***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 and is qualified in its entirety by, and should be read in conjunction with, the full text of this document. You should read the entire document 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" in this document. You should read that section carefully before you decide to* [REDACTED] *in the* [REDACTED].**

OVERVIEW

We are a recognized provider of integrated healthcare and eldercare (IHE) (醫養結合) services in North China, building upon our expertise in professional medical care. Unlike traditional eldercare asset operations, we are committed to serving middle-aged and elderly people in community settings with comprehensive offerings covering clinical diagnosis and treatment, rehabilitation, nursing, palliative care, and other extended services. We ranked No. 2 among all integrated healthcare and eldercare service providers in North China in terms of in-network revenue* in 2025. Notably, according to the same source, we achieved the highest revenue growth rate from 2022 to 2025 among the top five integrated healthcare and eldercare service providers in North China. We also ranked No. 1 among the top five providers in the market in terms of the proportion of elderly patients in 2025, which underscores our significant exposure to and experience in serving the "silver economy" market.

We benefit from our healthcare and eldercare assets (醫養資產) with first-mover advantages. Since the operation of our first medical institution in 2005, we have accumulated more than 20 years of operational experience and insights into the needs of the aging population, and are now operating a network of 13 medical institutions located in areas of high population density and aging rates, including six self-owned medical institutions (including two self-established and four acquired), five managed medical institutions and two invested medical institutions. In particular, 11 of them are located in Beijing, establishing us as the No. 1 integrated healthcare and eldercare service provider in the city in terms of the number of non-tertiary institutions. These medical institutions are distributed across six districts, which together account for over 60% of the total population of Beijing. Given the inherently regional nature of integrated healthcare and eldercare, we can gain patient trust by fostering stable and lasting physician-patient relationships in our communities. Moreover, our competitive edge is expected to be reinforced by local regulations that set various criteria for the establishment of new medical institutions. For example, in Beijing, there are high regulatory entry barriers for establishing new medical institutions in core urban areas due to the scarcity of compliant medical-use properties, and the potentially stricter requirements and/or fiercer competition in medical institution practicing license application and medical insurance designated medical institution application, among others. As such, we are allowed to leverage our established medical institutions to grow our patient base and expand our coverage into adjacent communities.

We are committed to promoting the efficient allocation of medical and care resources and optimizing our operating leverage to achieve sustained growth. We have developed a unique business model characterized by "basic generality with strong specialties (小綜合+大專科)," tailored to the care needs of middle-aged and elderly people in community settings. This model provides broad coverage through general departments to address the basic medical needs of patient demographics, build trust and foster a loyal patient base, while also guiding them towards more precise and targeted specialized treatment, rehabilitation, long-term medical care, consumer healthcare and other extended services. As such, we can enable the coordinated development of healthcare and eldercare services. Ultimately, this model aims to achieve precise demand-based services and tiered demand management, in order to effectively capture the all-round needs of patients in our communities and improve the overall efficiency of our asset operations. Additionally, leveraging our unique model and ability to provide cost-effective service offerings, we maintain a balanced payment structure with contributions from both medical insurance reimbursements and out-of-pocket payments, which contributes to the financial sustainability of our operations.

* Includes the aggregate revenue generated from providing integrated healthcare and eldercare services by all medical institutions within the network of relevant service providers.

We experienced steady growth during the Track Record Period. We generated revenue primarily from (1) integrated healthcare and eldercare business, through operation of self-owned medical institutions and medical institution management services, as well as (2) supply of medical equipment and consumables. Our revenue increased by 18.6% from RMB421.9 million in 2023 to RMB500.4 million in 2024, and amounted to RMB471.4 million in 2025. Our profit for the year increased by 12.0% from RMB39.2 million in 2023 to RMB43.9 million in 2024, and amounted to RMB33.4 million in 2025 primarily due to the recognition of [**REDACTED**] expenses of RMB[**REDACTED**] million in the same year. After adjustment of equity-settled share-based payment and [**REDACTED**] expenses, our adjusted net profit (non-IFRS measure) continued to improve during the Track Record Period, amounting to RMB39.2 million, RMB59.2 million and RMB63.3 million in 2023, 2024 and 2025, respectively. See "Financial Information — Non-IFRS Measures" for a reconciliation of our profit for the year to adjusted net profit (non-IFRS measure).

OUR BUSINESS AND REVENUE MODEL

We provide a full cycle of integrated healthcare and eldercare services to patients through our self-owned medical institutions. In addition, as part of our network, we manage and operate a number of medical institutions pursuant to management agreements, and hold minority interests in select medical institutions. As of the Latest Practicable Date, we had a network of 13 medical institutions. Specifically, we (1) own and operate six private for-profit medical institutions, (2) manage four private not-for-profit medical institutions and one private for-profit medical institution, and (3) invest in two private for-profit medical institutions. By leveraging our expertise and resources, we aim to improve operational efficiencies and support the growth of our in-network medical institutions while fostering collaboration and synergy to ensure a solid treatment and care continuum for our patients. During the Track Record Period and up to the Latest Practicable Date, we had not owned or managed any internet hospitals, or provided any internet medical services.

