***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 this document in its entirety before you decide to* [REDACTED] *in the* [REDACTED].**

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

OVERVIEW

Who We Are

We are the world's largest ophthalmic medical services group, providing full-population, full life-cycle eye health services in response to the broad and evolving demand for eye care globally. Since our inception, we have been guided by our founding mission — "enabling everyone, whether rich or poor, to have the access to eye health" (使所有人,無論貧窮富裕,都享有眼健康的權利). Medical services are our foundation, our global footprint drives our long-term growth, and technological advancement enables us to break new ground. As of December 31, 2025, we operated 842 ophthalmic medical centers globally, comprising 663 institutions in Chinese Mainland and 179 institutions overseas, with our network spanning Chinese Mainland, Hong Kong, Europe, the United States and Southeast Asia. According to CIC, we ranked first by a wide margin among global ophthalmic medical services providers across key dimensions, including market capitalization, revenue, number of ophthalmic medical centers, outpatient visits and surgical volume.

The following summarizes our key business highlights we achieved.

Number of ophthalmic Medical Centers
842
No. 1 globally in terms of ophthalmic medical centers operated

Revenue
RMB **22.35** billion
No. 1 globally among ophthalmic medical service providers

Outpatient Visits & Surgical Volume
18.89 million visits
1.68 million procedures
No. 1 globally among ophthalmic medical service providers

Ophthalmologists team
7,500+
No. 1 globally among ophthalmic medical service providers

International Operations
3 continents
(Asia, Europe, North America)
The **only** ophthalmic medical service provider operating across three continents **globally**

Clinical Database
32+ million cases
No. 1 globally among ophthalmic medical services providers in terms of scale

Note: Except for the clinical database, which is presented as of the Latest Practicable Date, the data presented above is as of December 31, 2025, or for the year then ended.

In Chinese Mainland, we pioneered the hierarchical chain operation model. Through the vertical "1+8+N" structure, which channels premium medical resources into lower-tier markets, interwoven with our horizontal intra-city primary care network, we have built a multi-dimensional medical services matrix featuring both broad coverage and deep penetration, continuously enhancing the overall competitiveness of our hospitals at all tiers, while improving efficiency in resource sharing and standard of medical care across different jurisdictions. In overseas markets, as a pioneer in the international expansion of the ophthalmic sector, our global strategy focuses on building local teams, localizing operations, and fostering cross-border synergies. We have established a bilateral collaboration framework with our overseas institutions across the exchange of management expertise, the sharing of clinical technologies, cultural integration and the global mobility of talent, with the objective of sharing global ophthalmic intelligence.

As a pioneer in the digital transformation of ophthalmology, we have proactively invested in digital ophthalmic infrastructure, accumulating deep, comprehensive and high-quality medical data assets. We have launched "AierGPT", our proprietary ophthalmology-specific AI model, and "Eyecho", our digital human, embedding AI throughout the entire life cycle of eye health, covering prevention, screening, wellness, diagnosis, treatment and recovery. We are among the few global ophthalmic medical services providers to have achieved deep, full life-cycle integration of AI in eye health services.

We have established the world's largest ophthalmic talent platform. We maintain a robust team of full-time specialists across 14 ophthalmic subspecialties, including refractive surgery, optometry, cataract, and fundus diseases. By breaking through the traditional barriers and limitations to academic and career advancement typically associated with most private medical service providers, we have successfully attracted top-tier experts and implemented an efficient system for talent cultivation. Moving forward, we remain committed to delivering high-quality services to address growing global eye health needs.

Our Business

We provide diagnostic and treatment services for a broad range of ophthalmic conditions, and have established a full life-cycle eye health management and service system. Our principal service lines are summarized below:

Refractive Services

- It includes various surgical procedures designed to correct refractive errors
- These procedures include **corneal refractive surgery** and **intraocular surgical approaches** (such as ICL/TICL)

Cataract Services

- **Surgery is currently the only effective treatment for cataracts**
- The standard approach to cataract surgery is to first emulsify and remove the clouded natural lens using phacoemulsification, followed by the implantation of an intraocular lens

Anterior Segment Ophthalmic Services

- It refers to treatments for diseases involving the anterior segment of the eye, including structures such as the cornea, iris, and ciliary body
- It typically covers the treatment of **glaucoma, corneal diseases, ocular trauma, orbital diseases, dry eye, and strabismus**

