actions for health- or safety-related issues suffered by customers. Selling pharmaceuticals for human consumption involves inherent legal and other risks, and there is increasing governmental scrutiny and public awareness regarding drug safety. Unexpected side effects caused by products we sell or we facilitate to sell through our platform by third-party sellers could expose us to product liability, negligence or other lawsuits. See "Risk Factors — Risks Related to Our Business and Industry — We may be subject to product liability and service liability claims, which could subject us to significant financial and reputational damages, materially and adversely impacting our business, financial condition and prospects."

We require our suppliers to meet detailed product quality standards. This includes inspecting their certificates, establishing contractual obligations, and reviewing their product quality records.

We impose mandatory, comprehensive training on our employees to ensure they can properly inspect product quality and safety.

Supply chain management

Sound supply chain management is essential for us to ensure reliable product quality and sustainability along our supply chain. If we are unable to select qualified suppliers, or monitor, audit and manage different parties in the supply chain, it may expose us to risks of suppliers' noncompliance with applicable laws and regulations and unethical practices. This could diminish our competitiveness and harm our reputation.

We have established a supply chain approval process, through which suppliers must provide relevant qualifications or certifications, such as their business licenses, pharmaceutical production or transaction licenses, and operation licenses. If suppliers do not comply with applicable laws and regulations regarding safety and quality or commit misconduct, we may terminate our contracts with them. We also maintain a quality test and control team to ensure the legal and regulatory compliance of each product.

Environmental protection

We monitor environmental, social, and climate-related risks and opportunities that may impact our business, strategy, and financial performance and evaluate the magnitude of resulting impact over the short-, medium-, and long-term horizon. We take these issues into account when developing our business strategy and may adjust our strategy in a particular region in response to the changing environmental, social, and climate-related landscape.

Packaging and delivery

We have implemented measures to make sure our packaging and delivery processes align with environmental protection goals. For example, we use algorithm-recommended packaging boxes for each order to reduce the use of packaging materials. In addition, we have implemented plans to recycle packaging boxes from our suppliers and reuse damaged boxes and wraps.

We collaborate with third-party logistics service providers to deliver pharmaceuticals and other healthcare products from our warehouses to locations specified by our customers. We do not have specific conservation or recycling requirements for the packaging materials used by these providers; we prefer to partner with those with robust environmental protection policies. Most of our main delivery partners are public companies with their own ESG measures, including green packaging and resource recycling initiatives.

Environmental protection

Although our business operations do not produce pollutants that directly affect the environment, we have implemented internal policies to reduce our carbon footprint. These policies include: (i) ensuring lights are switched off when not in use, either manually or through automatic sensors; (ii) requiring double-sided printing of documents throughout our offices; (iii) switching off certain IT equipment or using automatic power shutdown features for certain systems and devices; and (iv) implementing air conditioning controls, such as setting minimum temperature, regular maintenance of air-cooling technologies, and optimal timing controls.

Board and Management Level Diversity

We have adopted a Board Diversity Policy, which sets out the objective and approach to achieve and maintain diversity of our Board. For more information about the Board Diversity Policy, see "— Directors and Senior Management — Board Diversity Policy." At present, our Board is chaired by a Chairwoman. After [**REDACTED**], we will periodically review the Board Diversity Policy to ensure its ongoing effectiveness.

Corporate Social Responsibility

We are dedicated to fulfilling our corporate social responsibility and responding to the evolving needs of diverse social communities. We support and participate in socially responsible projects that align with our core values and mission and that promote the development of the pharmaceutical circulation industry generally. Over the years, we have undertaken a broad range of charitable activities, including supporting vulnerable groups and providing emergency relief in times of crisis. During the COVID-19 pandemic, we ensured the uninterrupted supply of essential pharmaceuticals to lockdown areas by swiftly mobilizing dedicated delivery teams and overcoming significant logistical challenges. In response to natural disasters, we have promptly donated critical medical supplies and daily necessities to affected regions, assisting local pharmacies and clinics in resuming operations and safeguarding public health. We are also committed to improving the well-being of disadvantaged groups by providing medicines and health products to women in remote areas, supporting the healthcare needs of people with disabilities, and enhancing medication access for elderly residents in care facilities. Through these ongoing efforts, we strive to promote the health and welfare of diverse communities across society.