As a recognized provider of integrated healthcare and eldercare services in North China, we provide coordinated services including disease prevention, diagnosis and treatment, chronic disease management, rehabilitation and long-term nursing care, tailored to the needs of middle-aged and elderly people. We have pioneered a unique "basic generality with strong specialties (小綜合+大專科)" model, which ensures the accessibility of medical services through comprehensive departments while equipping our medical institutions with distinct advantages in specialty medical areas, such as oncology, traditional Chinese medicine, rehabilitation, ophthalmology, pain management and nephrology, to better accommodate the patient needs in our communities. We have designed differentiated market positionings for our medical institutions and dynamically adapt our specialty clinical departments in response to the needs of the surrounding patients. Our community-based approach combines clinical expertise with personalized care solutions, creating an interconnected ecosystem that bridges outpatient services with inpatient care, institutional treatment with home-based support, and acute interventions with ongoing maintenance. As such, we can further enable quality healthcare truly neighborhood-accessible while addressing the complex needs of aging populations through integrated coordination of healthcare and eldercare.

Notably, beyond our healthcare operations, we have developed additional services that broaden our integrated healthcare and eldercare services portfolio. We have tailored our approach to address the unique needs of aging populations in North China. This foundation has informed the development of our coordinated system for integrated healthcare and eldercare services, guiding our proficiency in complex nursing and care. Our services cover post-stroke recovery, dementia, chronic illnesses, and terminal diseases, with advanced expertise in managing dialysis and tube/catheter dependencies. Additionally, we extend our services beyond facilities through flexible service options including home visits and hourly nursing support, all provided by a team of qualified nursing staff trained in standardized clinical protocols for both daily living assistance and continuous health monitoring. These nursing staff are also available for full-time onsite deployment at our medical institutions, ensuring consistent care continuity with integrated quality control. In 2024, we strategically invested in a nursing service company, Puxiang Chunhui, which offers integrated medical and nursing services for the elderly across multiple locations in Beijing, thereby furthering our nursing care capabilities.

During the Track Record Period, we generated revenue primarily from (1) integrated healthcare and eldercare business and (2) supply of medical equipment and consumables. The following table sets forth a breakdown of our revenue by business lines, in an absolute amount and as a percentage of our total revenue, for the periods indicated.

	Year ended December 31,					
	2023		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)					
Integrated healthcare and eldercare business						
Inpatient and outpatient services	400,356	94.9	469,917	93.9	435,662	92.4
Medical institution management services	9,422	2.2	11,330	2.3	14,920	3.2
Subtotal	**409,778**	**97.1**	**481,247**	**96.2**	**450,582**	**95.6**
Supply of medical equipment and consumables	**12,136**	**2.9**	**19,180**	**3.8**	**20,841**	**4.4**
Total	**421,914**	**100.0**	**500,427**	**100.0**	**471,423**	**100.0**

Integrated Healthcare and Eldercare Business

In our integrated healthcare and eldercare segment, we generate revenue from (1) operating our self-owned medical institutions and providing inpatient and outpatient services, and from (2) managing and operating, and receiving management fees from managed medical institutions.

Inpatient and outpatient services

We generate revenue from inpatient and outpatient services provided by our self-owned medical institutions, such as pharmaceuticals and medical consumables fees, treatment service fees, examination fees, surgical procedure fees, bed charges and physician service fees. Our cost of sales from inpatient and outpatient services primarily comprises (1) costs of pharmaceuticals and medical consumables used by our self-owned medical institutions, (2) human resources costs associated with the medical professionals at our self-owned medical institutions, and (3) other operating costs, including lease and maintenance costs, depreciation and amortization.

We price the inpatient and outpatient services provided by our self-owned medical institutions based on a number of factors, including complexity of the treatment, operating costs, local market conditions and competitors' pricing of similar services. As of the Latest Practicable Date, all of our self-owned medical institutions were Medical Insurance Designated Medical Institutions (醫療保險定點醫療機構) eligible for public medical insurance coverage. We are thus subject to the pricing guidelines adopted under the public medical insurance programs when setting the prices for our services and the retail prices of pharmaceuticals and medical consumables. See "Business — Pricing and Payment" for details.

Medical institution management services

We generate revenue from medical institution management services through management fees we collect from our managed medical institutions. Our cost of sales from medical institution management services primarily comprises (1) human resources costs associated with the personnel supporting our managed medical institutions, and (2) other operating costs, including travel and office expenses, taxes and surcharges.

We implement a tiered and institution-specific management fee structure for the medical institutions under our management, taking into account each institution's stage of development, operating scale and financial performance. We charge a fixed annual management fee primarily for newly managed medical institutions that are still in their early development stage and have not yet reached stable operations, which are determined taking into consideration the service scope and the time and resources devoted, among others. For managed medical institutions with more established operations, we charge management fees based on a percentage of the institution's annual gross revenues, generally ranging from 5% to 15%.

Supply of Medical Equipment and Consumables

We have established business cooperation with medical institutions by supplying them with medical equipment, such as digital linear radiography, ultrasonography machine and dental X-ray machine, and consumables. Revenue from supply of medical equipment and consumables is primarily generated from sales of medical equipment and consumables to our customers, including our managed medical institutions and other medical institutions. Our cost of sales from supply of medical equipment and consumables is mainly incurred from procuring medical equipment and consumables to be sold.

MARKET OPPORTUNITY

China has a large and rapidly growing population of middle-aged and elderly people, along with an expansive integrated healthcare and eldercare services industry. The integrated healthcare and eldercare service model represents a comprehensive, community-based approach that combines medical diagnosis and treatment, rehabilitation therapy, nursing and eldercare resources into a unified health management platform, creating a consistent one-stop solution.

