SUMMARY

This summary aims to give you an overview of the information contained in this document. As this is a summary, it does not contain all the information that may be important to you. You should read the entire document carefully before you decide to [**REDACTED**] *in the* [**REDACTED**].

There are risks associated with any [**REDACTED**]. *Some of the particular risks in* [**REDACTED**] *in the* [**REDACTED**] *are set out in the section headed "Risk Factors." You should read that section carefully before you decide to* [**REDACTED**] *in the* [**REDACTED**].

OVERVIEW

Since our establishment, we have been focusing on supplying and dispensing drugs, particularly prescription drugs, to patients in need. As China's demographic structure evolves, we have recognized the growing demand among patients for innovative drugs and have accordingly strengthened our innovative drug dispensing capabilities while diversifying our business around full-chain services for the commercialization of innovative drugs. Our leading position in China's specialty pharmacy market and our service capabilities built around services to participants in the value-chain of healthcare industry made us China's largest full-chain service provider for the commercialization of innovative drugs by both revenue and annual delivery value of innovative drugs in 2024. Leveraging a unique closed-loop ecosystem that connects patients, pharmaceutical companies, healthcare professionals (HCPs), and insurance companies, we offer comprehensive services for the commercialization of innovative drugs in China, covering industry promotion, drug dispensing, patient management, and payment solutions. We focus on, and mainly generate our revenue from, the supplying and dispensing drugs, primarily innovative drugs, providing professional pharmaceutical and medical services to patients through offline pharmacies and online internet hospitals. At the same time, we provide comprehensive insurance services ranging from insurance product design and marketing to insurance cost control, and from insurance claims to personal health management, as well as innovative drug marketing services based on real-world research and HCP networks. Leveraging insights and real-world data accumulated from drug dispensing and insurance services, we are in a good position to help with the issues of accessibility and affordability of innovative drugs by gradually providing a series of connection and empowerment support to all participants in the innovative drug industry chain, including pharmaceutical companies, HCPs, medical institutions, and insurance companies.

OUR BUSINESS MODEL

Our core capabilities have created efficient connections among patients, HCPs, medical institutions, insurance companies, and pharmaceutical companies, forming our two main business segments in relation to innovative drugs: a commercialization fulfillment network centered on drug dispensing, and commercialization acceleration services focused on payment and promotion. Through our commercialization fulfillment network, we provide out-of-hospital pharmacy services, out-of-hospital medical services and wholesale pharmacy services focusing on the innovative drug's reach to the patients, while our commercialization acceleration services facilitates the commercialization of innovative drugs through our services to other participants in the medical industry value chain, including insurance services, and marketing services to pharmaceutical companies. We also have, as a less significant part of our business, a healthcare technology business line, under which we provide services to hospitals to enhance patients' in-hospital experience and address the significantly unmet need for care continuum in China.

Commercialization Fulfillment Network

Starting our *out-of-hospital pharmacy services* in December 2015, we have built an offline plus online pharmacy network through *Yuanxin Pharmacy*, our nationwide offline pharmacy network, and *Miaoshou Physician's* online pharmacy. Of our 201 pharmacies as of December 31, 2025, 183 are within a one-kilometer radius of a hospital, and 147 are within 300 meters. Additionally, 177 Yuanxin Pharmacies are designated for social health insurance, 115 are designated as dual-channel pharmacies for major disease and social health insurance and 104 are designated as pharmacies for risk pooling outpatient services. These pharmacies enable patients to have convenient access to innovative drugs and professional medical services which complement their in-hospital treatment. As of December 31, 2025, we offered on our offline and online pharmacy network approximately 42,585 SKUs of products, and our product portfolio covered 182 of the 207 innovative oncology drugs approved by the NMPA since 2015, and 347 out of 453 innovative drugs (excluding vaccines and diagnostic reagents) approved by the NMPA since 2015. For the years of 2023, 2024 and 2025, approximately 86%, 89% and 92% of our retail sales, respectively, were derived from sales of prescription drugs, and approximately 56%, 64% and 70% of our retail sales, respectively, were derived from sales of innovative drugs.

