An **[REDACTED]** *in the* **[REDACTED]** *involves significant risks. You should carefully consider all of the information in this document, including the risks and uncertainties described below, before deciding to* **[REDACTED]** *in the* **[REDACTED]**. *The following is a description of what we consider to be our material risks. Any of the following risks could have a material adverse effect on our business, financial condition, results of operations and growth prospects. In any such event, the* **[REDACTED]** *of the* **[REDACTED]** *could decline, and you may lose all or part of your* **[REDACTED]**. *Additional risks and uncertainties not presently known to us, or not expressed or implied below, or that we deem immaterial, could also harm our business, financial condition and results of operations.*

These factors are contingencies that may or may not occur, and we are not in a position to express a view on the likelihood of any such contingency occurring. The information given is as of the Latest Practicable Date unless otherwise stated, will not be updated after the date hereof, and is subject to the cautionary statements in the section headed "Forward-Looking Statements" in this document.

RISKS RELATING TO OUR BUSINESS AND INDUSTRY

Our business relies on our ability to manage, maintain relationships with and expand our hospital network.

Our business significantly depends on our partnerships with hospitals. As of the Latest Practicable Date, we partnered with 188 hospitals in providing whole-course healthcare management services. If we are unable to maintain the existing relationships with our partnered hospitals, or if we fail to identify and partner with new hospitals or institutions that are essential to our future expansion, our business, financial condition and results of operations could be materially and adversely affected. We cannot assure you that we will be able to maintain existing business relationships or deepen cooperation with our current partnered hospitals in the future. These existing relationships are affected by several factors, including (i) disputes or disagreements regarding contracts, pricing, or service delivery; (ii) a decline in satisfaction with our solutions; (iii) the hospital's decision to prioritize other service providers or solutions; (iv) the development of superior and attractive solutions by competitors; (v) changes in hospital administration or key personnel; and (vi) changes in laws and regulations in the whole-course healthcare management industry and medical insurance reimbursement levels. Furthermore, we cannot guarantee that medical professionals from these hospitals and institutions will be available to offer medical advice or solutions at any time. Moreover, our ability to attract new partnered hospitals depends on the following factors: (i) the willingness of hospitals to partner with us for the whole-course healthcare management services; (ii) our ability to adapt our solutions to the specific needs and workflows of different hospitals; (iii) the strength and reputation of our brand and experience; (iv) the level of competition in the market and the competitive positioning of our whole-course healthcare management service; and (v) our ability to provide comprehensive support to hospital staff and medical professionals. If we are unable to retain, attract, or maintain stable relationships with these hospitals, we may not be able to increase their engagement and connection with us and deepen our cooperation with them, which could adversely affect our business, financial condition and results of operations.

We may fail to continue to launch new whole-course healthcare management service packages.

We cannot guarantee that we will be able to develop solutions that meet the needs of medical professionals and patients in new clinical specialties. Moreover, we cannot guarantee that medical professionals and patients will be receptive to such solutions. In 2023, 2024, and 2025, revenue generated from our whole-course healthcare management services amounted to RMB437.3 million, RMB470.1 million, and RMB529.8 million, respectively, representing 69.7%, 72.0%, and 61.3% of our total revenue for the same periods. Any failure to continuously upgrade these services could materially impact our primary revenue stream. The successful implementation of this expansion strategy is contingent upon our ability to equip our personnel with the necessary skills and expertise to address the specific requirements of each new clinical area. If our new whole-course healthcare management services fail to continuously meet market demand, it could lead to limited market penetration and sales that fall short of expectations, which may further adversely affect our business, financial condition and prospects.

We may fail to further successfully extend our solutions to new product and service offerings.

From time to time, we continuously expand our service offerings and introduce new products. There can be no assurance that we will be able to successfully build up these business initiatives or identify other suitable opportunities to expand our business, negotiate commercially acceptable terms for such expansion, or successfully integrate any new businesses in the future. The successful execution of this expansion strategy is contingent upon several key factors, including (i) the availability of significant capital resources; (ii) the development of new and reliable supply chains and distribution networks, particularly we may be unable to maintain and renew contracts with existing insurance companies and product suppliers; (iii) the establishment of strategic partnerships with key suppliers and distributors; and (iv) the effective navigation of the unique legal and regulatory frameworks within the relevant new markets. In addition, expansion into any new markets may place significant strain on our management and resources and other costs and expenses before generating any revenues. We cannot assure you that our efforts in expanding into new product and service areas will be successful.

Future investments in and acquisitions of complementary assets, technologies and businesses may fail and may adversely affect our business, results of operations and financial performance.

Our investments or acquisitions may not yield the results we expect. In addition, investments and acquisitions could result in the use of substantial amounts of cash, potentially dilutive issuances of equity securities, significant amortization expenses related to goodwill or intangible assets and exposure to potential unknown liabilities of the acquired business. In 2023, 2024 and 2025, our expenditure for investments and acquisitions amounted to RMB4.1 million, RMB10.0 million and RMB33.9 million, respectively. We may also have to obtain approval from the relevant PRC governmental authorities for the investments and acquisitions and comply with any applicable PRC rules and regulations, which may be costly, and we cannot assure you that we will obtain such approvals in a timely manner or at all. In the event that our investments and acquisitions are not successful, our results of operations and financial condition may be materially and adversely affected.

Our solutions may not achieve the desired level of market recognition or customer satisfaction, which could result in a negative impact on our business operations and financial performance.

If our services do not achieve an adequate level of satisfaction or acceptance, we may not be able to expand our business. The degree of market acceptance of our solutions will depend on a number of factors, including but not limited to: satisfaction of hospitals, medical professionals and patients with the quality of our whole-course healthcare management service; the potential and perceived advantages of our solutions over solutions provided by alternative providers; our ability to establish and maintain a high-quality hospital network with skilled medical professionals to deliver an exceptional offline experience for our patients; our capacity to assist medical professionals and patients in enhancing treatment efficiency and whole-course healthcare management experience; the cost of alternative whole-course healthcare management service; and the effectiveness of our sales and marketing efforts. Even if our solutions achieve market acceptance, we may not be able to maintain that market acceptance over time if new solutions or technologies are introduced that are more favorably received than our solutions, are more cost-effective, or render our solutions obsolete.

We operate in a rapidly evolving whole-course healthcare management industry, and we cannot guarantee the demand for our solutions will continue to grow rapidly.

The whole-course healthcare management service business model and service offerings represent a recent development aimed at addressing emerging market demand. Additionally, technology and AI are rapidly changing how these services are designed and delivered. Macroeconomic conditions could lead customers to deprioritize or otherwise reduce their willingness to spend on such solutions. Regulatory developments may increase operational costs or limit the scope of solutions offered. Consumers and institutional preferences further shape demand. The rapid pace of technological advancement and the nascent stage of AI integration in the healthcare industry will continue to change the industry. There can be no assurance that the market will continue to prioritize such solutions at anticipated levels, which could materially impact our financial performance and growth trajectory.

The whole-course healthcare management industry in which we operate is highly fragmented, and we cannot guarantee that we will continue to maintain our market position.

The whole-course healthcare management industry in China is in the early stages of development, with a large number of market players operating in a relatively fragmented market. According to F&S Report, there are approximately thousands of market players in this sector in China, and we held a market share of approximately 0.71% in terms of revenue in 2024. Other market players in the whole-course healthcare management industry may have an advantage in attracting and retaining customers. Competition may result in continued pricing pressures, which may lead to price reductions in certain of our solutions. In addition, new alliances or consolidations may emerge in this fragmented market, which could put us at a competitive disadvantage. If we fail to compete effectively, demand for our solutions may decrease, which could result in a material and adverse impact on our results of operations, financial condition and growth prospects.

We may not be able to successfully implement our future business plans, and our planned [REDACTED] from the [REDACTED] may not generate the anticipated benefits or returns.