Given the supply gap due to the disconnect between healthcare and eldercare services, along with the increasing aging population in China and the gradual implementation of a tiered diagnosis and treatment system, the potential of integrated healthcare and eldercare services, especially in community settings, is set to rise. Our market also benefits from strong and ongoing policy support from the government. Currently, there is notable backing at various levels for the integration of healthcare and eldercare. The resolution made at the Third Plenary Session of the 20th Central Committee of the Communist Party of China ("CPC") emphasizes the need to, among others, optimize the supply of basic elderly care services, nurture community eldercare institutions, and advance the integration of healthcare and eldercare. Furthermore, both the 2025 Central Economic Work Conference and the 2025 Government Work Report explicitly highlight the importance of actively developing the "silver economy" and further promoting home-based and community-based eldercare. The market size for integrated healthcare and eldercare services in China, in terms of revenue, is expected to increase from RMB302.9 billion in 2025 to RMB517.3 billion in 2030 at a CAGR of 11.3%. Additionally, the market size for integrated healthcare and eldercare services in North China, in terms of revenue, is expected to increase from RMB31.4 billion in 2025 to RMB56.7 billion in 2030 at a CAGR of 12.6%.

The integrated healthcare and eldercare services industry operates through a multi-stakeholder ecosystem, connecting upstream resource providers, midstream service providers, and downstream end-users. Upstream resource providers mainly include pharmaceutical manufacturers and rehabilitation product suppliers, while downstream participants comprise patients with diverse healthcare and eldercare needs. We primarily operate in the midstream segment of the industry chain, as an integrated healthcare and eldercare service provider. The North China's integrated healthcare and eldercare services industry remains highly fragmented and competitive, characterized by numerous small to medium-sized service providers alongside emerging regional leaders. Specifically, by the end of 2024, there were over 5,000 integrated healthcare and eldercare service providers across the region. With our over 20 years of industry experience and full continuum of services covering disease prevention, diagnosis and treatment, chronic disease management, rehabilitation and long-term nursing care, we believe we are capable of capitalizing on the growth opportunities presented by the aging population, favorable regulatory policies and overall economic development.

COMPETITIVE STRENGTHS

We believe the following competitive strengths have contributed to our success and differentiated us from our competitors:

- recognized integrated healthcare and eldercare service provider in North China, underpinned by our assets featuring strategic location advantages in Beijing and first-mover advantages;
- unique basic generality with strong specialties model to maximize resource utilization and optimize asset operating leverage;
- strategic acquisition and effective asset integration and operational capabilities to rapidly turn around loss-making businesses and continuously expand and replicate our success;
- positioning to address the market gap for quality integrated healthcare and eldercare services amid the population aging trend leveraging our community-based offerings, therefore meeting the ongoing care requirements of patients and fostering patient trust;
- interdisciplinary and clinically experienced top-tier medical experts and professionals supported by solid talent development system to ensure quality service delivery; and
- visionary management team featuring diverse backgrounds and high-caliber operational management staff with international experience.

GROWTH STRATEGIES

We intend to pursue the following strategies to further grow our business:

- build a leading integrated healthcare and eldercare brand domestically, strategically expand our geographic footprint in and beyond mainland China, and pursue long-term international growth opportunities;
- extend the coverage of our integrated healthcare and eldercare services and develop a comprehensive ecosystem to establish core industry competitiveness;
- employ digital platforms and AI technologies to empower integrated healthcare and eldercare services and drive industry-wide advancements, delivering more precise and comprehensive patient care; and
- diversify our payment and settlement structure to support accessibility and commercial sustainability, while establishing a closed-loop system for healthcare, eldercare, and insurance.

RISK AND CHALLENGES

Our business and operations involve certain risks and uncertainties, many of which are beyond our control. We conduct our business in a strictly regulated industry and are subject to extensive and on-going compliance requirements. We may face challenges in executing expansion plans and integrating acquired medical institutions, which could result in operating difficulties, divert our management's attention and negatively impact our financial condition. If we are unable to continue to attract and retain patients, provide superior patient experience and maintain patients' trust in us, our business, results of operations and financial condition may be materially and adversely affected. If we fail to recruit or retain a sufficient number of qualified physicians and other medical professionals, our business and results of operations could be materially and adversely affected. If we fail to properly manage the physicians and other medical professionals at our medical institutions, we may be subject to penalties, which could materially and adversely affect our business, results of operations and financial condition. China's regulatory regime for the healthcare and eldercare services industry, particularly with respect to public medical insurance programs or healthcare reform policies, may be subject to further amendments and changes and is evolving, which could have a material and adverse effect on our business operations and future expansion. As different investors may have different interpretations and criteria when determining the significance of a risk, you should carefully read the "Risk Factors" section in its entirety before you decide to [**REDACTED**] in our Shares.

CUSTOMERS AND SUPPLIERS

Our customers primarily include (1) patients that receive integrated healthcare and eldercare services at our self-owned medical institutions, (2) our managed medical institutions, and (3) medical institutions procuring our medical equipment and consumables. Revenue generated from our top five customers in each year during the Track Record Period accounted for 2.9%, 3.1% and 5.1% of our total revenue in 2023, 2024 and 2025, respectively, and revenue generated from our largest customer in each year during the Track Record Period accounted for 1.0%, 0.8% and 2.3% of our total revenue in the same periods, respectively.

Our medical institutions primarily require pharmaceuticals, medical consumables and medical equipment for their operations. Purchase from our top five suppliers in each year during the Track Record Period accounted for 45.8%, 42.6% and 35.1% of our total purchases in 2023, 2024 and 2025, respectively, and purchase from our largest supplier in each year during the Track Record Period accounted for 14.2%, 10.1% and 12.4% of our total purchases in the same periods, respectively.