PROPERTIES

Our headquarters are located in Chengdu, China. We mainly lease properties in China for warehousing and office purposes.

As of the Latest Practicable Date, none of the properties owned or leased by us had a book value representing 15% or more of our consolidated total assets. According to Chapter 5 of the Listing Rules and section 6(2) of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice, this document is exempt from the requirements of section 342(1)(b) of the Companies (Winding up and Miscellaneous Provisions) Ordinance to include all interests in land or buildings in a valuation report as described under paragraph 34(2) of the Third Schedule to the Companies (Winding up and Miscellaneous Provisions) Ordinance.

Owned Properties

As of the Latest Practicable Date, we owned one property in China with an aggregate gross floor area of approximately 301.7 sq.m., primarily used for office purposes.

Leased Properties

As of the Latest Practicable Date, we contractually leased 20 properties with an aggregate gross floor area of approximately 128,424.7 sq.m., which were primarily used for warehousing and office purposes.

As of the Latest Practicable Date, the lease agreements for 12 of our leased properties in China had yet to be filed with relevant competent authorities. Pursuant to the applicable laws and regulations in China, property lease agreements for leased properties shall be filed with the relevant real estate administration bureaus in China. As the registration of lease agreements requires the cooperation of lessors, and lessors are typically unwilling to undertake the administrative burden, we were not able to complete the registration of the lease agreements. As advised by our PRC Legal Advisor, the lack of registration does not affect the validity and enforceability of the lease agreements, or result in us being required to vacate these leased properties, but we may be ordered by relevant competent authorities to complete the filing within a designated time limit, and may be subject to fines from RMB1,000 to RMB10,000 for each such lease agreement for failure to do so within the time limit. Our Directors are of the view that the absence of registrations will not materially and adversely affect the Group's business and results of operations.

For risks relating to our leased properties, see "Risk Factors — Risks Relating to Our Business and Industry — We Are Subject to Risks in Relation to Leased Properties."

LEGAL PROCEEDINGS AND COMPLIANCE

Legal Proceedings

We are, from time to time, party to court, arbitral and administrative proceedings arising in the ordinary course of our business operations. During the Track Record Period and up to the Latest Practicable Date, there were no unresolved litigation, arbitration or administrative proceedings pending or threatened against us or any of our Directors which could have a material and adverse effect on our operations, financial condition or business prospects.

Compliance

During the Track Record Period and up to the Latest Practicable Date, we were not involved in any material noncompliance incidents that have led to fines, enforcement actions or other penalties that could, individually or in aggregate, have a material adverse effect on our business, financial condition and results of operations. As advised by our PRC Legal Advisor, we were in compliance with relevant PRC laws and regulations in all material respects during the Track Record Period and up to the Latest Practicable Date.

Social Insurance and Housing Provident Funds

As required by the laws and regulations in the PRC, we participate in various employee social security plans that are administered by local governments, including housing provident fund, pension insurance, medical insurance, maternity insurance, work-related injury insurance and unemployment insurance. During the Track Record Period, we did not make adequate contributions to the social insurance and housing provident funds with respect to certain of our employees as required by the relevant PRC laws and regulations, primarily because employees were unwilling to make contributions to employee social insurance and housing provident funds based on the actual level of salary.