Posterior Segment Ophthalmic Services

- It refers to treatments for diseases involving the posterior segment of the eye, including structures such as the vitreous and retina
- It typically covers the management of **fundus diseases, vitrectomy, uncomplicated retinal detachment, and ocular tumor surgery**

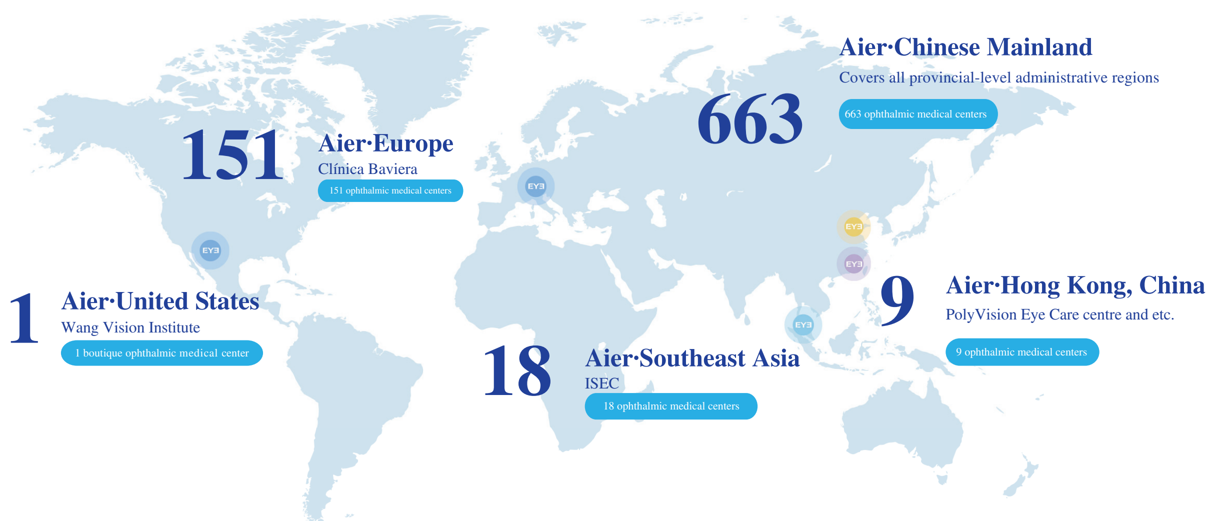
Optometry Services

- Medical services focused on protecting human visual health
- These services primarily address **myopia, presbyopia, visual fatigue, low vision rehabilitation, and eye health management** through non-surgical approaches, and also include refractive issues before and after cataract surgery and excimer laser procedures

We place equal emphasis on the expansion of our service network and the quality of our medical care, consistently maintaining our key clinical indicators at industry-leading levels. For instance, in major refractive procedures such as Laser-Assisted In-situ Keratomileusis ("**LASIK**"), Small Incision Lenticule Extraction ("**SMILE**"), and Implantable Collamer Lens ("**ICL**"), the percentage of our patients achieving a post-operative visual acuity of 1.0 or above consistently ranks at the forefront of the industry. Furthermore, for cataract patients undergoing multifocal intraocular lens ("**IOL**") implantations, our core discharge visual acuity metrics significantly outperform industry averages. Driven by our commitment to providing high-quality, full-spectrum eye care, our patient satisfaction rate exceeded 99% in the patient satisfaction survey we organized in 2025. By integrating stringent safety protocols with advanced clinical capabilities, we are dedicated to consistently delivering comprehensive, high-quality, and reliable ophthalmic services to patients worldwide.

Our Global Footprint

Our business spans the globe. As of December 31, 2025, we had built an ophthalmic medical services network spanning the three continents of Asia, Europe and North America, comprising 842 ophthalmic medical centers in total, of which 663 were located in Chinese Mainland, nine in Hong Kong, one in the United States, 151 in Europe and 18 in Southeast Asia, making us the most geographically extensive and largest ophthalmic medical group globally. We have built a multi-tiered medical network both in the PRC and overseas, comprising national- and provincial-level complex eye disease diagnosis and treatment centers anchored in Beijing, Shanghai, Guangzhou, Shenzhen and other key municipalities, with deep penetration into hundreds of prefectural- and county-level hospitals and ophthalmic clinics serving lower-tier markets, alongside regional flagship institutions established in overseas markets including Europe, Southeast Asia and North America.