Our *out-of-hospital medical services* complements our offline pharmacy services by providing a wide array of online medical services such as follow-up consultant and prescription renewal through our *Miaoshou Physician*, which improves the convenience and quality of healthcare services to patients. For the year ended December 31, 2025, the average monthly user visits to our online *Miaoshou Physician* was approximately 27 million.

We started our *wholesale pharmacy services* in 2017 to primarily make available certain innovative drugs and, to a lesser extent, other prescription drugs and OTC drugs, to third-party retail pharmacies and pharmaceutical product resellers. We had 129,503, 88,856 and 79,589 customers for our wholesale pharmacy services in 2023, 2024 and 2025, respectively. During the Track Record Period, we chose to gradually reduce the scale of our wholesale pharmacy services to better focus on our out-of-hospital pharmacy business.

Commercialization Acceleration Services

In 2018, we rolled out our *insurance services* by launching our first medical insurance product through cooperating with a leading insurance company in China, marking the start of our insurance services. As of December 31, 2025, we had served 230 insurance companies and 10 reinsurance companies, which covered 580 innovative drugs approved by the NMPA and helped launch inclusive commercial health insurance in more than 180 cities. Since the roll-out of our insurance services in 2018 and as of December 31, 2025, we have managed 246.6 million insurance policies and served approximately 4.8 million people through our related health management services. During the Track Record Period, claims with respect to drug usage for a total amount of RMB3.6 billion was made through our services, and compensation in the amount of RMB1.1 billion was made by insurance companies pursuant to the terms of the corresponding policies, including the applicable coverage rate for the given insurance products. We have obtained required licenses to provide insurance services in China.

We have been providing *marketing services to pharmaceutical companies* since late 2019. As of December 31, 2025, we have cumulatively served 506 pharmaceutical companies with our marketing services, covering 19 of the top 20 domestic pharmaceutical companies in China and 19 of the top 20 global pharmaceutical companies in terms of revenue in 2024, according to Frost & Sullivan.

Healthcare technology services

To enhance patients' in-hospital experience and address the significant unmet need for care continuum in China, in 2019, we have developed healthcare technology services that enable hospitals, in particular, Class III, Grade A hospitals, to intelligentize and optimize their operations and encourage positive long-term patient management. As of December 31, 2025, we had collaborated with a total of 537 hospitals, including over 220 Class III, Grade A hospitals.

SUSTAINABILITY OF OUR BUSINESS AND PATH TO PROFITABILITY

Since our founding, we have achieved improvement in our results of operations and cash flow position. Benefiting from the following solid foundation we have built and the momentums we have achieved, we believe we are able to maintain sustainability and growth of our business.

- *China's pharmaceutical industry continues to grow, with out-of-hospital innovative drug dispensing leading in growth*
- *Our various business lines maintain continuous revenue growth*
- *Continuous improvement in pharmacy profitability, adjustment of loss-making stores*
- *Our ability to turn losses into profits*
- *Continuous improvement in operating cash flow*

See "Business – Sustainability of our Business and Path to Profitability" for more details.

Working capital sufficiency

Our Directors believe that our business is sustainable, and it possesses cash and liquidity assets, supplemented by strong fund-raising capability, to meet our present requirements and for the next 12 months from the date of this document, estimated based on our revenue growth and cash flow conditions during the Track Record Period. We believe that the [**REDACTED**] will provide additional funding to our operation until we become profitable.

Taking into account the financial resources available to us, including our cash and cash equivalents on hand and the estimated net [**REDACTED**] from the [**REDACTED**], our Directors are of the view that we have sufficient working capital to meet our present needs and for the next twelve months from the date of this document. Our Directors and our management team will continue to monitor our working capital, cash flows, and our business development status. For details, please see "– Financial Information."

The foregoing forward-looking statements on our future revenue and profitability are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. Our business growth and long-term profitability are subject to known and unknown risks, uncertainties and other factors, some of which are beyond our control, which may cause the actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements set out above. For related risks, see "Risk Factors – Risks Related to Our Business and Industry."