PRICING AND PAYMENT

As of the Latest Practicable Date, all of our self-owned and managed medical institutions were Medical Insurance Designated Medical Institutions and, the majority of services provided by these institutions, primarily comprising basic medical services listed in the public medical insurance catalog, are covered by public medical insurance programs and therefore subject to the relevant pricing guidelines applicable to Medical Insurance Designated Medical Institutions.

In addition, as of the Latest Practicable Date, certain of our western medicines, Chinese patent medicines and TCM decoction pieces were subject to the centralized volume-based procurement regime pursuant to the relevant catalogs, and all of the western medicines and Chinese patent medicines were subject to the zero mark-up policy for pharmaceuticals.

Given that our reimbursement structure has historically been predominantly reliant on public medical insurance programs, our pricing has been consistently determined in accordance with the relevant guidelines under such programs. Accordingly, our pricing levels and profit margins have historically been relatively stable and have not been materially affected by regulatory price controls.

BIDDING INCIDENT

Beijing Purui Taixiang Medical Equipment Co., Ltd. (北京普瑞泰祥醫療器械有限公司) ("Purui Taixiang") was incorporated in January 2014 and primarily engaged in medical equipment trading. From October 2014 to May 2019, it was owned by Shuangquan Holdings and a former Director (the "Former Director") as to 70% and 8%, respectively, with remaining equity interest held by several Independent Third Parties. The Former Director was registered as the then legal representative of Purui Taixiang in its industrial and commercial filings.

In June 2025, our Company noted an announcement published in January 2024 by a public agency, alleging that a bidding collusion (圍標) incident existed in a bidding process for a public hospital's procurement with the involvement of Purui Taixiang, and there were prohibitions imposed on Purui Taixiang, the Former Director as the legal representative of Purui Taixiang and other enterprises controlled or managed by the Former Director from participating in the future procurement. See "Business — Bidding Incident" for details of the incident.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The following table sets forth summary financial data from our consolidated financial information for the Track Record Period, extracted from the Accountants' Report set out in Appendix I to this document. The summary 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. Our consolidated financial information was prepared in accordance with IFRS Accounting Standards.

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

The following table sets forth a summary of our consolidated statements of profit or loss and other comprehensive income for the periods indicated.

	Year ended December 31,					
	2023		2024		2025	
	Amount	*%*	*Amount*	*%*	*Amount*	*%*
	(RMB in thousands, except for percentages)					
Revenue	**421,914**	**100.0**	**500,427**	**100.0**	**471,423**	**100.0**
Cost of sales	(327,057)	(77.5)	(382,968)	(76.5)	(365,715)	(77.6)
Gross profit	**94,857**	**22.5**	**117,459**	**23.5**	**105,708**	**22.4**
Other net income	3,819	0.9	4,297	0.9	6,367	1.4
Selling expenses	(2,185)	(0.5)	(4,786)	(1.0)	(4,280)	(0.9)
General and administrative expenses	(38,896)	(9.2)	(49,957)	(10.0)	(67,059)	(14.2)
Impairment loss on financial assets (recognized)/reversed, net	(358)	(0.1)	107	0.0	323	0.1
Finance costs	(3,730)	(0.9)	(5,343)	(1.1)	(4,874)	(1.0)
Share of results of a joint venture	(23)	(0.0)	(228)	(0.0)	–	–
Profit before taxation	**53,484**	**12.7**	**61,549**	**12.3**	**36,185**	**7.7**
Income tax	(14,257)	(3.4)	(17,667)	(3.5)	(2,795)	(0.6)
Profit for the year	**39,227**	**9.3**	**43,882**	**8.8**	**33,390**	**7.1**

Non-IFRS Measures

To supplement our consolidated financial statements which are presented under IFRS Accounting Standards, we use adjusted net profit (non-IFRS measure) and EBITDA (non-IFRS measure) as additional financial measures, which are not required by or presented in accordance with IFRS Accounting Standards. We believe that these measures 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 the adjusted net profit (non-IFRS measure) and EBITDA (non-IFRS measure) may not be comparable to a similarly titled measure presented by other companies. The use of these non-IFRS measures have limitations as analytical tools, and you should not consider them in isolation from, or as substitutes for analysis of, our results of operations or financial condition as reported under IFRS Accounting Standards.

We define adjusted net profit (non-IFRS measure) as profit for the year adjusted for (1) equity-settled share-based payment and (2) [**REDACTED**] expenses. Equity-settled share-based payment is non-cash in nature arising from the grant of options to our Directors, senior management, employees and consultants and does not result in cash outflows. [**REDACTED**] expenses are expenses related to the [**REDACTED**]. We define EBITDA (non-IFRS measure) as profit for the year adjusted for (1) income tax, (2) finance costs, (3) depreciation charge of property and equipment and right-of-use assets, (4) amortization cost of intangible assets, and (5) finance income. We believe that these items should be adjusted for when calculating our adjusted net profit (non-IFRS measure) and EBITDA (non-IFRS measure) to facilitate potential [**REDACTED**] in assessing our performance, especially in making period-to-period comparisons of, and assessing the profile of, our operating and financial performance.