Note: As of December 31, 2025.

Our global brand portfolio includes "AIER EYE HOSPITAL" in Chinese Mainland; the Hong Kong Asia Medical Group in Hong Kong (which includes the PolyVision Eye Care Centre, the Hong Kong Laser Vision Correction Centre and the Hong Kong Eye Care Medical Centre); "Clínica Baviera, S.A.", a leading European ophthalmology group; "ISEC Healthcare Ltd." in Southeast Asia; and the "Wang Vision Institute" in the United States. Notably, our overseas core assets have delivered outstanding performance. During the Track Record Period, our overseas business generated cumulative revenue of nearly RMB8 billion, and our international operations have become an important growth pillar for the Group.

We have demonstrated outstanding capabilities in cross-border integration and synergy. Taking Clínica Baviera as an example, since the completion of our acquisition in 2017, Clínica Baviera has deeply integrated the Group's resource advantages and developed rapidly, becoming one of the fastest-growing ophthalmic medical chains in Europe. From the completion of the acquisition in 2017 to the end of 2025:

- ***Financial performance.*** Revenue grew from approximately EUR100.4 million in 2017 to EUR302.6 million in 2025, representing a CAGR of 14.8%. Net profit margins expanded from 9.8% in 2017 to 14.2% in 2025, with a net profit CAGR exceeding 20%. In the meantime, Clínica Baviera delivered high-standard shareholder returns, while funding its development with organic cash flow, distributing cash dividends on nine occasions over the nine year period.

- ***Market share expansion.*** Since our acquisition, Clínica Baviera has firmly maintained its number one market share in its core market of Spain. Annual surgical volume has doubled since the acquisition. Its network has expanded from 76 medical centers in 2017 to 151 by the end of 2025.

Going forward, we will continue to advance our internationalization, deeply integrating our PRC experience with global resources to create long-term, exceptional value for patients and investors worldwide.

Our Financial Performance

During the Track Record Period, our revenue was RMB20,367.2 million, RMB20,982.9 million and RMB22,352.6 million, in 2023, 2024 and 2025 respectively; our net profit attributable to the parent company was RMB3,358.9 million, RMB3,556.1 million and RMB3,240.3 million in the same year, respectively. Our net cash flows from operating activities were RMB5,871.9 million, RMB4,881.7 million and RMB5,972.7 million in the same years, respectively.

COMPETITIVE STRENGTHS

We believe that the following competitive strengths have been instrumental to our success and distinguish us from our competitors: (1) World's largest ophthalmic platform, driving ecosystem evolution through technology. (2) Rooted in China with a global vision, capitalizing on the vast demand for eye healthcare. (3) Pioneering digitalization and AI in ophthalmic healthcare. (4) A pre-eminent eye health delivery platform at the center of the ophthalmic ecosystem. (5) A mission-driven model underpinning long-term sustainability and resilience. For a detailed discussion of these strengths, see "Business — Our Competitive Strengths."

BUSINESS STRATEGY

As the world's largest ophthalmic medical services group, operating an extensive global medical center network spanning China, Europe, Southeast Asia, and North America, our strategic vision is anchored in three interdependent pillars: (i) advancing ophthalmic medical technology and upholding the highest standards of clinical service quality; (ii) deepening our global footprint through disciplined network expansion and operational excellence; and (iii) enriching our "AI + Technology + Ophthalmology" ecosystem to drive the transformation of eye health services worldwide. For a detailed discussion of these strategies, see "Business — Business Strategies."

OUR MEDICAL CENTER NETWORK

We have built an extensive medical network spanning Chinese Mainland, Hong Kong, Europe, the United States and Southeast Asia. In China, we employ a "hierarchical chain" development model that is highly adapted to local market conditions. By defining the functional positioning of hospitals at different tiers, we have built a tiered diagnosis and treatment system that improves resource-sharing efficiency and medical standards, and continuously strengthens the overall capabilities of the group and the competitiveness of each hospital. Internationally, through a "highland positioning" strategy focused on key regions, we align our medical technologies with global best practices and progressively build world-class technology, talent and research innovation platforms that strengthen academic exchange and promote the translation of research outcomes.