COMPETITION

China has a major healthcare economy with sizeable and steadily increasing healthcare expenditure. Particularly, in answering to the increasing demand from aging population and increasing cancer incidents and other chronic diseases, China's innovative pharmaceutical market has been growing fast, from RMB213.9 billion in 2020 to RMB309.0 billion in 2024 at a CAGR of 9.7%, and this market is expected to further reach RMB606.5 billion in 2030 and RMB1,043.0 billion in 2035, representing a CAGR of 11.8% from 2024 to 2030 and 11.5% from 2030 to 2035, respectively. Such increase trend, in turn, demands for better commercialization service for innovative drugs to help better unlock the market's potential.

Our services encompass the entire healthcare value chain for patients and entire post-commercialization journey of innovative drugs, which is unique. We face competition in certain aspects of our business, in particular, offline and online pharmacies, digital health service providers, and service providers to hospitals, pharmaceutical and insurance companies, and other players in the healthcare value chain. We believe that our ability to compete effectively depends on many factors, including the breadth and depth of our products and service offerings, our pricing competitiveness, our ability to form and retain a closed-loop business model, our supply chain capabilities, our technological capabilities, quality control of our product and service offerings, our partnership with third parties, our marketing efforts and the strength and reputation of our brand. As a result, we were China's largest full-chain service provider for the commercialization of innovative drugs by both revenue and annual delivery value of innovative drugs in 2024.

For a detailed discussion on the industries in which we do our business, please see "Industry Overview."

OUR STRENGTHS

We believe that the following competitive strengths contribute to our success and differentiate us from our competitors:

- professional drug dispensing and post-dispensing management capabilities enable us to efficiently undertake and accelerate the commercialization of innovative drugs;
- we empower the industry chain with insurance technology to solve innovative drug payment challenges;
- with deep industry insights, we offer multi-channel support for innovative drug promotion;
- our proprietary AI reshapes our industry chain serving capability; and
- our management team has deep industry insight and vision.

OUR STRATEGY

To realize our mission, we intend to pursue the following strategies:

- continue investing in Insurtech service sectors and deepen our Insurtech presence;
- further enhance out-of-hospital capabilities for innovative drugs dispensing and medical services;
- continue to improve our AI-based service capabilities to benefit the industry chain; and
- continuously enhance data insight capabilities to solidify the foundation for our commercialization acceleration services.

RISK FACTORS

Our operations and the [**REDACTED**] involve certain risks and uncertainties, which are set out in the section headed "Risk Factors." You should read that section in its entirety carefully before you decide to [**REDACTED**] in our H Shares. Some of the major risks we face include:

- the industries in which we operate are highly competitive and constantly evolving. If we are unable to compete effectively, our business and operations may be materially and adversely affected;
- we are subject to extensive and evolving regulatory requirements, the changes or non-compliance of which may materially and adversely affect our business and prospects;
- we are in the early stage of development with a limited operating history, and our historical results of operations and financial performance are not indicative of future performance;
- if our products and services do not maintain and drive customers' engagement or if we fail to provide superior customer experience, we may fail to attract new customers or retain sufficient customers, and our business, financial conditions and reputation may be materially and adversely affected;

- our sale of pharmaceutical and healthcare services and products is subject to a variety of risks, which may materially affect our business, financial condition and results of operations;

- sale of prescription drugs is subject to stringent scrutiny, which may expose us to risks and challenges;

- we have a large balance of goodwill and we may incur significant impairment charges which could materially impact our financial position;

- we have a large balance of other intangible assets and we may incur significant impairment charges which could materially impact our financial position;

- we source our pharmaceutical and healthcare products from our reputable suppliers. We have limited control over them which are subject to a variety of risks;

- pharmaceutical products, and innovative drugs, in particular, require strict storage and transportation conditions;

- failure to manage our inventory effectively could have a material and adverse effect on our business, financial condition and results of operations; and

- we face risks relating to the availability, pricing and safety profiles of innovative drugs that we purchase and sell.