Our future business plans and the intended **[REDACTED]** from the **[REDACTED]**, as detailed in the section headed "Future Plans and **[REDACTED]**" in this document, are based on our current expectations, strategic objectives, and assumptions regarding our industry, market trends, and operational capabilities. However, these plans are forward-looking in nature and are subject to significant business, economic, regulatory, and competitive uncertainties, many of which are beyond our control.

The successful implementation of our business strategies and the effective utilization of our **[REDACTED]** depend on various factors, including our ability to expand our hospital partnership network, upgrade CareAI platform, advance our R&D initiatives, and successfully market our whole-course healthcare management services. We may encounter unforeseen challenges during the execution of these plans, such as cost overruns, delays in project implementation, shifts in market demand, technological disruptions, or intensifying industry competition. Additionally, changes in the macroeconomic environment or the regulatory landscape governing the healthcare industry in the PRC could render our original plans less viable or more costly than anticipated. Consequently, we cannot assure you that our planned **[REDACTED]** will be executed as scheduled, or at all, or that these investments will generate the expected financial returns, operational synergies, or market share expansion. If we fail to successfully execute our future plans, or if the actual costs of implementing these plans significantly exceed our current estimates, our business, financial condition, results of operations, and prospects could be materially and adversely affected.

If we fail to keep up with changes in AI technologies and other rapidly-evolving technologies, our future success may be adversely affected.

We utilize CareAI, our proprietary AI platform as the foundation for certain services. The efficiency of our business will depend, in part, on our ability to effectively utilize AI and big data as such technologies develop. If we are unable to keep pace with rapid technological and industry change, our solutions may become less marketable and less competitive or obsolete, and our business, results of operations and financial condition could be adversely affected. If our competitors are able to deliver more efficient, convenient and secure solutions at lower prices by using new technologies, it could adversely impact our ability to maintain and increase our market share.

Our proprietary technologies are complex and may contain undetected errors or fail to operate as intended.

Considering our CareAI platform provides AI support in our whole-course healthcare management services, we may encounter technical difficulties that prevent our technologies from operating properly and consequently adversely affect our information infrastructure and other aspects of our business where our technologies are applied. Our CareAI platform utilizes sophisticated algorithms to provide medical analysis. Furthermore, the interaction between our whole-course healthcare management service and the underlying data analysis processes presents risks that unforeseen issues could impact the accuracy of the medical analyses and the quality of our solutions provided, which is beyond our control or undetected in our testing. We have no control over the foundation models' architecture, parameters and updates. If third parties discontinue support or make changes to the models, it may affect the operations of our AI model and necessitate costly adjustment. These defects and errors, and any failure by us to identify and address them, could result in loss of revenue or market share, diversion of development resources, harm to our reputation and increased service and maintenance costs.

Our investments in technology R&D may not yield the results we expect.

Our long-term competitiveness depends on our ability to enhance our current whole-course healthcare management services, as well as to develop and commercialize new offerings using our technologies and algorithms. As a result, we expect that we will continue to invest in R&D in order to expand our offerings. In 2023, 2024, and 2025, our R&D expenses amounted to RMB39.9 million, RMB29.8 million, and RMB38.1 million, respectively, representing 6.4%, 4.6%, and 4.4% of our total revenue. If our substantial R&D investments fail to yield commercially viable results, our profitability could be directly and adversely affected. If we fail to generate ideal results from R&D, there may be a waste of capital and human resources. Even if we succeed in our R&D efforts and generate the results we expect, we may still encounter practical difficulties in commercializing our development results. We cannot assure you that we will be able to continue to enhance our technologies through R&D efforts or that our investments in R&D will yield expected returns or contribute proportionally to our business growth, which may result in a material and adverse effect on our business, financial condition, results of operations and prospects and may also potentially damage our reputation.

We collect and process a large amount of personal and healthcare data in the ordinary course of our business. Potential issues or breaches in using such data in our solutions may result in liability or reputational harm and adversely affect our business operations.

We access and process certain personal and medical information of our users when they purchase whole-course healthcare management services from us. We still face risks inherent in handling large volumes of data and in securing and protecting such data, in particular, the risks of protecting the data in and hosted on our system, including against attacks on our system by external parties or improper behavior by our employees; addressing concerns related to privacy and sharing, safety, security and other factors; and complying with applicable laws, rules and regulations relating to the collection, use, disclosure or security of personal information, including any requests from regulatory and government authorities relating to such data. Any system failure or security breach or lapse that results in the unauthorized release of our user data could harm our reputation and brand and, consequently, our business, in addition to exposing us to potential legal liability.

Any damage to the reputation and recognition of our brand may materially and adversely affect our business operations and prospects.

Any negative publicity could harm consumer perceptions and confidence in our brand. For instance, any negative sentiments or change in acceptance of AI could harm our business and deter partnerships and patient use. Lack of training or inadequate skills, improper behavior, misconduct or mistake, breach of the agreements with us, violation of applicable laws or regulations, and high turnover rate of our employees and key business partners may result in substantial harm to our brand, reputation, and operations. Any negative review may harm our brand, reputation and public image. We may also face challenges from others seeking to profit from, or defame, our brand. Any of the foregoing may result in loss of our potential and existing customers or business partners and, in turn, have a material adverse effect on our business, financial condition, results of operations and prospects.

If we are unable to attract new users or business clients or retain existing users or business clients to purchase our whole-course healthcare management services, our business, financial condition and prospects could be materially and adversely affected.

Our ability to acquire and retain sufficient paying users primarily depends on the overall experience we provide to our users as well as the actual or perceived effectiveness of our services. We cannot assure you that our users will consider their experience satisfactory or our services effective. If we fail to address, among other things, any of the foregoing challenges, our users may become frustrated by or dissatisfied with our whole-course healthcare management services and may choose not to purchase or seek other comparable alternative services offered by our competitors, and may discontinue using our whole-course healthcare management services. As a result, our business, results of operations and financial condition could be materially and adversely affected.

We depend on our suppliers for certain products and services, and any shortage or delay in supply or deterioration in quality may materially and adversely affect our operations.

During the Track Record Period, our business is dependent to a large extent upon the stable supply of healthcare products and services from our suppliers. Failure to maintain strong relationships with our suppliers could result in losing access to certain healthcare products and services for our whole-course healthcare management service and related service offerings. This could disrupt the provision of our whole-course healthcare management services and delay product deliveries. This, in turn, could increase our cost of goods sold and reduce our operating profit margins. For example, in 2023, 2024, and 2025, our costs of goods, which mainly related to our healthcare products, amounted to RMB95.5 million, RMB127.1 million and RMB173.9 million, representing an increasing percentage of our total cost of services, respectively. Any increase in supplier prices could raise our costs. If we cannot pass these costs on to our patients and users, it may adversely affect our financial results. Any unfavorable changes in our relationships or the terms of our agreements with our key suppliers could significantly affect our financial condition, results of operations, and prospects. In addition, if these suppliers choose not to partner with us, our business and results of operations may be materially and adversely affected.

RISKS RELATED TO OUR FINANCIAL PERFORMANCE

Our historical financial performance may not be indicative of the future. We incurred operating loss during the Track Record Period and we may not be able to maintain revenue growth and become profitable going forward.

Our revenue increased from RMB627.6 million in 2023 to 652.7 million in 2024, and further increased to RMB863.4 million in 2025. In 2023, 2024 and 2025, our loss for the year amounted to RMB149.6 million, RMB193.1 million and RMB290.1 million, respectively. In 2023, 2024 and 2025, our adjusted net loss (non-IFRS measure) decreased by 69.5% from RMB99.1 million in 2023 to RMB30.2 million in 2024, and further decreased by 21.2% to RMB23.8 million in 2025. Our historical results, particularly our revenue growth and the narrowing of our adjusted net loss (non-IFRS measure) may not be indicative of our future performance, and there can be no assurance that our adjusted net loss (non-IFRS measure) will continue to decrease and we will eventually become profitable in the future. There can be no assurance that we may be able to achieve the expected results for any such changes, and we may not be able to maintain or increase our revenue, generate profits or achieve positive operating cash flows, which may materially and adversely affect our business, financial condition and results of operations.