FULL-LIFECYCLE EYE HEALTH MANAGEMENT SERVICES

We provide full-lifecycle eye health management services designed to address the changing visual health needs of patients across different age groups and clinical profiles. Through a comprehensive, multi-tiered service model, we seek to provide continuous and coordinated care covering preventive screening, early detection, diagnosis, treatment, rehabilitation and long-term follow-up, from infancy through old age. Our service offering is designed to serve patients with routine eye health needs as well as patients with complex, chronic and difficult-to-treat eye diseases.

DIGITAL AND AI OPHTHALMOLOGY

During the Track Record Period, we pursued "digital and AI ophthalmology" as an important part of our broader strategy to promote high-quality development through digital transformation. Our digital and AI ophthalmology initiatives are intended to integrate clinical services, research and development, data infrastructure, intelligent equipment, artificial intelligence applications and remote service capabilities, with the aim of enhancing clinical efficiency, supporting standardized care, improving access to ophthalmic services and strengthening our long-term innovation capabilities. Through this strategy, we seek to digitally empower both our clinical operations and the broader eye health value chain.

Within our digital and AI ophthalmology framework, digitalization provides the infrastructure, data governance and workflow connectivity, while AI serves as the intelligence engine that enhances clinical decision-making, operational efficiency, patient engagement and ecosystem collaboration across the full spectrum of eye health services.

Our digital and AI ophthalmology platform is structured around several mutually reinforcing pillars: innovation infrastructure and research platforms, data governance and data product development, AI-enabled clinical and operational applications, intelligent devices and diagnostic models, telemedicine and remote collaboration, and frontier digital ophthalmology research. Taken together, these initiatives are designed to support a digitally enabled ophthalmic service model spanning screening, diagnosis, treatment, training, management and follow-up.

RESEARCH AND DEVELOPMENT

During the Track Record Period, we steadily advanced our strategy of "driven by innovation and technology for Aier." By closely tracking industry trends and applying intelligent technologies such as big data analytics, cloud computing and artificial intelligence, we continued to deepen clinical practice, extend the scope of our services and strengthen precision diagnosis and treatment. Through these efforts, we aim to bring more forward-looking innovation to eye health and contribute to raising standards across the industry. We recognize the strategic importance of integrating medical practice, education and research, and we are committed to strengthening their synergy, establishing an innovation system that balances long-term vision with practical application. We have built a high-level innovation platform system with core competitiveness in the industry and a first-class R&D and translational application team, undertaking more than 700 research projects at various levels and obtaining more than 1,000 authorized patents in total. Our national postdoctoral research workstation was approved in 2020, and obtained independent qualification to recruit postdoctoral researchers in 2024, with plans to recruit and train 400 postdoctoral researchers over the next ten years. As of December 31, 2025, a cumulative total of 61 had been recruited. Through collaborations with 17 well-known universities, we have expanded cooperation in degree education, talent cultivation, teaching and scientific research. We currently have more than 100 master's and doctoral supervisors and have cumulatively trained 347 full-time master's and doctoral graduates.

HEALTH EDUCATION AND PATIENT REACH

We execute a unified, multi-channel health education strategy through a three-level organization, strengthened by AI and branding efforts, to serve patients and support service growth across regions and service lines. Our health education function operates through a three-level structure consisting of the group health education center, provincial/regional health education centers, and each hospital's health education service department. As of December 31, 2025, across the network, we have a health education team of more than 7,000 people, with distinct responsibilities at each level. Meanwhile, during the Track Record Period, we reinforced medical quality and service governance, promoted brand collaboration across the network, built an AI-driven health education knowledge base, and upgraded staff capabilities. In addition, we reach and engage patients through various channels across our key service lines.

QUALITY AND SAFETY CONTROL

We treat quality and safety as the foundation of our medical services. We have developed standardized systems across talent development, clinical technology, medical quality control and supply chain management. Our group-wide quality framework integrates digital clinical standards, standardized clinical pathways, cloud-based AHIS and AEMR systems, surgical video review, and system-wide feedback loops for risk management. We believe these capabilities enable us to maintain operational and clinical quality across a large medical center network, improve efficiency at the single-hospital level, and support continued expansion without compromising consistency of care. Supported by system innovation and technology, we focus on identifying medical risks, establishing standardized clinical pathways, and improving the intelligent management of drugs and medical devices, with the goal of building a strong and reliable safety barrier for patients.