OUR CONTROLLING SHAREHOLDERS

As of the date of this document, Tianjin Chuanyou Group and Yuan Miaoren held approximately 28.83% and 6.95% of our issued Shares, respectively, with an aggregate interest of 35.78% in the issued share capital of our Company. Tianjin Chuanyou is beneficially owned as to approximately 79.78%, 16.00% and 4.22% of the partnership interests by Mr. He Tao (directly and indirectly through his controlled entities), Ms. Meng Zhe and Mr. He Weizhuang, respectively, of which Mr. He Tao and Mr. He Weizhuang held their interests in Tianjin Chuanyou through certain intermediate entities. In addition, Mr. He Tao also controls all of the voting rights of Yuan Miaoren in our Company. Accordingly, Tianjin Chuanyou Group, Yuan Miaoren, Mr. He Tao, Ms. Meng Zhe and Mr. He Weizhuang constitute our group of Controlling Shareholders.

Immediately following the completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised), Tianjin Chuanyou Group and Yuan Miaoren, will be interested in [**REDACTED**]% and [**REDACTED**]% of the issued share capital of our Company, respectively, with an aggregate interest of [**REDACTED**]% in the issued share capital of our Company.

PRE-[REDACTED] INVESTORS

We received multiple series of equity financing from our Pre-[**REDACTED**] Investors to support our business expansion from 2015 onwards. Our broad and diverse base of Pre-[**REDACTED**] Investors consists of, among others, Tencent, HongShan (formerly known as Sequoia China), Sequoia, Qiming RMB Funds, Starquest Capital and Kunling. See "History and Corporate Structure – Pre-[**REDACTED**] Investments" for details.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

We were loss-making during the Track Record Period. The following tables set forth summary financial data from our consolidated financial information during the Track Record Period, extracted from the Accountants' Report set out in Appendix I to this document. The summary consolidated financial data set forth below should be read together with, and is qualified in its entirety by reference to, the consolidated financial statements in this document, including the related notes, and the information set forth in "Financial Information." Our consolidated financial information was prepared in accordance with IFRSs.

Summary of Consolidated Statements of Profit or Loss and Other Comprehensive Income

	For the Year Ended December 31,					
	2023		2024		2025	
	RMB	%	RMB	%	RMB	%
	(in thousands of RMB, except percentages)					
Revenue	**9,737,307**	**100.0**	**10,204,643**	**100.0**	**10,376,737**	**100.0**
Cost of sales	(8,826,059)	(90.6)	(9,410,747)	(92.2)	(9,354,152)	(90.1)
Gross profit	**911,248**	**9.4**	**793,896**	**7.8**	**1,022,585**	**9.9**
Other income and gains	42,348	0.4	26,422	0.3	25,875	0.1
Other expenses and losses	(37,536)	(0.4)	(269,964)	(2.6)	(36,900)	(0.4)
Selling and marketing expenses	(1,100,826)	(11.3)	(1,097,746)	(10.8)	(966,437)	(9.3)
Administrative expenses	(299,148)	(3.1)	(362,207)	(3.5)	(297,330)	(2.8)
Research and development expenses	(192,836)	(2.0)	(140,711)	(1.4)	(113,986)	(1.1)
Impairment losses under ECL model	(30,278)	(0.3)	(45,603)	(0.5)	(23,779)	(0.2)
Finance costs	(19,672)	(0.2)	(20,594)	(0.2)	(13,961)	(0.1)
Share of profit of associates	(22,628)	(0.2)	(8,098)	(0.08)	(807)	(0.01)
Share of profits and losses of joint ventures	(111)	(0.001)	(1,426)	(0.01)	(116)	(0.001)
Loss before tax	**(749,439)**	**(7.7)**	**(1,126,031)**	**(11.0)**	**(404,856)**	**(3.9)**
Income tax credit	30,467	0.3	31,897	0.3	3,958	0.04
Loss for the year	**(718,972)**	**(7.4)**	**(1,094,134)**	**(10.7)**	**(400,898)**	**(3.9)**

NON-IFRS MEASURE: ADJUSTED NET LOSS (NON-IFRS MEASURE) AND ADJUSTED EBITDA (NON-IFRS MEASURE) FOR THE YEAR

To supplement our consolidated financial statements, which are presented in accordance with IFRSs, we also use adjusted net loss (non-IFRS measure) and adjusted EBITDA (non-IFRS measure) as additional financial measures, which are not required by, or presented in accordance with, IFRS. We believe these measures facilitate comparisons of operating performance from period to period and company to company by eliminating potential impacts of certain items.