We recorded net current liabilities and net liabilities during the Track Record Period.

We recorded net current liabilities of RMB1,896.3 million, RMB2,043.0 million and RMB2,401.2 million as of December 31, 2023, 2024 and 2025, respectively, which were primarily due to the issuance of convertible redeemable preferred shares. Upon **[REDACTED]**, all of our preferred redeemable shares will be re-designated from financial liabilities to equity as a result of the automatic conversion into ordinary Shares. As of December 31, 2023, 2024 and 2025, our financial liabilities at FVTPL amounted to RMB1,771.6 million, RMB1,983.9 million and RMB2,299.1 million, respectively. As such, we believe our net current liabilities will significantly decrease upon the completion of the **[REDACTED]**. A net current liabilities position can expose us to the risk of shortfalls in liquidity. This, in turn, would require us to seek adequate financing from sources such as external debt or issuance of our equity interest, which may not be available on terms favorable or commercially reasonable to us or at all. In addition, as of December 31, 2023, 2024 and 2025, we also had net liabilities of RMB1,777.4 million, RMB1,959.4 million and RMB2,248.5 million, respectively, reflecting our accumulated loss of RMB1,697.0 million as of January 1, 2023 and our loss for the year of RMB149.6 million in 2023, RMB193.1 million in 2024 and RMB290.1 million in 2025, respectively. We may continue to have net current liabilities for the foreseeable future. If we are unable to maintain adequate working capital or obtain sufficient equity or debt financings to meet our capital needs, we may be unable to continue our operations according to our plans and be forced to scale back our operations, which may have a material adverse effect on our business, financial condition, results of operations and prospects.

We recorded net cash used in operating activities historically and there can be no assurance that we will not have net cash outflow in the future.

We recorded net cash used in operating activities of RMB83.2 million, RMB39.5 million and RMB33.3 million in 2023, 2024 and 2025, respectively. For a more comprehensive discussion of our liquidity and capital resources, please see "Financial Information — Liquidity and Capital Resources — Summary of Consolidated Statements of Cash Flows — Operating Activities." We cannot guarantee that our prospective business activities and/or other matters beyond our control, such as market competition and changes to the macroeconomic environment, will not adversely affect our operating cash flow and result in a net operating cash outflow in the future. If we encounter long-term and continuous net operating cash outflow in the future, we may not have sufficient working capital to cover our operating costs, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

Our results of operations, financial condition, and prospects may be adversely affected by fair value losses on financial liabilities at FVTPL, which could be uncertain due to the use of unobservable inputs.

During the Track Record Period, our fair value losses on financial liabilities at FVTPL primarily represent certain redemption and other rights of our preferred shares. As of December 31, 2023, 2024 and 2025, our fair value losses on financial liabilities at FVTPL were RMB43.4 million, RMB152.3 million and RMB237.8 million, respectively. These losses were primarily driven by fair value changes of preferred shares we issued to our pre-**[REDACTED]** investors, which could be subject to uncertainty due to the use of unobservable inputs. Such changes may continue to affect our financial performance. See "Financial Information — Description of Certain Consolidated Statements of Profit or Loss And Other Comprehensive Income Items." Changes in these unobservable inputs and other estimates and judgments could materially affect the fair value of our financial liabilities at FVTPL, which may materially and adversely impact our results of operations, financial condition and prospects.

Fluctuations in the changes in the fair value of our financial assets would affect our financial results.

Our results of operations, financial condition and prospects may be affected by the fair value changes in the financial assets. During the Track Record Period, our fair value changes in financial assets, primarily attributable to the fair value changes in our investments in certain wealth management products, which are measured under level 2 of the fair value hierarchy, and our investments in an unlisted fund, which is measured under level 3 of the fair value hierarchy. The valuation of these financial instruments involves the use of observable market inputs, which may fluctuate significantly due to changes in market conditions. Any unfavorable change in these factors may adversely affect the fair value of our investments, which in turn may result in a reduction in our profit or the recognition of fair value losses. As of December 31, 2023, 2024, and 2025, the fair value of our financial assets at FVTPL amounted to RMB20.2 million, RMB46.4 million, and RMB43.1 million, respectively. For the same periods, we recorded net fair value gain on financial assets at FVTPL of RMB0.1 million, RMB2.0 million, and RMB5.1 million, respectively. Volatility in the value of our financial assets at FVTPL may continue to affect our financial performance and results of operations going forward.

We may incur impairment losses for other intangible assets, which may adversely affect our results of operations. Our other intangible assets consist of licenses, customer relationship and software.

As of December 31, 2023, 2024 and 2025, our other intangible assets amounted to RMB39.7 million, RMB34.5 million and RMB99.4 million, respectively. If the carrying value of our other intangible assets is considered to exceed its recoverable amount and is therefore determined to be impaired in the future, we would be required to write down the carrying value or record a provision for impairment losses for these other intangible assets in our financial statements during the period in which our other intangible assets are determined to be impaired. Intangible development assets not ready to use are not subject to amortization and are tested annually for impairment and whenever there is an indication of impairment. For more details, please refer to Note 17 to the Accountant's Report set out in Appendix I to this document. Impairment losses for other intangible assets would adversely affect our results of operations and our financial condition.

We are exposed to credit risks related to our trade and bills receivables.

Our trade and bills receivables primarily represent outstanding amounts due from pharmaceutical vendors for sales of healthcare products and enterprise customers for technological and infrastructure support. We typically operate under a prepayment model with our individual whole-course healthcare management service users, which enables us to maintain steady cash flow and reduce credit risk. During the Track Record Period, the credit period for our customers was typically within one month. The balance of our trade and bills receivables (before impairment allowance) was RMB29.6 million, RMB44.3 million and RMB62.9 million, as of December 31, 2023, 2024 and 2025, respectively, which represented our maximum exposure as of the respective dates to credit risk in relation to trade and bills receivables. In 2023, 2024 and 2025, we recognized impairment losses under expected credit loss model (net of reversal) of RMB0.8 million, RMB2.4 million and RMB5.2 million, respectively. The turnover days of our trade and bills receivables were 15.6 days, 20.7 days and 22.7 days in 2023, 2024 and 2025, respectively. The collection of amounts due from our customers may not be timely. This might result in slow turnover of our trade and bills receivables and restrict our working capital resources. See "Financial Information — Discussion of Certain Key Items of Consolidated Statements of Financial Position — Trade and Bills Receivables." In addition, disputes that arise due to default in payment by customers may also be time-consuming and costly for us in the event we decide to claim for such payments, and we may not be successful, in which case our liquidity, results of operations and financial performance may be adversely affected.

We may require additional capital to pursue our business objectives and respond to business opportunities, challenges, or unforeseen circumstances.

If our resources are insufficient to satisfy our cash requirements, we may seek additional financing. To the extent that we raise additional financing by issuance of additional equity securities, our Shareholders may experience dilution. However, volatility in the equity and credit markets, including due to macroeconomic conditions, may also have an adverse effect on our ability to obtain debt financing on favorable terms. If we fail to service debt obligations or are unable to comply with such debt covenants, we could be in default under the relevant debt obligations and our liquidity and financial condition may be materially and adversely affected. Our ability to obtain additional capital on commercially acceptable terms is subject to a variety of uncertainties. There can be no assurance that future financing will be available in amounts or on terms commercially acceptable to us, if at all. In the event that financing is not available or only obtainable on terms that are commercially detrimental to our financial condition, our business, financial condition and prospects may be materially and adversely affected.

RISKS RELATING TO LAWS AND REGULATIONS

We may fail to maintain and obtain the requisite licenses, permits and approvals applicable to our business, or obtain additional licenses that become necessary as a result of new enactment or promulgation of laws and regulations or the expansion of our business.