As advised by our PRC Legal Advisor, pursuant to relevant PRC laws and regulations, we may be subject to the regulatory requirement to make up the under-contribution of social insurance within a prescribed period and a daily overdue charge of 0.05% of the delayed payment amount, accruing from the date when the social insurance contributions were due. If such payment is not made within the stipulated period, the competent authority may further impose a fine of one to three times the overdue amount. Our PRC Legal Advisor has further

advised us that, pursuant to relevant PRC laws and regulations, if we fail to pay the full amount of housing provident fund as required, the housing provident fund management center may order us to make the outstanding payment within a prescribed time limit. If the payment is not made within such time limit, an application may be made to the PRC courts for compulsory enforcement. See "Risk Factors — We may be subject to additional contributions of social insurance and housing provident funds and late payments and fines imposed by relevant governmental authorities."

During the Track Record Period and as of the Latest Practicable Date, we had not received any notification from the relevant PRC authorities requiring us to pay any shortfall with respect to social insurance and housing provident funds or imposing any administrative penalties on us with respect to our social insurance and housing provident fund contributions, nor were we aware of any material employee complaints or involved in any material labor disputes with our employees with respect to social insurance and housing provident fund contributions. Considering the relevant regulatory policies, interviews with the government authorities and the facts as mentioned above, our PRC Legal Advisor is of the view that (i) the risk of us being required by relevant PRC authorities to pay the shortfall of social insurance and housing provident fund contributions is remote; and (ii) the risk of us being penalized for failing to make social insurance and housing provident funds in full is remote, provided that there are no material adverse changes in the current regulatory policies and environment and no material employee complaints occur.

Based on the above, our Directors believe that the incident described above would not have a material adverse effect on our business, financial condition and results of operations during the Track Record Period and up to the Latest Practicable Date.

LICENSES AND APPROVALS

We are required to obtain and renew certain certificates, permits and licenses for providing our services. See "Regulatory Overview" for details. Our PRC Legal Advisor has advised us that, as of the Latest Practicable Date, we had obtained all requisite licenses and permits from the relevant government authorities that are material for our current business operations in the PRC. During the Track Record Period, we had not experienced any material difficulty in renewing the required certificates, permits or licenses, and we had not been subject to any material administrative penalties relating to maintenance and renewal of our material certificates, permits and licenses.

RISK MANAGEMENT AND INTERNAL CONTROL

We have established our risk management systems to identify, assess, monitor and mitigate the risks that may hinder our success. To monitor the ongoing implementation of our risk management policies and corporate governance measures after the [**REDACTED**], we have adopted or will continue to adopt, among other things, the following risk management measures:

- establish an Audit Committee to review and supervise our financial reporting process and internal control system. For the qualifications and experience of the committee members, see "Directors and Senior Management";

- adopt policies to ensure compliance with the Listing Rules, including but not limited to aspects related to risk management, connected transactions and information disclosure;

- provide anti-corruption and anti-bribery compliance training to our senior management and employees to enhance their knowledge and compliance with applicable laws and regulations and include relevant policies against non-compliance in employee handbooks;

- organize training sessions for our Directors and senior management with respect to the relevant requirements of the Listing Rules and duties of directors of companies listed in Hong Kong;

- enhance our reporting and records system for production facilities, including centralizing their quality control and safety management systems and conducting regular inspections of the facilities;

- establish a set of emergency procedures in the event of major quality-related issues; and

- provide enhanced training programs on quality assurance and product safety procedures.

Product Quality and Safety

We have put in place comprehensive product quality and safety policies and related internal control systems to maintain and monitor product safety and quality for the products sold through our APPs. See "— Our Services and Solutions — Testing and Diagnostic Solutions — Clinical Testing — Laboratories", "— Our Services and Solutions — Pharmaceutical Direct Supply and Distribution Services — Private-label Pharmaceutical Business", "— Our Services and Solutions — Pharmaceutical Direct Supply and Distribution Services — Common Pharmaceutical Business" and "— Quality Control and Assurance."