OUR SUPPLIERS

During the Track Record Period, our major suppliers primarily consisted of pharmaceutical product and consumables suppliers and we did not experience any material disputes with our suppliers. In 2023, 2024, and 2025, our purchases from our five largest suppliers in each year during the Track Record Period in aggregate amounted to RMB1,944.7 million, RMB1,857.6 million and RMB2,079.4 million, representing 35.6%, 32.3% and 35.5% of our total corresponding purchases in such year, respectively, and our purchases from the largest supplier in each year during the Track Record Period, accounted for 11.2%, 12.1% and 10.8% of our total corresponding purchases, respectively. We consider our arrangements with suppliers to be conducted in the ordinary course of business and have not experienced any material adverse impact arising from such arrangements. None of our Directors, their respective associates or any Shareholders who, to the best knowledge of our Directors, owned more than 5% of our issued share capital as of the Latest Practicable Date, had any interest in any of our five largest suppliers for each year during the Track Record Period.

INTELLECTUAL PROPERTY

Intellectual property rights are material to the success of our business. As of December 31, 2025, our Company and our Major Subsidiaries had 1,170 granted patents, including 1,167 granted patents in Chinese Mainland, and three granted patents in other countries or regions. As of the same date, our Company and our Major Subsidiaries also had 143 patent applications in Chinese Mainland. As of December 31, 2025, we had not received any material concerns or inquiries from relevant competent authorities that would lead us to believe that any of the pending patent applications will be rejected.

We conduct our business under the brand name of Aier Eye. As of December 31, 2025, our Company and our Major Subsidiaries held 108 registered trademarks for Aier Eye in Chinese Mainland.

INFORMATION SECURITY AND PRIVACY PROTECTION

We follow applicable regulatory requirements, continuously upgrade our digital infrastructure, and operate a structured information security management system designed to protect data throughout its full lifecycle. By doing so, we safeguard the data rights of our organization, our patients, and other stakeholders, while providing a stable foundation for our digital transformation. As advised by our legal advisor as to PRC data compliance laws, during the Track Record Period and up to the Latest Practicable Date, we have complied in all material respects with the applicable data compliance regulations in the PRC, and we are not subject to any legal risks relating to data compliance that would materially and adversely affect our business operations.

COMPETITION

We compete primarily with the ophthalmology departments of a limited number of large general hospitals and specialized eye hospitals in various regions. We have developed a proprietary hierarchical chain model tailored to conditions in the Chinese market, which has been a key driver of our rapid growth. Through this model, we have established strong core competitive advantages across multiple dimensions, including technology, service quality, brand recognition, operational scale, talent development, scientific research, and management capabilities. An increasing number of our hospitals have achieved the largest market share in their respective local markets in terms of outpatient visits, surgical volume, and revenue. In particular, our provincial capital hospitals have demonstrated an increasingly prominent role in leading and driving growth across their respective provinces and regions. In addition, as we continue to deepen our internationalization strategy, we have strengthened our global clinical, educational, research, and talent integration, and our international brand profile has been progressively enhanced. At the same time, the steady implementation of our new ten-year strategic plan has resulted in continuous improvements in our technological innovation capabilities and digital transformation, further reinforcing our industry position. We believe our competitive position is underpinned by unique brand leadership advantages developed across our medical network, professional services, technology and talent resources, academic research, and management systems. In particular, our core competitiveness is reflected in the following areas: (i) our proprietary tiered hospital chain model, which enables efficient network expansion across different tiers of cities while maintaining consistent quality standards; (ii) global resource integration through our international presence and partnerships, facilitating cross-border knowledge transfer and access to advanced technologies; (iii) our integrated medical education and research platform, which supports clinical advancement and professional training; (iv) well-established and standardized management systems that enable scalable and efficient operations across our medical center network; (v) a strong emphasis on technological innovation and talent development, enabling us to attract and retain leading ophthalmic professionals; (vi) incentive mechanisms designed to align the interests of our medical professionals and management teams with our long-term strategic objectives; and (vii) multi-tiered service offerings that address the diverse needs of patients across different market segments, from basic eye care to premium and specialized ophthalmic treatments.