The whole-course healthcare management industry in China is highly regulated, requiring multiple licenses, permits, filings and approvals to conduct and develop business. As of the Latest Practicable Date, we had obtained all the licenses which are crucial to our business through our Consolidated Affiliated Entities. For details, see "Business — Licenses, Permits and Approvals". If we fail to maintain or renew one or more of our licenses and certificates when their current term expires or obtain such renewals in a timely manner, our operations could be disrupted. If we fail to properly renew and maintain all such requisite licenses on time, we may face penalties and in extreme circumstances, order to suspend or terminate our business. In addition, the licenses we hold may be deemed insufficient due to the adoption of any new laws and regulations or any change to the regulatory environment. Furthermore, as we develop and expand our business scope, we may need to obtain additional permits and licenses and we cannot assure that we will be able to obtain such permits on time or at all.

We are subject to extensive and evolving regulatory requirements, particularly in the whole-course healthcare management industry.

We are subject to legal and regulatory requirements of multiple industries in the PRC due to the nature of our business. Also, the regulations of both the healthcare and the Internet sectors are relatively new and evolving, and it is uncertain how the newly issued regulations will be interpreted or enforced. We cannot rule out the possibility that some common practices in the online medical services industry, which we also adopt, might be deemed by the relevant authorities as being subject to any newly issued regulations. Any amendments of the current regulatory environment may result in increased compliance costs on our business, require us to modify our business models as well as product and service offerings in a manner that may undermine our product and service offerings' attractiveness to our users, or may even have to suspend or terminate certain business operations. There could be other laws and regulations applicable to our business that we have not identified or that, if changed, may be costly to us, and we cannot predict all the ways in which implementation of such laws and regulations may affect us. Furthermore, the introduction of new products and service offerings may require us to comply with additional laws and regulations. Existing laws may also apply to whole-course healthcare management services, data processing and other related services, and such uncertainty may take years to resolve. It is possible that a number of laws and regulations may be adopted with respect to AI-empowered healthcare and whole-course healthcare management industries. The adoption of additional laws or regulations may heighten requirements on our whole-course healthcare management services, which could, in turn, increase our cost of doing business, disrupt our operations and impede the development or growth of the whole-course healthcare management industry.

We may experience patient complaints, liability claims and legal proceedings in the course of our operations.

As part of our whole-course healthcare management services, physicians and nurses provide certain medical services at in-hospital scenarios may be subject to complaints, claims or legal proceedings initiated by our patients as a result of any adverse reaction to our treatment. In addition, there are inherent risks associated with the solutions that may result in unavoidable and unfavorable medical outcomes. Any claims made against us that are not fully covered by insurance could be costly to defend against, result in substantial damage awards against us and divert the attention of our management from our operations, which could have a material adverse effect on our business, financial condition, results of operations and reputation. In the ordinary course of business, we, our Directors, management, and employees may become parties to litigation, claims, disputes, or regulatory proceedings — including potential malpractice or negligence allegations — which, regardless of outcome, could incur substantial legal costs, divert management attention and resources, trigger negative publicity, and harm our reputation and brand. Adverse judgments might impose significant monetary damages, liabilities, or operational disruptions (e.g., license suspensions), while our status as a **[REDACTED]** company heightens such exposure, potentially materially and adversely affecting our business, financial condition, results of operations, and prospects.

We may be subject to regulatory investigations, administrative proceedings or legal disputes arising from the conduct of our medical practitioners from our partner hospitals.

The medical practitioners from our partner hospitals are not our employees. There can be no assurance that our monitoring of their services would be sufficient to control the quality of their work, or they will strictly adhere to the specified work scope and quality requirements and comply with applicable laws and ethical rules. In the event that medical practitioners fail to meet the quality and operating standards as required by relevant PRC laws and regulations or ethical rules, the service quality of our whole-course healthcare management services may be adversely affected.

We may be held liable for information or content displayed on, retrieved from, or linked to our mobile applications or WeChat mini-programs.

We offer whole-course healthcare management services to individual users through our WeChat mini programs, which are regulated by the Administrative Provision on Mobile Internet Applications Information Services (the "**Mobile Applications Provisions**"). We cannot assure you that all the information and contents uploaded onto, displayed on, retrieved from, or linked to our mobile applications and mini programs would be compliant with the Mobile Applications Provisions at all times. In the event of any violation, we may be subject to administrative penalties, including warning, service suspension, or removal of our mobile applications or mini programs, which would materially and adversely affect our business and prospects, reputation, results of operations and financial condition.

Changes in the political and economic policies, and the interpretation and enforcement of laws, rules and regulations, may affect our business, financial condition, results of operations and prospects.

Our business was conducted within the PRC. Therefore, our business, results of operations, financial condition and prospects may be influenced to a significant degree by economic, political, legal and social conditions in China. Our growth prospect is in part affected by the overall economic growth in China, which is in turn influenced by the governmental regulations and policies in relation to resource allocation, monetary policies, regulations of financial services and institutions, preferential treatment to particular industries or companies and others. Any of the foregoing would affect our business, financial condition, results of operations and prospects.

We may be classified as a "PRC resident enterprise" for PRC enterprise income tax purposes, and our income may be subject to PRC tax under the relevant PRC laws.

Under the EIT Law, an enterprise established outside of China with "de facto management bodies" within China is considered a "resident enterprise," meaning that it will be treated in a manner similar to a Chinese enterprise for PRC enterprise income tax purposes. Additional implementing regulations or guidance may be issued determining that we or any of our subsidiaries incorporated out of the PRC is a "resident enterprise" for PRC enterprise income tax purposes. If the PRC tax authorities determine that we or any of our subsidiaries incorporated out of the PRC is a resident enterprise for PRC enterprise income tax purposes, a number of unfavorable tax consequences could follow. Firstly, we and our non-PRC subsidiaries may be subject to enterprise income tax at a rate of 25% on our worldwide taxable income, as well as to PRC enterprise income tax reporting obligations. Secondly, as substantially all of our operations are conducted through our PRC subsidiaries, dividends paid by us to our non-PRC shareholders, to the extent funded by earnings from our PRC operations, could be subject to PRC withholding tax at a rate of up to 10%. Finally, the EIT Law and its implementing rules issued by PRC tax authorities provide that dividends paid by us to our non-PRC shareholders and, while subject to further clarification, capital gains recognized by them with respect to the sale of our Shares may be subject to tax of 10% for non-PRC resident enterprise shareholders and 20% for non-PRC resident individual shareholders. In the case of dividend payments, such PRC tax may be withheld at source.

We are subject to governmental regulations on currency exchange.

The convertibility and remittance of Renminbi are strictly governed by PRC foreign exchange regulations. While routine current account payments, such as profit distributions, only require procedural compliance without prior SAFE approval, converting RMB for capital expenses requires government approval or registration. Additionally, under The Circular of the SAFE on Issues Relating to Foreign Exchange Administration of Equity Financing and Round-Trip Investments by Domestic Residents via Special Purpose Vehicles (《國家外匯管理局關於境內居民通過特殊目的公司境外投融資及返程投資外匯管理有關問題的通知》) and Notice on Further Simplifying and Improving Foreign Exchange Administration Policy on Direct Investment (《關於進一步簡化和改進直接投資外匯管理政策的通知》), our PRC domestic resident shareholders must register their offshore investments with qualified banks. We cannot guarantee that all shareholders will consistently comply with these requirements. Failure to register or update these records may subject the relevant shareholders to fines and legal sanctions. More importantly, such non-compliance could restrict our PRC subsidiaries from distributing profits to us or receiving additional capital injections, which would materially and adversely affect our business operations and ability to pay dividends.

You may experience difficulties in effecting service of process upon or enforcing foreign judgments against us or our Directors or officers.

Because most of our assets and directors are located in the PRC, it may be difficult for **[REDACTED]** to effect service of process outside the PRC or enforce foreign judgments against us or our officers. The PRC does not have treaties for the reciprocal recognition and enforcement of civil judgments with the United States and many other countries. Furthermore, while the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region — effective January 29, 2024 ("**New Arrangements**") — establishes a broader mechanism for the reciprocal recognition and enforcement of civil and commercial judgments between Chinese Mainland and Hong Kong by eliminating the need for a written choice of court agreement, enforcement remains uncertain. Because Chinese Mainland courts still review judgments on a case-by-case basis under the New Arrangement, there is no assurance that they will recognize or enforce all judgments rendered by Hong Kong courts.