Healthcare Service Quality and Safety

We value the quality and safety of the healthcare services we provide. We strive to minimize medical risks arising from our operations. During the Track Record Period and up to the Latest Practicable Date, we have not received any written notice or penalty for material non-compliance or violation of healthcare service quality and safety laws or regulations. See "— Our Medical Knowledge Sharing."

Human Resources Risk Management

We provide regular and specialized training tailored to (i) the needs of our employees in different departments and (ii) our anti-bribery and anti-corruption policy. We have in place an employee handbook and a code of conduct, which is distributed to all our employees. The handbook contains internal rules and guidelines regarding work ethics, fraud prevention mechanisms, negligence and corruption. We provide employees with training as well as resources to explain the guidelines contained in the employee handbook.

Operational Risk Management

We have established a series of internal procedures to manage operational risk. We conduct evaluations of our sales personnel in order to ensure that any sales and promotion are conducted in compliance with applicable legal and regulatory requirements. We require suppliers and medical experts in our network to strictly adhere to the work scope and quality requirements specified by us with a view to avoiding any significant operational risks. In

addition, we have adopted internal policies regarding content selection for our medical knowledge sharing. We select health and medical information and topics primarily based on clinical utility for our target customers and scientific value.

Our information technology, human resources, finance and operations personnel are collectively responsible for ensuring the compliance of our operations with internal procedures. In the event of a major adverse event, the matter will be escalated to our CEO and the Board to take appropriate measures. Through effective operational risk management, we expect to control operational risks within a reasonable range by identifying, measuring, monitoring and containing operational risks to reduce potential losses.

Intellectual Property Risk Management and Compliance Risk Management

We have designed and adopted strict internal procedures to ensure the compliance of our business operations with the relevant rules and regulations.

We have established sound compliance risk management procedures to achieve effective identification and management of compliance risk and ensure that our operations are in compliance with applicable laws and regulations. In accordance with such procedures, our legal and compliance department carefully reviews the contracts we enter into with customers and suppliers. Before entering into any contracts or business arrangements, our legal and compliance department reviews the contract terms and examines related documents, including all necessary due diligence materials, licenses and permits obtained by the other party to fulfill its obligations under the relevant contract. In addition, we continually monitor changes in relevant laws and regulations as well as the regulatory environment to ensure compliance in our business operations.

Information Security and Data Privacy Risk Management

Certain types of health and medical data that we gain access to may be considered personal information under the applicable laws and regulations. Sufficient protection of health and medical data is critical to the success of our business. We have implemented relevant internal procedures and controls to ensure the security of our information technology infrastructure, that any health and medical data that we gain access to is protected and that leakage and loss of such data are avoided. During the Track Record Period and up to the Latest Practicable Date, we had not experienced any material system failure in our information technology infrastructure or any material leakage or loss of health and medical data.

Investment Risk Management

We invest in or acquire businesses that are complementary to our business and aligned with our overall growth strategies, such as businesses that can expand our service offerings and strengthen our technological capabilities. In general, we intend to hold our investments for the long term in the form of preferred shares or ordinary shares with preference rights. We have a tiered approval process for our investments.

Anti-corruption Risk Management

We have established our anti-corruption risk management policies prohibiting any corrupt activities by the employees, either for the pursuit of improper personal benefits or improper interests of the Company. We have maintained a whistleblower mechanism for employees to report any incidents of bribery and corruption. Our management is responsible for investigating reported incidents and taking appropriate measures to address them. We have zero tolerance of

corruption and do not accept the employment or promotion of persons responsible for corruption incidents. We conduct routine internal training and require suppliers to execute anti-corruption commitments before engagement.

Audit Committee Experience and Qualification and Board Oversight

To monitor the ongoing implementation of our risk management policies, we have established an Audit Committee to review and supervise our financial reporting process and internal control system on an ongoing basis to ensure that our internal control system is effective in identifying, managing and mitigating risks involved in our business operations. The Audit Committee comprises three members, namely Mr. LAU King Pak (劉勁柏), Dr. SUN Xiaobo (孫曉波) and Mr. CAI Longjun (蔡龍軍). Mr. LAU King Pak (劉勁柏) is the Chairperson of the Audit Committee and an independent non-executive Director. See "Directors and Senior Management — Directors."