	Year ended December 31,		
	2023	**2024**	**2025**
		(RMB in thousands)	
Profit for the year	**39,227**	**43,882**	**33,390**
Adjusted for:			
Equity-settled share-based payment	–	15,357	16,831
[**REDACTED**] expenses	[**REDACTED**]	[**REDACTED**]	[**REDACTED**]
Adjusted net profit (non-IFRS measure)	**39,227**	**59,239**	**63,294**
Profit for the year	**39,227**	**43,882**	**33,390**
Adjusted for:			
Income tax	14,257	17,667	2,795
Finance costs	3,730	5,343	4,874
Depreciation charge of property and equipment and right-of-use assets	30,036	30,635	30,413
Amortization cost of intangible assets	286	382	410
Finance income	(752)	(1,987)	(3,757)
EBITDA (non-IFRS measure)	**86,784**	**95,922**	**68,125**

Our net profit increased by 12.0% from RMB39.2 million in 2023 to RMB43.9 million in 2024, primarily due to an increase in our gross profit from RMB94.9 million in 2023 to RMB117.5 million in 2024, which was as a result of the ramping up of our existing medical institutions, as well as the expansion of our service portfolio to offer more rehabilitation and nursing services, partially offset by an increase in general and administrative expenses of RMB11.1 million primarily as a result of increased employee compensation mainly attributable to share-based payment in relation to share options granted under our share option scheme. Our net profit decreased by 23.9% to RMB33.4 million in 2025, primarily due to (1) a decrease in our revenue from RMB500.4 million in 2024 to RMB471.4 million in 2025, primarily due to declined revenue from certain self-owned medical institutions as well as the disposal of Tangshan Weikang Hospital (唐山維康醫院), along with its wholly-owned subsidiary, Tangshan Puxiang Traditional Chinese Medicine Hospital (唐山普祥中醫醫院) ("Tangshan TCM Hospital," together with Tangshan Weikang Hospital, "Tangshan Hospitals"), and (2) an increase in general and administrative expenses of RMB17.1 million, primarily due to our recognition of [**REDACTED**] expenses of RMB[**REDACTED**] million and increased employee compensation mainly attributable to increased headcount of our administrative staff, partially offset by a decrease in income tax of RMB14.9 million primarily as a result of the tax effects of our recognition of [**REDACTED**] expenses and the disposal of Tangshan Hospitals. After adjustment of equity-settled share-based payment and [**REDACTED**] expenses, our adjusted net profit (non-IFRS measure) continued to improve during the Track Record Period, amounting to RMB39.2 million, RMB59.2 million and RMB63.3 million in 2023, 2024 and 2025, respectively.

Summary of Consolidated Statements of Financial Position

The following table sets forth a summary of our consolidated statements of financial position as of the dates indicated.

	As of December 31,		
	2023	2024	2025
		(RMB in thousands)	
Total non-current assets	325,230	373,183	358,314
Total current assets	119,018	189,617	214,555
Total assets	**444,248**	**562,800**	**572,869**
Total non-current liabilities	84,546	69,072	66,913
Total current liabilities	93,562	168,583	174,893
Total liabilities	**178,108**	**237,655**	**241,806**
Net current assets	**25,456**	**21,034**	**39,662**
Net assets	**266,140**	**325,145**	**331,063**
Share capital	72	72	72
Reserves	266,438	326,196	328,329
Total equity attributable to equity shareholders of the Company	**266,510**	**326,268**	**328,401**
Non-controlling interests	(370)	(1,123)	2,662
Total equity	**266,140**	**325,145**	**331,063**

Our net current assets decreased from RMB25.5 million as of December 31, 2023 to RMB21.0 million as of December 31, 2024, primarily due to increases in (1) other borrowings of RMB50.0 million, (2) interest-bearing borrowings of RMB36.0 million, and (3) contract liabilities of RMB6.4 million. The decrease in our net current assets was partially offset by (1) an increase in cash and cash equivalents of RMB82.3 million, and (2) a decrease in accruals and other payables of RMB10.6 million. Our net current assets subsequently increased to RMB39.7 million as of December 31, 2025, primarily due to (1) an increase in cash and cash equivalents of RMB19.1 million, (2) an increase in inventories of RMB18.9 million and (3) a decrease in accruals and other payables of RMB17.4 million. The increase in our net current assets was partially offset by (1) a decrease in trade receivables of RMB28.9 million, and (2) an increase in contract liabilities of RMB11.6 million.

Our net assets increased from RMB266.1 million as of December 31, 2023 to RMB325.1 million as of December 31, 2024, primarily due to profit and total comprehensive income of RMB43.9 million in 2024 and equity-settled share-based payment of RMB15.4 million. Our net assets further increased to RMB331.1 million as of December 31, 2025, primarily due to profit and total comprehensive income of RMB33.4 million in 2025, equity-settled share-based payment of RMB16.8 million, and disposal of subsidiaries of RMB4.1 million.

We had accumulated losses of RMB16.6 million as of January 1, 2023, primarily because certain medical institutions acquired prior to the Track Record Period underperformed relative to expectations. In particular, the COVID-19 pandemic caused temporary business suspensions at these medical institutions, which led to a decline in their operating performance and a prudent assessment of their business outlook. Accordingly, based on their actual performance, we conducted goodwill impairment tests and fully impaired the relevant goodwill, resulting in impairment losses of RMB76.0 million prior to the Track Record Period.

Summary of Consolidated Statements of Cash Flows

The following table sets forth a summary of our cash flows for the periods indicated.