We believe adjusted net loss (non-IFRS measure) and adjusted EBITDA (non-IFRS measure) provide useful information to [**REDACTED**] and others in understanding and evaluating our consolidated results of operations in the same manner as they help our management. However, our presentation of adjusted net loss (non-IFRS measure) and adjusted EBITDA (non-IFRS measure) may not be comparable to similarly titled measures presented by other companies. The use of such measures have limitations as an analytical tool, and you should not consider them in isolation from, or as a substitute for an analysis of, our results of operations or financial condition as reported under IFRS.

We define adjusted net loss (non-IFRS measure) as loss and total comprehensive loss for the year adjusted by adding back share-based payment compensation and [**REDACTED**] expense. We exclude share-based payment compensation because it is non-cash in nature and does not result in cash outflow. We exclude [**REDACTED**] expense in relation to our [**REDACTED**]. The exclusion of share-based payment compensation and [**REDACTED**] expense complies with Chapter 3.11 of the Guide for New Listing Applicants. We define adjusted EBITDA (non-IFRS measure) as loss and total comprehensive loss for the year adjusted by adding back (i) bank interest income, finance cost, income tax credit and [**REDACTED**] expense and (ii) certain non-cash expenses, consisting of share-based payment compensation, depreciation of property, plant and equipment, depreciation of right-of-use assets and amortization of intangible assets. The following table (in absolute amounts and as percentages of total revenue for period indicated) reconciles our adjusted net loss (non-IFRS measure) and adjusted EBITDA (non-IFRS measure) for the year presented in accordance with IFRS, which is loss and total comprehensive loss for the year:

	For the Year Ended December 31,					
	2023		2024		2025	
	RMB	%	RMB	%	RMB	%
	(in thousands of RMB, except percentages)					
Reconciliation of loss to non-IFRS:						
Loss and total comprehensive loss for the year	(718,972)	(7.4)	(1,094,134)	(10.7)	(400,898)	(3.9)
Add:						
Share-based payment compensation	26,151	0.3	154,172	1.5	140,666	1.4
[**REDACTED**] expense	15,659	0.1	982	0.01	–	–
Adjusted net loss (non-IFRS measure) for the year	**(677,162)**	**(7.0)**	**(938,980)**	**(9.2)**	**(260,232)**	**(2.5)**
Add:						
Depreciation of property, plant and equipment	43,677	0.4	38,442	0.4	32,278	0.4
Depreciation of right-of-use assets	134,358	1.4	125,465	1.2	98,479	0.9
Amortization of intangible assets	103,084	1.1	102,347	1.0	73,616	0.7
Bank interest income	(23,419)	(0.2)	(12,559)	(0.1)	(6,190)	(0.1)
Finance costs	19,672	0.2	20,594	0.2	13,961	0.1
Income tax credit	(30,467)	(0.3)	(31,897)	(0.3)	(3,958)	(0.04)
Adjusted EBITDA (non-IFRS measure)	**(430,257)**	**(4.4)**	**(696,588)**	**(6.8)**	**(52,046)**	**(0.5)**

We have seen a steady increase in our revenues, which was mainly driven by the growth of our business of commercialization fulfillment network. In 2024, while we saw an increase in our business, as we incurred impairment losses on intangible assets of RMB175.8 million and impairment losses on disposal group of RMB19.2 million, our net loss increased. As we took effective measure to improve our operating efficiency, we managed to substantively narrow down our net loss in 2025. For detailed analysis, see "Financial Information – Description of Major Components of Our Results of Operations."