We have established an internal audit team, which is responsible for reviewing the effectiveness of internal controls and reporting issues identified and improving our internal control system and procedures by identifying internal control failures and weaknesses on an ongoing basis. The internal audit team reports any major issues identified to the Audit Committee and Board of Directors on a timely basis.

Control of Third-party Payment Arrangements

In 2025, we accepted payment made on behalf of certain primary healthcare terminal customers (the "**Relevant Customers**"), through third-party payment arrangements (the "**Third-party Payment Arrangements**") as a result of our assumption of certain customer relationships under the relevant businesses of Sichuan Medical Trade after it discontinued such businesses. One of our non-executive Directors and Controlling Shareholders, Mr. Geng Yuefei, currently holds less than 10% equity interest in Sichuan Medical Trade. We started to capitalize these customer relationships and serve these customers in 2025 under our integrated diagnosis and treatment solutions. We did not engage in Third-party Payment Arrangements in 2023 or 2024. Under the Third-party Payment Arrangements, our customers make payments through third-party payors (the "**third-party payors**"), who are promotion personnel independent from us. These promotion personnel accepted payments from the Relevant Customers and remitted such payments to us through their personal electronic payment channels. As of August 31, 2025, we had ceased all Third-party Payment Arrangements. As advised by our PRC Legal Advisor, the Third-Party Payment Arrangements do not contravene the mandatory provisions of the Civil Code of the PRC or other relevant applicable PRC laws and regulations currently in effect. As confirmed by CIC, it is not uncommon for primary healthcare terminals to settle their transactions through third-party payors. We believe that the cessation of Third-party Payment Arrangements did not and will not have a material adverse effect on our business.

We have duly booked all payments received under Third-party Payment Arrangements according to our internal accounting policies. In 2025, the aggregate amount of third-party payments we received was RMB165.9 million, representing 4.3% of our revenue for the same year. In 2025, the number of Relevant Customers was 50,437. No individual Relevant Customer had made a material contribution to our revenue for 2025. We did not have any Third-party Payment Arrangements in 2023 or 2024. In 2025, as discussed below, we had measures to manage the third-party payment arrangement to (i) prevent commercial bribery, money laundering and tax evasion; (ii) ensure the third-party payments are supported by

genuine underlying transactions; (iii) ensure compliance with tax-related laws and regulations; and (iv) ensure the pharmaceuticals were sold to licensed primary healthcare terminals, in compliance with PRC laws and regulations related to pharmaceuticals distribution.

During the Track Record Period: (i) we had not provided any discount, commission, rebate or other benefit to any of the Relevant Customers to facilitate or incentivize the Third-party Payment Arrangements; (ii) the process for order placing for the Relevant Customers was identical to that for customers not involved in the Third-party Payment Arrangements; and (iii) to the best knowledge of our Directors, all Relevant Customers and the third-party payors who settled payments under the Third-Party Payment Arrangements were Independent Third Parties.

Reasons for the Third-party Payment Arrangements

The Third-party Payment Arrangements were primarily a result of our assumption of the customer relationships under the relevant businesses of Sichuan Medical Trade after it discontinued such businesses. We started to capitalize on these customer relationships and serve these customers in 2025. Prior to the assumption of the customer relationships, Sichuan Medical Trade had operated the relevant businesses offline and had utilized the approach of acquiring primary healthcare terminal customers that involves such Third-party Payment Arrangements. After the assumption of the customer relationships, to maintain continuity in business operations and customer relationships, this assumed approach of interacting with the primary healthcare terminal customers and payment arrangement was continued to be used while we gradually phased out such arrangements. However, relevant rectification took time to complete, which led to the existence of Third-party Payment Arrangements in 2025 following the assumption of customer relation from our Controlling Shareholder. As of August 31, 2025, we had ceased all Third-party Payment Arrangements.