PRC regulations on loans and direct investment by offshore holding companies to PRC entities may affect us from using the [REDACTED] of the [REDACTED] to make loans or additional capital contributions to our PRC subsidiaries.

Any loans provided by our offshore holding companies to our PRC subsidiaries are subject to PRC regulations and such loans must be registered with the local branch of the SAFE. Additionally, if we finance such subsidiary by means of additional capital contributions, these capital contributions must be registered, reported or filed with certain government authorities, including the Ministry of Commerce (the "**MOFCOM**"), the State Administration for Market Regulation (the "**SAMR**") and the SAFE or their local counterparts. We cannot assure you that we will be able to obtain these government registrations or approvals or to complete registration procedures on a timely basis, if at all, with respect to future loans or capital contributions by us to our subsidiaries or any of their respective subsidiaries. If we fail to obtain such approvals or registrations, our ability to make equity contributions or provide loans to our PRC subsidiaries or to fund their operations may be materially and adversely affected. This may materially and adversely affect our PRC subsidiaries' liquidity, their ability to fund their working capital and expansion projects, and their ability to meet their obligations and commitments. As a result, this may have a material adverse effect on our business, financial condition and results of operations.

We may rely on dividends and other distributions of equity paid by our subsidiaries to fund any cash and financing requirements we may have. Any limitation on the ability of our subsidiaries to make payments to us could have a material adverse effect on our ability to conduct our business or financial condition.

We are a holding company incorporated in the Cayman Islands, and we may rely on dividends and other distributions on equity that may be paid by our subsidiaries for our cash and financing requirements. If any of our subsidiaries incur debt on their own behalf in the future, the instruments governing the debt may restrict their ability to pay dividends or make other distributions to us. Under PRC laws and regulations, our PRC subsidiaries may pay dividends only out of their respective accumulated profits as determined in accordance with PRC accounting standards and regulations. In addition, our PRC subsidiaries are required to set aside at least 10% of its after-tax profits each year, after making up previous years' accumulated losses, if any, to fund certain statutory reserve funds, until the aggregate amount of such a fund reaches 50% of its registered capital. Such reserve funds cannot be distributed to us as dividends. Any limitation on the ability of our PRC subsidiaries to pay dividends or make other kinds of payments to us could materially and adversely limit our ability to grow, make investments or acquisitions that could be beneficial to our business, pay dividends to our investors or other obligations to our suppliers, or otherwise fund and conduct our business.

Failure to comply with PRC regulations regarding the registration requirements for employee share ownership plans or share option plans may subject the PRC plan participants or us to fines and other legal or administrative sanctions.

In 2012, the SAFE promulgated the Notices on Issues Concerning the Foreign Exchange Administration for Domestic Individuals Participating in Stock Incentive Plan of Overseas Publicly Listed Company (《關於境內個人參與境外上市公司股權激勵計劃外匯管理有關問題的通知》). Pursuant to these rules, PRC citizens and non-PRC citizens who reside in China for a continuous period of not less than one year and participate in any stock incentive plan of an overseas publicly listed company are required to register with SAFE through a domestic qualified agent, which could be the PRC subsidiaries of such overseas-listed company, and complete certain other procedures, unless certain exceptions are available. In addition, an overseas-entrusted institution must be retained to handle matters in connection with the exercise or sale of stock options and the purchase or sale of shares and interests. We and our executive officers and other employees who are PRC citizens or non-PRC citizens living in China for a continuous period of not less than one year and have been granted options will be subject to these regulations when our Company becomes an overseas-listed company upon the completion of the **[REDACTED]**. Failure to complete SAFE registrations may subject them or us to fines or supervision measures, which could affect our ability to adopt additional incentive plans for our directors, executive officers and employees.

In addition, the STA has issued certain circulars concerning employee share options and restricted shares. Under these circulars, our employees working in China who exercise share options or are granted restricted shares will be subject to PRC individual income tax. Our PRC subsidiary has obligations to file documents related to employee share options or restricted shares with relevant tax authorities and to withhold individual income taxes for those employees who exercise their share options. If our employees fail to pay or we fail to withhold their income taxes according to relevant laws and regulations, we may face sanctions imposed by the tax authorities or other PRC government authorities.

Any failure to make adequate contributions to various employee benefit plans as required by PRC regulations can result in penalties.

Pursuant to the Social Insurance Law of the PRC (《中華人民共和國社會保險法》) and the Administrative Regulations on Housing Provident Fund (《住房公積金管理條例》), we are required to make contributions to the social insurance plans and the housing provident fund under the relevant PRC laws for our employees. During the Track Record Period, we did not pay social insurance and housing provident fund in full for certain employees based on their actual salary levels in accordance with applicable PRC laws and regulations. During the Track Record Period and up to the Latest Practicable Date, we retained certain third-party human resources agencies to make social insurance and housing provident fund contributions on behalf of certain employees in the locations where they worked. According to the relevant PRC laws and regulations, the social insurance authorities may order us to make the full amount of contributions within a stipulated period and pay an overdue fine equal to 0.05% of the outstanding amount per day computed from the due date; and where the payment is not made within such stipulated period, the relevant authorities may impose a fine ranging from one to three times the amount of arrears. The housing provident fund management center may order us to make the full amount of housing fund within a stipulated period, and if the payment is not made within such stipulated period, an application may be made to the PRC courts for compulsory enforcement. We cannot assure you that we will not be subject to any order from the relevant government authorities in the future that requires us to pay the outstanding amount or imposes late fees or fines on us or that there will not be any employee complaints or claims regarding social insurance payments or housing provident fund contributions made against us. We may also incur additional costs to comply with such laws and regulations by the PRC government or relevant local authorities. Any such development could adversely affect our business, financial condition, results of operations and prospects.

On July 31, 2025, the Supreme People's Court issued the Interpretation II by the Supreme People's Court of the PRC on Legal Issues in the Trial of Labor Dispute Cases (the "**Interpretation II**"), which took effect from September 1, 2025. Pursuant to the Interpretation II, any agreement between an employer and an employee, or an employee's commitment to the employer, stipulating that social insurance contributions need not be paid, shall be deemed invalid by the people's court. If an employer fails to pay social insurance contributions in accordance with the law, and the employee requests to terminate the labor contract and demands the employer to pay economic compensation pursuant to Article 38(3) of the Labor Contract Law, the people's court shall support such a request in accordance with the law. Any such order may materially and adversely affect our business, financial condition and results of operations.

RISKS RELATING TO OUR OPERATIONS

Our business relies on the proper functioning of our technology infrastructure and any disruptions or failures could significantly harm our ability to provide solutions.

We may encounter technical obstacles that adversely affect our platforms and other aspects of our business where we apply our technologies. Our servers may also be vulnerable to computer viruses, physical or electronic break-ins and similar disruptions, which could lead to system interruptions, website slowdown or unavailability, delays or errors in transaction processing, loss of data or the inability to accept and fulfill sales orders. Security breaches, computer viruses and hacking attacks have become more prevalent in our industry. Defects or errors may discourage existing or potential users from utilizing our solutions. Correction of defects or errors could prove to be impossible or impracticable. The costs incurred in correcting any defects or errors may be substantial and could have a material adverse effect on our business, financial condition and results of operations. Defects or errors may also affect medical practitioners from our partnered hospital or other participants in our whole-course healthcare management service ecosystem, which may have a material adverse effect on our reputation, business, results of operations and prospects.

We may be subject to intellectual property infringement claims or other allegations, which could result in payment of substantial damages, penalties and fines and the removal of data or technology from our system.