SUMMARY OF HISTORICAL FINANCIAL INFORMATION

The following tables set forth summary financial data from our consolidated financial information for the Track Record Period, extracted from the Accountants' Report included in Appendix I to this document. Our consolidated financial statements are prepared in accordance with IFRS Accounting Standards. Our historical results are not necessarily indicative of results expected for future periods. 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, as well as the section headed "Financial Information."

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

The following table sets forth selected items of our consolidated statements of profit or loss and other comprehensive income for the years indicated.

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	*% of revenue*	*RMB'000*	*% of revenue*	*RMB'000*	*% of revenue*
Revenue	**20,367,157**	**100.0**	**20,982,894**	**100.0**	**22,352,605**	**100.0**
Cost of sales	(10,021,975)	(49.2)	(10,886,549)	(51.9)	(11,821,512)	(52.9)
Gross profit	**10,345,182**	**50.8**	**10,096,345**	**48.1**	**10,531,093**	**47.1**
Other income, other gains and losses, net	(155,674)	(0.8)	529,797	2.5	155,439	0.7
Selling and marketing expenses	(1,966,310)	(9.7)	(2,151,670)	(10.3)	(2,145,337)	(9.6)
Administrative expenses	(2,768,254)	(13.6)	(3,100,237)	(14.8)	(3,315,548)	(14.8)
Research and development expenses	(333,489)	(1.6)	(320,631)	(1.5)	(302,483)	(1.4)
Impairment loss on receivables	(111,212)	(0.5)	(112,109)	(0.5)	(144,505)	(0.6)
Impairment loss on goodwill	(383,606)	(1.9)	(187,698)	(0.9)	(155,974)	(0.7)
Operating profit	**4,626,637**	**22.7**	**4,753,797**	**22.6**	**4,622,685**	**20.7**

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	*% of revenue*	*RMB'000*	*% of revenue*	*RMB'000*	*% of revenue*
Finance income	119,205	0.6	96,046	0.4	72,167	0.3
Finance costs	(194,823)	(1.0)	(255,561)	(1.2)	(269,717)	(1.2)
Finance costs, net	(75,618)	(0.4)	(159,515)	(0.8)	(197,550)	(0.9)
Profit before tax	**4,551,019**	**22.3**	**4,594,282**	**21.8**	**4,425,135**	**19.8**
Income tax expenses	(895,023)	(4.3)	(858,153)	(4.1)	(951,916)	(4.3)
Profit for the year	**3,655,996**	**17.9**	**3,736,129**	**17.7**	**3,473,219**	**15.5**

Revenue

During the Track Record Period, we primarily generated revenue from our comprehensive ophthalmic medical services, provided through our network of eye hospitals and clinics in China and overseas. Our service offerings primarily include refractive services, optometry services, cataract services, anterior segment ophthalmic services, posterior segment ophthalmic services, and other related medical services. The following table sets forth the breakdown of our revenue by categories of major service offerings, both in absolute amounts and as percentages of total revenue, for the years indicated.

	For the year ended December 31,					
	2023		2024		2025	
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Medical services						
Refractive services	7,431,313	36.5	7,602,797	36.2	8,383,190	37.5
Optometry services	4,959,855	24.4	5,278,514	25.2	5,787,549	25.9
Cataract services	3,326,966	16.3	3,489,014	16.6	3,478,267	15.6
Anterior segment ophthalmic services	1,791,380	8.8	1,897,935	9.0	2,030,764	9.1
Posterior segment ophthalmic services	1,385,583	6.8	1,499,481	7.1	1,573,036	7.0
Other services(1)	1,417,762	6.9	1,142,322	5.6	1,028,221	4.6
Subtotal	20,312,859	99.7	20,910,063	99.7	22,281,027	99.7
Others(2)	**54,298**	**0.3**	**72,831**	**0.3**	**71,578**	**0.3**
Total	**20,367,157**	**100.0**	**20,982,894**	**100.0**	**22,352,605**	**100.0**

Notes:

(1) Other services primarily include other medical services and sales of medical consumables, medical equipment and pharmaceuticals.

(2) Others mainly consist of rental income from leasing of properties.

Gross Profit and Gross Profit Margin

We recorded total gross profits of RMB10,345.2 million, RMB10,096.3 million and RMB10,531.1 million, and gross profit margins of 50.8%, 48.1% and 47.1%, for the years ended December 31, 2023, 2024 and 2025, respectively. The following table sets forth our gross profit and gross profit margin by categories of major service offerings for the years indicated.