These third-party payors have established trusted relationships with the Relevant Customers while the relevant businesses were operated by Sichuan Medical Trade. The Relevant Customers were incentivized to pay through these third-party payors primarily due to the established trust and convenience of the process. Prior to our acquisition of customer relationships, the promotion personnel promoted solutions to Relevant Customers in person. The Relevant Customers communicated their requirements to the promotion personnel, remitted payment to familiar third-party payors with whom they had regular in-person interactions and awaited delivery of the purchased products. Following our acquisition of customer relationships, the Relevant Customers continued to make payments to the trusted third-party payors with whom they frequently interacted, while we gradually phased out such arrangements.

We believe that the cessation of Third-party Payment Arrangements did not and will not have a material adverse effect on our business for the following reasons: (i) as the Relevant Customers have become familiar with our integrated diagnosis and treatment solutions and the use of our APPs, our in-house sales personnel are able to continue selling these solutions to the Relevant Customers via online measures following the termination of Third-party Payment Arrangements. (ii) we have a large and active customer base. As of December 31, 2025, we had served more than 670,500 primary healthcare terminal customers. Based on our customer base and network effect, our in-house sales personnel will continue to promote and cross-sell our integrated diagnosis and treatment solutions to existing customers who have not yet purchased these solutions. (iii) we started to offer integrated diagnosis and treatment solutions without the use of Third-party Payment Arrangements as early as in 2023, which gained traction upon launch. Given our historical successful promotion of our integrated diagnosis and treatment

solutions and our in-house sales personnel deeply immersed in the primary healthcare industry and with substantial expertise in customer development, we believe that we are well positioned to further grow our integrated diagnosis and treatment solutions and to attract new customers. See "— Sales and Marketing."

Policies to Manage Risks Associated with the Third-party Payment Arrangements

While we were phasing out the Third-party Payment Arrangement, we had in place policies to manage the associated risks and to ensure the Third-party Payment Arrangement was for *bona fide* transactions. We recorded the identities of both the customers when they registered as customers on our APPs and the promotion personnel responsible for each customer. After a purchase order was placed on our APP, the Relevant Customer transferred payment to the promotion personnel. These promotion personnel subsequently remitted the payment to us as the Relevant Customer's third-party payor through their personal electronic payment channels using the payment link automatically generated once the purchase order was placed. For each purchase order, we were able to monitor which Relevant Customer placed the order, who was the responsible promotion personnel, the order number, and who remitted the payment to us via the payment link of the corresponding order number. To ensure the traceability of funds we received, we only accepted payments from third-party payors through their personal electronic payment channels.

To the best of our knowledge, during the Track Record Period, the relevant payments were based on *bona fide* underlying transactions and valid contractual relationships. The pricing and payment terms we provided to the Relevant Customers were in line with those provided to customers not involved in the Third-Party Payment Arrangements during 2025. We have duly booked all payments received under the Third-party Payment Arrangement according to our internal accounting policies and tax-related laws and regulations. Our Directors are of the view that the foregoing measures to ensure payments under *bona fide* underlying transactions and valid contractual relationships with customers are sufficient and can substantially mitigate the risk we face.

In August 2025, we issued written notice on our APPs to our customers, informing them that we do not accept any payment from third-party payors. We believe that the cessation of Third-party Payment Arrangements did not and will not have a material adverse effect on our business for the reasons discussed above. Nevertheless, we face certain risks relating to the Third-party Payment Arrangements. See "Risk Factors — Risks Relating to Our Business and Industry — We are subject to various risks relating to third-party payments."