We may from time to time in the future be subject to legal proceedings and claims relating to the intellectual property rights of others. In addition, there could also be existing intellectual property of which we are not aware that our operations and business may inadvertently infringe. Even if allegations or claims lack merit, defending against them could be costly and time-consuming and may significantly divert the efforts and resources of our management and other personnel. Competitors and other third parties may claim as well that our officers or employees have infringed, misappropriated, or otherwise violated their software, confidential information, trade secrets, or other proprietary technology in the course of their employment with us. If a claim of infringement, misappropriation, or violation is brought against us or one of our officers or employees, we may suffer reputational harm and may be required to pay substantial damages, subject to an injunction or court orders, or be required to remove the data and redesign our technology, any of which could adversely affect our business, financial condition and results of operations.

We may not be able to prevent unauthorized use of our intellectual property, which could harm our business and competitive position.

There can be no assurance that any of our pending patents, trademarks, software copyrights or other intellectual property applications will issue or be registered. Any intellectual property rights we have obtained or may obtain in the future may not be sufficient to provide us with a competitive advantage, and could be challenged, invalidated, circumvented, infringed or misappropriated. Monitoring for infringement or other unauthorized use of our intellectual property rights is difficult and costly, and such monitoring may not be effective. From time to time, we may have to resort to courts or administrative proceedings to enforce our intellectual property rights, which may result in substantial cost and diversion of resources. We may not prevail in lawsuits we initiate and the damages or other remedies awarded, if any, may not be commercially meaningful.

Corrupt practices or improper conduct by our employees, affiliates, or business partners could severely damage our reputation and materially and adversely affect our business, financial condition, results of operations, and prospects.

While we maintain strict anti-corruption policies, we cannot assure you that our employees, affiliates, suppliers, or other business partners will strictly adhere to our internal controls and applicable anti-corruption laws. Any improper conduct or allegations of bribery by these parties could subject us to regulatory investigations, fines, and other penalties. In severe cases, our whole-course healthcare management services could be suspended or seized. Furthermore, evolving interpretations of PRC anti-corruption laws or the introduction of new regulations may require us to modify our operations and increase compliance costs. Any such incidents or associated negative publicity could severely damage our corporate image and have a material adverse effect on our business, financial condition, and results of operations.

Our business depends substantially on the continuing efforts of our directors, executive officers and other key persons. If we lose their services, our business operations and growth prospects may be materially and adversely affected.

If one or more of our directors, executive officers or other key persons are unable or unwilling to continue their services with us, we might not be able to find their successors, in a timely manner, or at all. Furthermore, we may lose a significant number of our existing members and potentially lose our substantial research and development achievements, which could have a material adverse effect on our business, financial condition, results of operations and prospects. We will need to continue to attract and retain experienced and capable personnel at all levels. Competition for talent in the whole-course healthcare management industry in China is intense, and the availability of suitable and qualified candidates is limited. Competition for these individuals could cause us to offer higher compensation and other benefits to attract and retain them. In addition, even if we were to offer higher compensation and other benefits, there can be no assurance that these individuals would choose to join or continue working for us.

Our risk management and internal control systems may not be thorough or effective in all respects.

It is not always possible to timely detect and prevent fraud and other misconduct committed by our employees or third parties, and the precautions we take to prevent and detect such activities may not be effective. Furthermore, we cannot assure you that our risk management and internal control systems will be effectively implemented. We cannot assure you that all of our employees will adhere to such policies and procedures, and the implementation of such policies and procedures may involve human errors or mistakes, which may materially and adversely affect our business and results of operations. Moreover, as we are likely to offer a broader and more diverse range of services and solutions in the future, the expansion and diversification of our service offerings will require us to continue to enhance our risk management capabilities. If we fail to adapt our risk management policies and procedures to our evolving business in a timely manner, our business, financial condition and results of operations could be materially and adversely affected.

We have limited insurance coverage, which could expose us to significant costs and business disruption.

We cannot assure that our insurance coverage will be sufficient or available to cover damage, liabilities or losses we may incur in the ordinary course of our business. Any business disruption, litigation, regulatory action, outbreak of epidemic disease or natural disaster could also expose us to substantial costs and diversion of resources. There can be no assurance that our insurance coverage is sufficient to prevent us from any loss or that we will be able to successfully claim our losses under our current insurance policy on a timely basis, or at all. If we incur any loss that is not covered by our insurance policies, or the compensated amount is significantly less than our actual loss, our business, financial condition and results of operations could be materially and adversely affected.

The increasing awareness of environmental, social and governance issues may lead to the adoption of more stringent laws and regulations and increase our compliance costs.

We may need to devote more effort and resources to ensure our compliance with such laws or regulations. We acknowledge the potential environmental impact associated with sourcing our **[REDACTED]**. Our energy consumption is mainly derived from electricity consumption of our offices. Our electricity consumption is also the main source of our indirect greenhouse gases emissions. We also consume water during our daily operations. For details, please see "Business — Environmental, Social and Corporate Governance." We cannot assure you that these risk management measures can effectively mitigate the relevant risks and help us to constantly maintain compliance under relevant laws and regulations. Revisions to existing ESG-related laws and regulations or the promulgation of new ESG-related laws and regulations may increase our compliance costs, and if we fail to comply with such ESG-related laws and regulations, our business and financial performance may be materially and adversely affected.

Ongoing geopolitical tensions may materially and adversely affect our business, financial condition and results of operations.

We may be affected by the continued escalation of geopolitical and economic tensions. Strategic rivalries and sanctions among major economies, particularly between the United States and China, as well as ongoing conflicts and instability in regions such as Ukraine and the Middle East, have contributed to heightened global uncertainty. While our business operations are currently conducted within China, such geopolitical tensions may nonetheless lead to increased economic volatility, regulatory unpredictability, and disruptions in broader market conditions, which could affect macroeconomic conditions in China and consequently impact our business environment.

Any catastrophes, including natural disasters, outbreaks of health epidemics and other extraordinary events, could disrupt our business operations.

Significant natural disasters, including earthquakes, extreme weather conditions, as well as epidemic disease outbreaks and any similar event could materially impact our business in the future. If a disaster or other disruption were to occur in the future that affects the regions where we operate our business, our operations could be materially and adversely affected due to loss of personnel and damages to property. Furthermore, any future catastrophes may restrict economic activities in affected regions, resulting in reduced business volume, temporary suspension of our operations or otherwise disrupt our business operations and adversely affect our results of operations.

RISKS RELATING TO OUR CONTRACTUAL ARRANGEMENTS

If our contractual arrangements in relation to the Consolidated Affiliated Entities are deemed not to comply with regulatory restrictions of China on foreign investment in the relevant industries, or if these regulations or the interpretation of existing regulations change in the future, we could be subject to severe penalties or be forced to relinquish our interests in those operations.

Foreign ownership in entities that provide internet and other related businesses, including the value-added telecommunication services, and that are engaged in medical institutions business and related businesses, is subject to provisions under current PRC laws and regulations, unless certain exceptions are available. See "Contractual Arrangements — Restricted Businesses" for further details. We are a company incorporated in the Cayman Islands and our PRC subsidiaries are considered foreign-invested enterprises. To ensure compliance with the PRC laws and regulations, we conduct our business in China through our Consolidated Affiliated Entities based on the Contractual Arrangements. Such Contractual Arrangements enable us to (i) receive substantially all of the economic benefit from our Consolidated Affiliated Entities; (ii) exercise effective control over our Consolidated Affiliated Entities; and (iii) hold an exclusive option to purchase all or part of the equity interests in Consolidated Affiliated Entities when and to the extent permitted by the PRC laws. As a result of these Contractual Arrangements, we have control over and are the primary beneficiary of our Consolidated Affiliated Entities and hence consolidate their financial results under IFRS. See "Contractual Arrangements — Our Contractual Arrangements" for further details.