	Year Ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Net cash flows generated from operating activities	36,557	111,703	98,057
Net cash flows used in investing activities	(77,170)	(86,047)	(61,077)
Net cash flows generated from/(used in) financing activities	16,775	56,578	(17,859)
Net (decrease)/increase in cash and cash equivalents	**(23,838)**	**82,234**	**19,121**
Cash and cash equivalents at the beginning of the year	49,332	25,516	107,804
Effects of foreign exchange rate changes	22	54	(60)
Cash and cash equivalents at the end of the year	**25,516**	**107,804**	**126,865**

Key Financial Ratios

	As of/For the year ended December 31,		
	2023	2024	2025
Profitability ratios:			
Revenue growth rate	65.4%	18.6%	(5.8)%
Gross profit margin	22.5%	23.5%	22.4%
Liquidity ratios:			
Current ratio(1)	1.3	1.1	1.2
Quick ratio(2)	1.0	1.0	1.0

Notes:

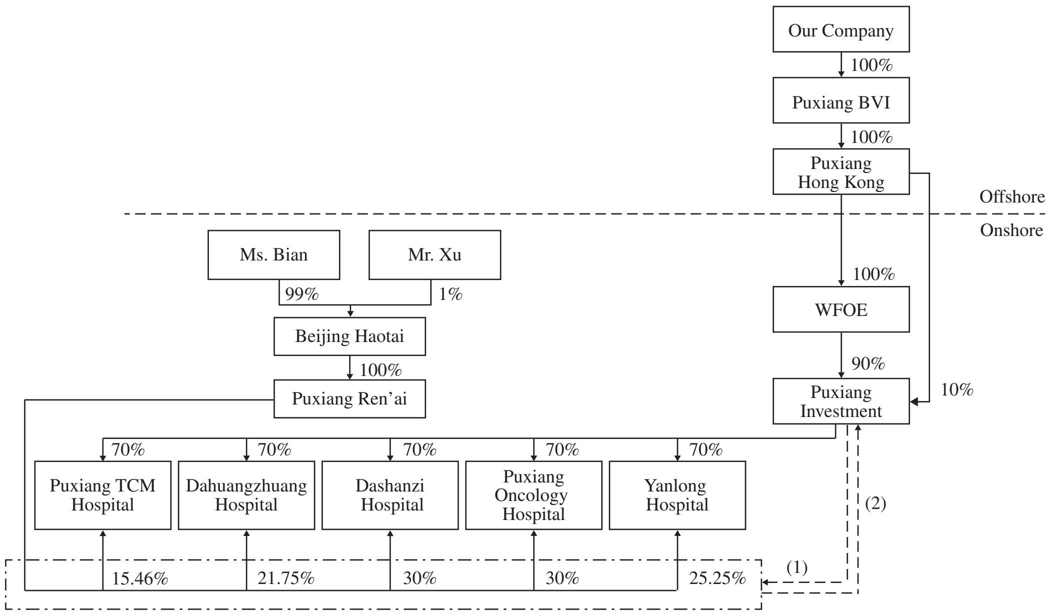
(1) Calculated using current assets divided by current liabilities as of the end of the period.

(2) Calculated using current assets less inventories and divided by current liabilities as of the end of the period.

CONTRACTUAL ARRANGEMENTS

Due to foreign investment restrictions under the PRC laws, we have entered into the Contractual Arrangements whereby our Group, through Puxiang Investment, has maintained effective maximum control as commercially practicable over our VIE Hospitals. See "Contractual Arrangements" for details.

The following simplified diagram illustrates the Contractual Arrangements:



Notes:

(1) Control by Puxiang Investment over the rights of Puxiang Ren'ai as a shareholder of the VIE Hospitals through the following agreements: (i) the shareholders' rights entrustment agreement, (ii) the shareholders' powers of attorney, (iii) the exclusive call option agreement, and (iv) the equity pledge agreements.

(2) Control by Puxiang Investment over the benefits that Puxiang Ren'ai is entitled to, as a shareholder of the VIE Hospitals, through (i) the business cooperation agreements and (ii) the exclusive service agreements.

(3) " ——— " denotes direct legal and beneficial ownership in the equity interest.

(4) " - - - - " denotes Contractual Arrangements.

(5) " _ . _ . " denotes the rights and benefits attached to the equity interest in the VIE Hospitals held by Puxiang Ren'ai and controlled by Puxiang Investment through the Contractual Arrangements.

PRE-[REDACTED] SHARE OPTION SCHEME

To provide incentive to our Directors, senior management, employees and other eligible persons, in December 2024, we adopted the Pre-[**REDACTED**] Share Option Scheme, pursuant to which, the Shares which may be issued upon exercise of all options to be granted under the scheme shall not exceed 11,111,111 Shares. The options underlying 5,089,925 Shares under the Pre-[**REDACTED**] Share Option Scheme were granted and remained outstanding, representing 4.43% and [**REDACTED**]% of the issued share capital of our Company as of the Latest Practicable Date, and immediately following the completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised and without taking into account any Share which may be issued pursuant to the the exercise of options granted under the Pre-[**REDACTED**] Share Option Scheme), respectively. None of such options had been vested as of the Latest Practicable Date. See "History, Reorganization and Corporate Structure — Pre-[**REDACTED**] Share Option Scheme" and "Appendix IV — Statutory and General Information — 5. Pre-[**REDACTED**] Share Option Scheme" for details.