Legal Implication and Termination of the Third-party Payment Arrangements

We managed the funds received under the Third-party Payment Arrangements in the same manner as we did for other funds received directly from our customers' bank accounts. All receipts or payments of funds involved in the Third-party Payment Arrangements were documented in our accounting records. As advised by our PRC Legal Advisor, the Third-Party Payment Arrangements during the Track Record Period do not contravene the mandatory provisions of the Civil Code of the PRC or other relevant applicable PRC laws and regulations currently in effect. We confirm that all payments made under the Third-party Payment Arrangements (i) were genuine and made with our customers for genuine commercial consideration; (ii) involved no illegal income; and (iii) involved no tax evasion and all amounts received were duly accounted for in our tax filings.

To demonstrate the implications of the Third-party Payment Arrangements, we communicated with the Relevant Customers and their third-party payors and obtained written confirmations (the "**Written Delegations**") from a vast majority of them, to retrospectively confirm that:

- The Third-party Payment Arrangements were voluntary arrangements between the Relevant Customers and their third-party payors. We did not propose any such arrangement and, except for accepting the payments, did not participate in such arrangement in any other way;

- The Relevant Customers' delegation of payment obligations to their third-party payors involves genuine underlying business transactions between the Relevant Customers and us. The third-party payments are not used for bribery or other illegitimate purposes;

- The Relevant Customers and their third parties did not receive any financial aid from us. Funds involved in the third-party payments were from legal sources, and such third-party payment arrangements were not used for illegal activities such as money laundering;

- We assume similar responsibilities in transactions involving the third-party payors as we do in those transactions without the third-party payors. In both instances, we are obligated to ensure timely delivery of products and services;

- All risks arising from the above third-party payments shall be borne by the Relevant Customers and their third-party payors, and not us;

- The amount paid by the third-party payors on behalf of the Relevant Customers shall constitute the full purchase price of the goods, inclusive of all applicable taxes, and shall not involve fictitious transactions or commercial bribery;

- The third-party payors shall have no right to demand the return of any funds or to assert any related claims from us.

- We shall not be involved in any risks or disputes arising from the payment arrangements between the Relevant Customers and their third-party payors, and are not obligated to return the payments received from the third-party payors regardless of any disputes between the Relevant Customers and their third-party payors.

We confirm that, in 2025, (i) the Third-party Payment Arrangements are based on genuine transactions and commercially reasonable arrangements; (ii) we obtained Written Delegations from a vast majority of the Relevant Customers and their third-party payors; (iii) during the Track Record Period and up to the Latest Practicable Date, we have not been asked to refund any payments made by third-party payors, and there have been no actual or pending disputes or controversies regarding third-party payments; and (iv) as of August 31, 2025, we had ceased all Third-party Payment Arrangements. Based on the foregoing, our PRC Legal Advisor is of the view that (i) the content of such Written Delegations signed by both the Relevant Customers and the relevant third-party payors is legally binding and valid and, therefore, the Company has the right to receive the payments made by the third-party payors based on such executed Written Delegations; (ii) based on such executed Written Delegations, the risks were low for the Company to be found obligated to return funds to such Relevant Customers or their third-party payors under the Third-Party Payment Arrangements; (iii) the Third-Party Payment Arrangements during the Track Record Period do not contravene the mandatory provisions of

the Civil Code of the PRC or other relevant applicable PRC laws and regulations currently in effect; (iv) based on the online credit reports issued by the relevant PRC government authorities, and as confirmed by the Company, during the Track Record Period, the Company has not been subject to any administrative penalties imposed by tax authorities; and (v) the risk of the Third-Party Payment Arrangements being deemed as constituting the crime of money laundering under Article 191 of the Criminal Law of the PRC (《中華人民共和國刑法》) for the purpose of disguising or concealing the source and nature of proceeds or gains is low.

In 2025 and up to the Latest Practicable Date, we were not aware of any commercial bribery, money laundering, tax evasion or existing, or potential disputes under the Third-party Payment Arrangements and were not subject to any administrative notice, investigation or penalty related to the Third-party Payment Arrangements.