Our PRC Legal Advisor has advised us that (i) the ownership structure of the Consolidated Affiliated Entities does not violate any applicable PRC law, or regulations currently in effect in material respects; and (ii) the Contractual Arrangements governed by PRC laws are not in violation of provisions of applicable PRC laws or regulations currently in effect, and valid and binding upon each party to such arrangements in accordance with the applicable PRC laws currently in effect. However, we have been further advised by our PRC Legal Advisor that the interpretation and application of current and future PRC laws, or regulations may be amended with the development of China's economy and society. See "Contractual Arrangements — Legality of the Contractual Arrangements" for further details. Thus, the PRC governmental authorities may take a view contrary to the above-mentioned opinion. If the ownership structure, contractual arrangements, and businesses of our PRC subsidiaries or our Consolidated Affiliated Entities are found to be in violation of any existing or future PRC laws or regulations, or our PRC subsidiaries or our Consolidated Affiliated Entities fail to obtain or maintain any of the required permits or approvals to operate our business, the relevant PRC governmental authorities would have discretion to take action in dealing with such violations or failures, which could cause significant disruption to our business operations and severely damage our reputation, which would in turn have a material adverse effect on our financial condition and results of operations. If occurrences of any events result in our inability to direct the activities of our Consolidated Affiliated Entities in China that most significantly impact their economic performance and/or our failure to receive the economic benefits and residual returns from our Consolidated Affiliated Entities, and we are unable to restructure our ownership structure and operations in a satisfactory manner, we may not be able to consolidate the financial results of our Consolidated Affiliated Entities in our consolidated financial statements.

Our contractual arrangements may not be as effective in providing operational control as direct ownership and shareholders of the Consolidated Affiliated Entities may fail to perform their obligations under our contractual arrangements.

We rely on a series of Contractual Arrangements with Deqing WFOE and the Registered Shareholders of Weimai Technology to conduct our business operations in China, including providing whole-course healthcare management services through online platforms, medical consultation services and online healthcare product sales. For a description of these Contractual Arrangements, see "Contractual Arrangements — Summary of the Contractual Arrangements." However, the Contractual Arrangements may not be as effective as direct ownership in providing us with control over our Consolidated Affiliated Entities. Direct ownership would allow us, for example, to directly or indirectly exercise our rights as a shareholder to effect changes in the boards of directors of Weimai Technology, which, in turn, could effect changes, subject to any applicable fiduciary obligations at the management level. However, under the contractual arrangements, as a legal matter, if Weimai Technology or their respective shareholders fail to perform their respective obligations under the Contractual Arrangements, we may have to (i) incur substantial costs; (ii) expend significant resources to enforce those arrangements; and (iii) resort to litigation or arbitration and rely on legal remedies under PRC laws.

These remedies may include seeking specific performance or injunctive relief and claiming damages, any of which may not be effective. In the event, we are unable to enforce these contractual arrangements, or we experience significant delays or other obstacles in the process of enforcing these Contractual Arrangements, we may not be able to exert effective control over Weimai Technology and may lose control over the assets owned by our Consolidated Affiliated Entities. As a result, we may be unable to consolidate our Consolidated Affiliated Entities in our consolidated financial statements, which could materially and adversely affect our financial condition and results of operations.

The interpretation and implementation of the enacted Foreign Investment Law may impact our business, financial condition and results of operations.

On March 15, 2019, the National People's Congress promulgated the Foreign Investment Law, which took effect on January 1, 2020. The Foreign Investment Law does not explicitly classify whether variable interest entities that are controlled through contractual arrangements would be deemed as foreign invested enterprises if they are ultimately "controlled" by foreign investors. However, it has a catch-all provision under definition of "foreign investment" that includes investments made by foreign investors in China through other means as provided by laws, administrative regulations or the State Council. Therefore, it still leaves leeway for future laws, administrative regulations or provisions of the State Council to provide for contractual arrangements as a form of foreign investment, until when it remains to be determined pursuant to then-effective laws and regulations whether our Contractual Arrangements will be deemed to be in violation of the market access requirements for foreign investment in the PRC and if yes, how our contractual arrangements should be dealt with. The Foreign Investment Law grants national treatment to foreign-invested enterprises except in "restricted" or "prohibited" industries under the Special Administrative Measures (Negative List) for Foreign Investment Access, jointly issued by MOFCOM and NDRC (effective November 2024). Foreign investors are barred from "prohibited" sectors and must meet conditions/approvals for "restricted" ones. The Supreme People's Court's FIL Interpretations (effective January 1, 2020) support invalidating investment agreements circumventing these restrictions.

If our contractual control over Consolidated Affiliated Entities is deemed foreign investment in "restricted" or "prohibited" sectors, we could violate the FIL, rendering arrangements invalid and requiring unwinding/restructuring, materially impacting operations. Future regulations mandating termination of such arrangements would create substantial compliance uncertainties, potentially disrupting our structure and business.

If we exercise the option to acquire equity interest of the Consolidated Affiliated Entities, this equity interest transfer may subject us to certain limitations and substantial costs.

Pursuant to the Contractual Arrangements, Deqing WFOE or its designated person(s) has the irrevocable and exclusive right to purchase all or a part of the equity interest in the Consolidated Affiliated Entities from their respective shareholders free of charge or at a nominal consideration, or if the aforementioned consideration is not permitted under then applicable PRC laws, at the minimum consideration permitted under such laws. The equity transfer may be subject to approvals from and filings with the local administration for market regulation. In addition, the equity transfer price may be subject to review and tax adjustment by the relevant tax authorities. The equity transfer price received by the Consolidated Affiliated Entities under the Contractual Arrangements may also be subject to personal income tax, enterprise income tax, and these amounts could potentially be substantial.

Any failure by any of the Consolidated Affiliated Entities or their shareholders to perform their respective obligations under our contractual arrangements with them would have a material and adverse effect on our business.

If our Consolidated Affiliated Entities or their shareholders fail to perform obligations under the Contractual Arrangements, we may incur substantial costs to enforce them, relying on PRC legal remedies such as specific performance, injunctive relief, or damages claims. For instance, if shareholders refuse to transfer equity upon our exercise of the purchase option or act in bad faith, we may need legal action to compel performance. All such agreements are governed by PRC law and provide for PRC arbitration, where awards are final and non-appealable. Enforcement requires court recognition proceedings if the losing party does not comply, involving additional costs and delays.

Our contractual arrangements are governed by the law of China. Accordingly, these contracts would be interpreted in accordance with the law of China, and any disputes would be resolved in accordance with legal procedures in China.

All agreements under our contractual arrangements are governed by PRC law and provide for dispute resolution through arbitration in China. These contracts would be interpreted under PRC law with limited precedents for enforcing Consolidated Affiliated Entity arrangements, potentially limiting our enforcement ability. Arbitration awards are final and non-appealable; enforcement requires PRC court recognition proceedings if unpaid, causing delays and costs. Inability to enforce, or significant delays/obstacles, may prevent effective control over our Consolidated Affiliated Entities and adversely affect our business.

The Registered Shareholders of the Consolidated Affiliated Entities may have actual or potential conflicts of interest with us, which may materially and adversely affect our business and financial condition.

The Registered Shareholders of our Consolidated Affiliated Entities may have conflicts of interest with us and could breach the Contractual Arrangements to further their own interests or act in bad faith. We cannot assure you they will prioritize our interests or that such conflicts will be resolved in our favor. Additionally, they may breach or cause the Consolidated Affiliated Entities to breach these arrangements, potentially leading to disputes and legal proceedings with significant uncertainty. Such actions could disrupt operations, impair our control over the entities, generate negative publicity, and yield unfavorable outcomes.

Contractual arrangements in relation to the Consolidated Affiliated Entities may be subject to scrutiny by the tax authorities of China and they may determine that we or the Consolidated Affiliated Entities owe additional taxes, which could negatively affect our financial condition and the value of your investment.

According to applicable PRC laws and regulations, arrangements and transactions among related parties may be subject to challenge by the PRC tax authorities, and additional taxes and interest may be imposed. If the PRC tax authorities deem the transactions under the Contractual Arrangements are not conducted on an arm's length basis and result in deferral or underpayment in taxes, they are entitled to make special tax adjustments which might result in the increase of the Consolidated Affiliated Entities tax liabilities. If the tax authorities conduct special tax adjustments, they might impose interest charges for the underpaid taxes. Our financial position could be adversely affected if the Consolidated Affiliated Entities tax liabilities increase or if the Consolidated Affiliated Entities are required to pay interest charges.