CONTROLLING SHAREHOLDERS GROUP

As of the Latest Practicable Date, Mr. Wang, along with Mr. Xu who has taken instructions from Mr. Wang to act in concert with Mr. Wang, was entitled to control 73.99% of the voting power at the general meetings of our Company, comprising (1) 43.52% directly beneficially owned by Yangyuan BVI, which is wholly owned by Mr. Wang, (2) 17.41% directly beneficially owned by One Percent BVI, a wholly-owned subsidiary of Yangyuan BVI, and (3) 13.06% beneficially owned by Huayiyongsheng BVI, which is wholly owned by Mr. Xu. Upon the [**REDACTED**], Mr. Wang, along with Mr. Xu, will control [**REDACTED**]% of the voting power at the general meetings of our Company, comprising (1) [**REDACTED**]% directly beneficially owned by Yangyuan BVI, (2) [**REDACTED**]% directly beneficially owned by One Percent BVI, and (3) [**REDACTED**]%

beneficially owned by Huayiyongsheng BVI, assuming the [**REDACTED**] is not exercised and without taking into account the Shares which may be issued pursuant to the exercise of options granted under the Pre-[**REDACTED**] Share Option Scheme. Therefore, Mr. Wang, Mr. Xu, Yangyuan BVI, One Percent BVI and Huayiyongsheng BVI constituted as of the Latest Practicable Date and will continue to constitute upon the [**REDACTED**] our Controlling Shareholders Group. See "Relationship with Our Controlling Shareholders Group" for details.

PRE-[REDACTED] INVESTORS

We received three rounds of pre-[**REDACTED**] investments to fund our rapid business expansion and diversify our shareholder base. Our pre-[**REDACTED**] investors include Chongqing CICC Keyuan Equity Investment Fund Partnership (L.P.) (重慶中金科元私募股權投資基金合夥企業(有限合夥)), Chongqing Yunsheng Huahsi Equity Investment Partnership (L.P.) (重慶雲昇華西股權投資合夥企業(有限合夥), and Singapore Paincare Capital Pte Ltd. See "History, Reorganization and Corporate Structure — Pre-[**REDACTED**] Investments" for details.

[REDACTED] STATISTICS

All statistics in the following table are based on the assumptions that (1) the [**REDACTED**] has been completed and [**REDACTED**] are issued pursuant to the [**REDACTED**]; (2) the [**REDACTED**] is not exercised and no additional Shares are issued pursuant to the exercise of options under the Pre-[**REDACTED**] Share Option Scheme; and (3) each issued Preferred Share is converted into an Ordinary Share on a one-to-one basis immediately prior to the completion of the [**REDACTED**].

	Based on an [REDACTED] of HK$[REDACTED] per Share	Based on an [REDACTED] of HK$[REDACTED] per Share
Market capitalization of our Shares(1)	HK$[**REDACTED**] million	HK$[**REDACTED**] million
Unaudited [**REDACTED**] adjusted net tangible assets per Share(2)(3)	HK$[**REDACTED**]	HK$[**REDACTED**]

Notes:

(1) The calculation of market capitalization is based on [**REDACTED**] Shares expected to be in issue immediately upon completion of the [**REDACTED**], assuming the [**REDACTED**] is not exercised and no Shares are issued pursuant to the exercise of options under the Pre-[**REDACTED**] Share Option Scheme.

(2) The unaudited [**REDACTED**] adjusted net tangible assets per Share is arrived at after adjustments as described in the preceding paragraphs and on the basis that [**REDACTED**] shares were in issue assuming the [**REDACTED**] and the conversion of preferred shares into ordinary shares had been completed on December 31, 2025, and does not take into account any shares which may be issued upon the exercise of the [**REDACTED**] or any options granted under the Pre-[**REDACTED**] Share Option Scheme.

(3) No adjustment has been made to reflect any trading results or other transactions of our Group entered into subsequent to December 31, 2025.

DIVIDEND

We have not declared and paid any dividend since our incorporation. According to our Articles of Association and applicable laws and regulations, the decision on whether to pay dividends will be made at the discretion of our Directors and will depend upon, among others, the financial results, cash flow, business conditions and strategies, future operations and earnings, capital requirements and expenditure plans, any restrictions on payment of dividends, and other factors that our Directors may consider relevant. We do not have a pre-determined dividend payout ratio.

We are a holding company incorporated under the laws of the Cayman Islands. As a result, the payment and amount of any future dividends will also depend on the availability of dividends received from our subsidiaries. PRC laws require that dividends shall be paid only out of the after-tax profits determined according to PRC accounting principles. PRC laws also require foreign-invested enterprises to set aside at least 10% of their after-tax profits, if any, to fund their statutory reserves, until the aggregate amount of such funds reaches 50% of their registered capital, 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.