Summary of Consolidated Statements of Financial Position

	As of December 31,		
	2023	2024	2025
	(in thousands of RMB)		
Total non-current assets	1,716,948	1,324,846	1,155,917
Total current assets	3,973,902	3,686,537	3,624,524
Total current liabilities	2,348,285	2,715,515	2,859,086
Net current assets	1,625,617	971,022	765,438
Total non-current liabilities	336,152	239,457	170,087
Net assets	3,006,413	2,056,411	1,751,268
Non-controlling interests	373,852	218,184	138,031

As our business continued to grow, we have seen decrease in our cash and cash equivalents and increase in our trade and bills payable for the Track Record Period, resulting in the decrease in our net current assets. Our non-current assets decreased during the same period mainly because we proactively shut down certain of our pharmacies to improve our operating efficiency. See "Financial Information – Discussion of Certain Key Balance Sheet Items."

Summary of Consolidated Statements of Cash Flows

	For the Year Ended December 31,		
	2023	**2024**	**2025**
	(in thousands of RMB)		
Operating cash flows before changes in working capital	(347,677)	(385,145)	4,329
– Changes in working capital	3,549	433,340	142,560
– income taxes paid	(2,892)	(5,522)	(8,671)
Net cash (used in)/generated from operating activities	(347,020)	42,673	138,218
Net cash flows used in investing activities	(274,178)	(327,073)	(461,042)
Net cash used in financing activities	(123,688)	(94,138)	(80,116)
Net decrease in cash and cash equivalents	(744,886)	(378,538)	(402,940)
Cash and cash equivalents at the beginning of the year	1,648,525	903,636	525,485
Cash and cash equivalents at the end of the year	**903,636**	**525,485**	**122,542**

For a detailed description of our cash flows and liquidities, please refer to "Financial Information – Liquidity and Capital Resources" in this document.

OUR LEASED PROPERTIES

We do not own any property but leased approximately 246 properties in the PRC with an aggregate gross floor area of approximately 78,179 square meters as of the Latest Practicable Date. Lease agreements for our leased properties typically have a term of two to seven years. The following table sets forth a maturity analysis of lease liabilities as of the dates indicated.

	As of December 31,					
	2023		**2024**		**2025**	
	Outstanding lease liabilities	**Number of lease agreements**	**Outstanding lease liabilities**	**Number of lease agreements**	**Outstanding lease liabilities**	**Number of lease agreements**
	(RMB in thousands)		*(RMB in thousands)*		*(RMB in thousands)*	
Due within one year	124,536	118	104,175	74	105,892	103
Due after one year but within five years	179,829	194	137,580	170	93,682	107
Due after five years	16,059	21	9,036	15	5,457	15
Total	**320,424**	**333**	**250,791**	**259**	**205,031**	**225**

We believe there will be no significant difficulty in renewing our existing lease agreements that are about to expire on similar terms, on the ground that in general, we have the contractual and/or legal priority right of renewal with respect to all of our existing lease agreements.

PRICING AND PAYMENT POLICY FOR OUR SERVICES

We have adopted different pricing and payment policies for our services. Specifically:

- *Services under commercialization fulfillment network*. We provide a wide range of drugs, healthcare products and medical supplies to patient customers through offline pharmacies and online pharmacy network. We derive revenue from wholesale pharmacy services through rendering wholesale pharmacy services to third-party retail pharmacies and pharmaceutical product resellers. For out-of-hospital medical services, we provide patient customers with various specialized medical services through our online *Miaoshou Physician*. As such, we typically charge patient customers a fixed fee based on the service package that patient customers choose for our services.

- *Insurance services.* We provide insurance services primarily including insurance product marketing service and earn commissions and service fees from the insurance companies, which are generally calculated as a percentage of the total insurance premium for the related insurance policy. We provide third party administration services, including claim process and pharmacy benefit management, and typically charge insurance companies a fixed fee or a fixed percentage of total insurance premium.

- *Marketing services to pharmaceutical companies.* We typically charge pharmaceutical companies a fixed fee for the service rendered.

- *Healthcare technology services.* We typically charge hospitals a fixed fee which is usually determined with reference to the prevailing market price and consideration of various factors.

See "Business – Our Revenue Recognition, Pricing and Payment Policy" for more details on our pricing policies.