We may lose the ability to use, or otherwise benefit from, the licenses, approvals and assets held by the Consolidated Affiliated Entities, which could severely disrupt our business, render us unable to conduct some of our business operations.

Our Consolidated Affiliated Entities hold (or may hold) critical assets under the Contractual Arrangements, including intellectual property, the Value-Added Telecommunications Business Operating License, Medical Institution Practice License, and Insurance Intermediary License. Bankruptcy, liens, or third-party creditor claims on these assets could prevent us from continuing related business activities, materially adversely affecting our operations, financial condition, and results. Although the arrangements prohibit asset sales, transfers, or encumbrances without our consent, voluntary/involuntary liquidation could still enable creditor claims, with similar adverse impacts.

We do not have any insurance that covers the risks relating to the Contractual Arrangements and the transactions contemplated thereunder.

The insurance of our Group does not cover the risks relating to the Contractual Arrangements and the transactions contemplated thereunder and our Company has no intention to purchase any insurance in this regard. If any risk arises from the Contractual Arrangements in the future, such as those affecting the enforceability of the Contractual Arrangements and the operation of the Consolidated Affiliated Entities, the financial results and financial position of our Group may be adversely affected.

RISKS RELATING TO THE [REDACTED]

There has been no prior market for our Shares and their liquidity and [REDACTED] following the [REDACTED] may be volatile.

There was no public market for our Shares prior to the **[REDACTED]**. There can be no guarantee that a public market for our Shares with adequate liquidity and trading volume will develop and be sustained following the completion of the **[REDACTED]**. In addition, the **[REDACTED]** of our Shares is expected to be fixed by agreement between the **[REDACTED]** (for itself and on behalf of the **[REDACTED]**) and us, which may not be indicative of the **[REDACTED]** of our Shares following the completion of the **[REDACTED]**. If an active public market for our Shares does not develop following the completion of the **[REDACTED]**, the **[REDACTED]** and liquidity of our Shares may be materially and adversely affected.

Potential [REDACTED] will experience immediate and substantial dilution as a result of the [REDACTED] and could face dilution as a result of future equity financings.

As the **[REDACTED]** of our Shares is higher than the net tangible assets per Share immediately prior to the **[REDACTED]**, purchasers of our Shares in the **[REDACTED]** will experience an immediate dilution in **[REDACTED]** adjusted net tangible assets. Our existing Shareholders will receive an increase in the **[REDACTED]** adjusted net tangible asset value per Share of their shares. In addition, holders of our Shares may experience further dilution of their interest if the **[REDACTED]** exercise the **[REDACTED]** or if we issue additional shares in the future to raise additional capital.

Future or perceived sales of substantial amounts of our Shares could affect their [REDACTED].

Future sales of substantial amounts of our Shares or other securities relating to our Shares in the public market, or the issuance of new Shares or other securities relating to our Shares, or the perception that such sales or issuances may occur could all cause a decline in the **[REDACTED]** of our Shares. Future sales, or perceived sales, of substantial amounts of our securities or other securities relating to our Shares, including part of any future **[REDACTED]**, could also materially and adversely affect the prevailing **[REDACTED]** of our Shares and our ability to raise capital in the future at a time and at a price which we deem appropriate.

Our Single Largest Shareholders have substantial influence over the Company, and their interests may not always be aligned with the interests of our other Shareholders.

Our Single Largest Shareholders collectively have significant influence in determining the outcome of any corporate transaction or other matter submitted to the Shareholders for approval, including but not limited to mergers, privatizations, consolidations and the sale of all, or substantially all, of our assets, election of directors, and other significant corporate actions. Immediately following the completion of the **[REDACTED]**, our Single Largest Shareholders will be together entitled to control in aggregate approximately **[REDACTED]**% of our total issued share capital and thus remain as the Single Largest Shareholders upon **[REDACTED]**. The interests of Single Largest Shareholders might differ from the interests of our other Shareholders. In the event that Single Largest Shareholders cause us to pursue strategic objectives that conflict with the interests of our other Shareholders, our other Shareholders could be disadvantaged, and their interests could be damaged. Any conflict of interest between Single Largest Shareholders and our other Shareholders may also materially and adversely affect aspects such as the decision and implementation of our business plans, which may, in turn, affect our operations and prospects.

We may not pay any dividends in the future.

Our ability to pay dividends depends on generating sufficient earnings and is at our Directors' discretion, subject to general meeting approval. Dividend decisions will consider our results of operations, cash flows, financial position, capital requirements, distributable profits under applicable accounting standards, Articles of Association, PRC Company Law, Cayman Companies Act, and other relevant laws, market conditions, strategy, contractual restrictions, taxation, and regulatory factors. Accordingly, we cannot assure you regarding the timing, amount, or form of future dividends, and we may be unable to adhere to any dividend policy.

We are incorporated under the laws of Cayman Islands and you may face difficulties in protecting your interests under the laws of the Cayman Islands.

Our corporate affairs are governed by our Memorandum of Association, Articles of Association, the Cayman Companies Act, and the common law of the Cayman Islands. Your rights, as a Shareholder, to take action against the Directors, the rights of minority Shareholders to institute actions and the fiduciary responsibilities of our Directors to us under Cayman Islands law are to a large extent governed by the common law of the Cayman Islands. The common law of the Cayman Islands is derived in part from comparatively limited judicial precedent in the Cayman Islands as well as from English common law, which has persuasive, but not binding, authority on a court in the Cayman Islands. There may be difficulty in protecting your interest under the law of Cayman Islands.

You should only rely on the information included in this document to make your [REDACTED] decision, and we strongly caution you not to rely on any information in press articles or other media coverage relating to us, our Shares or the [REDACTED].

We strongly caution you not to rely on any press articles or media coverage regarding us or the **[REDACTED]**. Prior to this document, such coverage has included unauthorized information — such as operating/financial data, projections, and valuations — not appearing herein. We accept no responsibility for its accuracy or completeness, make no representations as to its reliability, and disclaim any inconsistent information; you should rely solely on this document.

We cannot guarantee the accuracy of facts, forecasts and other statistics obtained from official governmental sources contained in this document.

Facts, forecasts and statistics in this document relating to the healthcare service industry are obtained from official governmental sources, either commissioned by us or publicly accessible. We engaged Frost & Sullivan to prepare the Frost & Sullivan Report, an independent industry report, in connection with the **[REDACTED]**. We believe that the sources of this information are appropriate sources for such information and have taken reasonable care in extracting and reproducing such information. We have no reason to believe that such information from official governmental source is false or misleading or that any fact has been omitted that would render such information false or misleading. The information from official government sources has not been independently verified by us, the Sole Sponsor, the **[REDACTED]**, the **[REDACTED]**, the **[REDACTED]**, any of their respective directors and advisers, or any other party involved in the **[REDACTED]** and no representation is given as to its accuracy. In any event, you should consider carefully the importance placed on such information or statistics.

Forward-looking statements contained in this document are subject to risks and uncertainties.

This document contains forward-looking statements with respect to our business strategies, operating efficiencies, competitive positions, and growth opportunities for existing operations, plans and objectives of management, certain **[REDACTED]** information and other matters. The words "will," expect," "anticipate," "estimate," "believe," "going forward," "ought to," "may," "seek," "should," "intend," "plan," "projection," "could," "vision," "goals," "objective," "target," "schedule," "predict," "aim," "intend," "consider," "would," "continue" and "outlook" and the negative of these terms and other similar expressions identify a number of these forward-looking statements. These forward-looking statements, including, among others, those relating to our future business prospects, capital expenditure, cash flows, working capital, liquidity and capital resources are necessary estimates reflecting the best judgment of our Directors and management and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. As a result, these forward-looking statements should be considered in light of various important factors, including those set out in "Risk Factors" in this document. Accordingly, such statements are not a guarantee of future performance and you should not place undue reliance on any forward-looking information. All forward-looking statements in this document are qualified by reference to this cautionary statement.