Given that (i) we had fully ceased the Third-party Payment Arrangements and completed relevant rectification, and (ii) no warning, fines or other penalties were imposed upon us in 2025 and up to the Latest Practicable Date, our Directors believe that the Third-party Payment Arrangements did not have, and will not have, a material adverse effect on our business operations or financial conditions as a whole.

Our Enhanced Internal Control Measures

We have adopted internal control measures to prevent future occurrences of the Third-party Payment Arrangements. As of August 31, 2025, all of our customers are required to register for accounts on our APPs to place orders for supplies and to pay through their customer accounts via certain payment methods. To confirm that the bank accounts used are authorized accounts, our finance department is responsible for reconciling our bank statements with ERP system orders, ensuring consistency among "payment-order-customer." Our finance department pays special attention to verifying the flow of funds. Orders for payments not made by customers will not be accepted. If third-party payment behavior is detected, it must be immediately reported to our management for handling.

We intend to continuously monitor the effectiveness of our internal control measures to prevent third-party payments and promptly address any identified deficiencies. We believe the foregoing internal control measures are sufficient and can substantially mitigate any risk we face relating to future use of third-party payments. Our internal control consultant has performed a follow-up review of our internal control measures and did not identify any issues for the samples tested. No further recommendations were made for the samples tested.

AWARDS AND RECOGNITIONS

We have received numerous awards and recognitions for our brand, business operations, products, services and solutions. The table below sets forth a summary of significant awards and recognitions that we have received during the Track Record Period and up to the Latest Practicable Date:

Year	Winning Entity/Business	Awards/Certifications	Awarding Body
2026. . . .	Our Group	Sichuan Gazelle Enterprise	Department of Science and Technology of Sichuan Province
2025. . . .	Our Group	2025 Sichuan Top 100 Service Industry Enterprises	Sichuan Entrepreneurs Association

Year	Winning Entity/Business	Awards/Certifications	Awarding Body
2025. . . .	Our Group	Sichuan Province Innovative Small and Medium-Sized Enterprise	Department of Economy and Information Technology of Sichuan Province
2025. . . .	Our Group	National High-Tech Enterprise	Department of Science and Technology of Sichuan Province
2025. . . .	Our Group	Most Innovative Products in Valuable Fields (Medical LLM)	VB Data
2025. . . .	Our Group	Future Healthcare Top 100 Medical Large Model	VB Data
2025. . . .	Our Group	Annual Most Investable Enterprise	Global Times, China Weekly and China Enterprise Network
2025. . . .	Private-label pharmaceutical business	Consumer Trusted Brand	The Committee of China Finance Summit
2025. . . .	Private-label pharmaceutical business	Consumer Reputation Award	The Committee of China Finance Summit
2025. . . .	Our Group	Annual Most Valuable Growth Award	Gongyi Daily
2024. . . .	Our Group	2024 Industry Influential Brand	China Finance Summit
2024. . . .	Private-label pharmaceutical business	2024 Top 10 Influential Brand in China	China Enterprise Brand Conference
2024. . . .	Private-label pharmaceutical business	2024 Best Digital Social Impact in Healthcare	Habitat Information
2024. . . .	Our Group	Council Member	Sichuan Association of Pharmaceutical
2023. . . .	Our Group	2023 Medical Technology Innovation Award	The 4th Sci-Tech Innovation Festival (2023第四屆國際科創節)
2023. . . .	Our Group	2023 Industry Influential Enterprise	The 6th Cberi Prize
2023. . . .	Our Group	Top 100 Ranking of Chinese Traditional Medicine Enterprises	Menet Research Institute Expert Committee on China's Top 100 Pharmaceutical Industry Rankings
2023. . . .	Our Group	The Most Innovative Pharmaceutical Digital Service Platform	2023 The Third China Pharmaceutical Digitalization Development Conference