[**REDACTED**]

FUTURE DIVIDENDS

We are incorporated under the laws of the People's Republic of China. PRC laws require that dividends be paid only out of the profit for the year calculated according to PRC accounting principles, which differ in many aspects from the generally accepted accounting principles in other jurisdictions, including IFRSs. PRC laws also require foreign-invested enterprises to set aside at least 10% of its after-tax profits, if any, to fund its statutory reserves, which are not available for distribution as cash dividends. Dividend distribution to our shareholders is recognized as a liability in the period in which the dividends are approved by our shareholders or Directors, where appropriate. During the Track Record Period, no dividends have been paid or declared by us.

[REDACTED]

RECENT DEVELOPMENTS

Benefiting from the implementation of our development strategies, our business has continued to achieve steady growth. Leveraging our AI capabilities, our Yuanquan Patient Management Large Model has cumulatively managed approximately 1.5 million patients as of March 31, 2026. In addition, under our commercialization acceleration services, we have cumulatively managed approximately 27.3 million insurance policies during the period from January 1, 2026 to March 31, 2026, reflecting the continued expansion of our insurance services.

NO MATERIAL ADVERSE CHANGE

After performing sufficient due diligence work which our Directors consider appropriate and after due and careful consideration, the Directors confirm that, up to the date of this document, there has been no material adverse change in our financial or trading position or prospects since December 31, 2025, being the latest date of our consolidated financial statements as set out in Appendix I to this document, and there is no event since December 31, 2025 that would materially affect the information as set out in the Accountants' Report included in Appendix I to this document.

[REDACTED]

[**REDACTED**]

[**REDACTED**] EXPENSES

Based on the [**REDACTED**] of HK$[**REDACTED**] per [**REDACTED**], the total estimated [**REDACTED**] expenses in relation to the [**REDACTED**] is approximately RMB[**REDACTED**], representing [**REDACTED**]% of the total gross [**REDACTED**] from the [**REDACTED**] of approximately HK$[**REDACTED**] (RMB[**REDACTED**]). We had not incurred any [**REDACTED**] expenses as of December 31, 2025. We expect to incur additional [**REDACTED**] expenses of approximately RMB[**REDACTED**], of which RMB[**REDACTED**] is expected to be charged to our consolidated statements of profit or loss and other comprehensive income and RMB[**REDACTED**] is expected to be accounted for as a deduction from equity upon the completion of [**REDACTED**]. The balance of the [**REDACTED**]-related expenses of approximately RMB[**REDACTED**], which mainly includes [**REDACTED**] commission, is expected to be accounted for as a deduction from equity upon the completion of the [**REDACTED**]. The balance of the non-[**REDACTED**]-related expenses approximately of RMB[**REDACTED**] primarily include fees and expenses of legal advisers and accountants of RMB[**REDACTED**] and other fees and expenses of RMB[**REDACTED**].

USE OF [**REDACTED**]

We estimate that we will receive net [**REDACTED**] of approximately HK$[**REDACTED**] from the [**REDACTED**] after deducting the [**REDACTED**] commissions and other estimated expenses paid and payable by us in connection with the [**REDACTED**] and assuming that the [**REDACTED**] is not exercised. In line with our strategies, we intend to use our [**REDACTED**] from the [**REDACTED**] for the purposes and in the amounts set forth below:

- approximately [**REDACTED**]% of net [**REDACTED**], or approximately HK$[**REDACTED**], is expected to be used for enhancement of Insurtech service and coverage capabilities in 2027 through 2029;

- approximately [**REDACTED**]% of net [**REDACTED**], or approximately HK$[**REDACTED**], is expected to be used for enhancement of our offline drug dispensing capabilities in 2027 through 2029;

- approximately [**REDACTED**]% of net [**REDACTED**], or approximately HK$[**REDACTED**], is expected to be used for enhancement of our large model and data research capabilities in 2027 through 2029;

- approximately [**REDACTED**]% of net [**REDACTED**], or approximately HK$[**REDACTED**], is expected to be used for potential strategic investments or acquisitions; and

- approximately [**REDACTED**]% of net [**REDACTED**], or approximately HK$[**REDACTED**], is expected to be used for general corporate purpose and working capital needs.

For details, please see the section headed "Future Plans and Use of [**REDACTED**]."