[REDACTED] EXPENSES

Our [**REDACTED**] expenses mainly include (1) [**REDACTED**]-related expenses, such as [**REDACTED**] fees and commissions, and (2) non-[**REDACTED**]-related expenses, comprising (i) fees and expenses paid to our legal advisors and reporting accountants for their services rendered in relation to the [**REDACTED**] and the [**REDACTED**], and (ii) other fees and expenses. Assuming full payment of the discretionary incentive fee, based on an [**REDACTED**] of HK$[**REDACTED**] per Share (being the mid-point of the indicative range of the [**REDACTED**] of HK$[**REDACTED**] to HK$[**REDACTED**] per Share), and that the [**REDACTED**] is not exercised, the estimated total [**REDACTED**] expenses for the [**REDACTED**] are approximately HK$[**REDACTED**] million, accounting for approximately [**REDACTED**]% of our gross [**REDACTED**]. Among such estimated total [**REDACTED**] expenses, we expect to pay [**REDACTED**] expenses of HK$[**REDACTED**] million, fees and expenses for our legal advisors and reporting accountants of HK$[**REDACTED**] million and other fees and expenses of HK$[**REDACTED**] million. An estimated amount of HK$[**REDACTED**] million for our [**REDACTED**] expenses, accounting for approximately [**REDACTED**]% of our gross [**REDACTED**], is expected to be expensed through the statement of profit or loss and other comprehensive income and an estimated amount of HK$[**REDACTED**] million is expected to be recognized directly as a deduction from equity upon the [**REDACTED**]. We incurred [**REDACTED**] expenses of RMB[**REDACTED**] million charged to our consolidated statements of profit or loss and other comprehensive income during the Track Record Period, and expect to incur [**REDACTED**] expenses of RMB[**REDACTED**] million to be charged to our consolidated statements of profit or loss and other comprehensive income after the Track Record Period.

USE OF [REDACTED]

We estimate that the net [**REDACTED**] from the [**REDACTED**], after deducting the estimated [**REDACTED**] commissions and other fees and expenses paid by us in connection with the [**REDACTED**], will be approximately HK$[**REDACTED**] million, assuming an [**REDACTED**] of HK$[**REDACTED**] per Share (being the mid-point of the indicative range of the [**REDACTED**] of HK$[**REDACTED**] to HK$[**REDACTED**] per Share), and that the [**REDACTED**] is not exercised.

The following sets forth the basis and details of our estimated use of the [**REDACTED**]:

- approximately [**REDACTED**]%, or HK$[**REDACTED**] million, for expanding our business presence in and outside mainland China;
- approximately [**REDACTED**]%, or HK$[**REDACTED**] million, for elevating the breadth and depth of our healthcare and eldercare services;
- approximately [**REDACTED**]%, or HK$[**REDACTED**] million, for advancing our digitalization and intelligization efforts across business processes;
- approximately [**REDACTED**]%, or HK$[**REDACTED**] million, for implementing diversified payment and settlement systems; and
- approximately [**REDACTED**]%, or HK$[**REDACTED**] million, for working capital and other general corporate purposes.

For further details, see "Future Plans and Use of [**REDACTED**]."

NO MATERIAL ADVERSE CHANGE

Our Directors confirm that, up to the date of this document, there has been no material adverse change to our financial or trading position since December 31, 2025 (being the period end date on which the latest consolidated financial statements of our Group was prepared) and there is no event since December 31, 2025 which would materially affect the information shown in our consolidated financial statements included in the Accountants' Report included in Appendix I to this document.

RECENT DEVELOPMENT

Following December 31, 2025, we have continued to scale our business. In the four months ended April 30, 2025 and 2026, our self-owned and managed medical institutions recorded a total of approximately 155,500 and 161,300 patient visits, respectively, representing a period-over-period increase of approximately 3.7%.

According to our unaudited management accounts, in the four months ended April 30, 2026, we recorded an increase of approximately 18% in our revenue as compared to the same period in 2025. During the same periods, we recorded a period-over-period increase of approximately 3% in our revenue generated from inpatient and outpatient services provided by our self-owned medical institutions, primarily due to our continuous efforts on strengthening key departments across our self-owned medical institutions.

We operate in a highly regulated healthcare and eldercare environment in the PRC. In recent years, a number of regulatory developments have been implemented or further strengthened, which may have implications for our pricing levels, reimbursement mechanisms, procurement practices, and expansion plans. See "Business — Recent Regulatory Changes."

Our Directors are of the view that the recent regulatory changes, including those relating to centralized procurement, pharmaceutical pricing, medical insurance reimbursement mechanisms, and healthcare infrastructure planning, may impose certain constraints on our pricing flexibility, reimbursement arrangements and expansion plans, but are not expected to have a material adverse impact on our business operations or financial performance in the near term. This is primarily because our revenue is primarily derived from medical service fees rather than pharmaceutical sales, and we have progressively enhanced our cost control, clinical pathway management and operational efficiency to adapt to disease-based payment mechanisms such as DIP and DRG. In addition, centralized procurement initiatives may contribute to lower procurement costs and improved supply stability.

We have taken and will continue to take appropriate measures to mitigate the impact of the evolving regulatory environment, including strengthening internal cost management, optimizing procurement practices, enhancing medical insurance settlement capabilities and incorporating regulatory constraints into our capital expenditure and expansion planning. We have also diversified our offerings to cover rehabilitation, nursing, palliative care, and other extended services that involve a higher proportion of out-of-pocket payments, so as to mitigate the pricing pressure and appeal to a broader patient base. Our Directors believe that these measures position us to remain operationally resilient and competitive under the current regulatory framework.

Based on its review of applicable PRC laws and regulations, our PRC Legal Advisor is of the view that the recent regulatory changes represent a continuation and refinement of existing healthcare reform policies. Subject to ongoing compliance with relevant regulatory requirements, such changes do not prohibit the Company from continuing its existing business operations in any material respect. Based on the independent due diligence conducted by the Joint Sponsors and having considered the views and basis of our Directors and our PRC Legal Advisor as to the recent regulatory changes applicable to our business as disclosed in this document, nothing has come to the attention of the Joint Sponsors that would reasonably cause the Joint Sponsors to cast doubt on the reasonableness of the views of our Directors and our PRC Legal Advisor as to the recent regulatory changes applicable to our business in any material aspect.