	For the year ended December 31,					
	2023		2024		2025	
	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin
	RMB'000	*%*	*RMB'000*	*%*	*RMB'000*	*%*
Medical services						
Refractive services	4,265,328	57.4	4,190,037	55.1	4,611,368	55.0
Optometry services	2,829,590	57.0	2,876,164	54.5	3,004,759	51.9
Cataract services	1,263,295	38.0	1,211,596	34.7	1,164,678	33.5
Anterior segment ophthalmic services	818,269	45.7	782,199	41.2	819,204	40.3
Posterior segment ophthalmic services	480,435	34.7	470,288	31.4	433,958	27.6
Other services	653,089	46.1	511,885	44.8	448,263	43.6
Subtotal	10,310,006	50.8	10,042,169	48.0	10,482,230	47.0
Others	**35,176**	**64.8**	**54,176**	**74.4**	**48,863**	**68.3**
Total	**10,345,182**	**50.8**	**10,096,345**	**48.1**	**10,531,093**	**47.1**

Summary of Consolidated Statements of Financial Position

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

	As of December 31,		
	2023	2024	2025
		RMB'000	
Total non-current assets	20,000,624	23,589,202	26,593,475
Total current assets	10,185,995	9,666,105	10,082,515
Total current liabilities	6,011,231	6,664,625	8,142,307
Net current assets	4,174,764	3,001,480	1,940,208
Total assets less current liabilities	24,175,388	26,590,682	28,533,683
Total non-current liabilities	4,150,628	4,778,669	5,135,322
Net assets	20,024,760	21,812,013	23,398,361

Our net current assets decreased from RMB4,174.8 million as of December 31, 2023 to RMB3,001.5 million as of December 31, 2024, primarily attributable to a decrease of RMB519.9 million in our current assets, including a decrease of RMB735.0 million in cash and bank balances related to our continued investment in medical center network expansion and shareholder distributions; partially offset by (i) an increase of RMB115.4 million in prepayments, deposits and other receivables; and (ii) an increase of RMB93.8 million in trade receivables resulting from growth in our revenue driven by expansion of our medical center network and the increase in outpatient visits during the year. The decrease in net current assets was also attributable to an increase of RMB653.4 million in our current liabilities due to (i) an increase of RMB521.0 million in bank borrowings to fund our working capital requirements in connection with business expansion; (ii) an increase of RMB75.5 million in lease liabilities due to new lease arrangements from medical center network expansion and consolidation of lease contracts from businesses acquired during the year; and (iii) an increase of RMB71.5 million in accruals and other payables.

Our net current assets further decreased to RMB1,940.2 million as of December 31, 2025, primarily attributable to an increase of RMB1,477.7 million in our current liabilities, including (i) an increase of RMB1,078.6 million in accruals and other payables; (ii) an increase of RMB118.1 million in tax payables; and (iii) an increase of RMB115.0 million in trade and bills payables. The decrease was partially offset by an increase of RMB416.4 million in our current assets, including (i) an increase of RMB329.3 million in other financial assets and (ii) an increase of RMB301.2 million in prepayments, deposits and other receivables, partially offset by (i) a decrease of RMB144.1 million in trade receivables and (ii) a decrease of RMB68.8 million in cash and bank balances.

Summary of Consolidated Statements of Cash Flow

The following table sets forth a summary of our consolidated cash flow statements for the years indicated.

	For the year ended December 31,		
	2023	2024	2025
		RMB'000	
Net cash generated from operating activities	5,871,891	4,881,684	5,972,728
Net cash used in investing activities	(3,304,443)	(2,848,190)	(3,095,924)
Net cash used in financing activities	(2,509,722)	(2,733,875)	(2,951,933)
Net change in cash and cash equivalent	57,726	(700,381)	(75,129)
Cash and cash equivalent at the beginning of the year	5,992,032	6,084,601	5,360,785
Effect of changes in exchange rates	34,843	(23,435)	(5,972)
Cash and cash equivalent at the end of the year	6,084,601	5,360,785	5,279,684

Key Financial Ratios

The following table set forth our key financial ratios as of the dates or for the years indicated.

	As of/For the year ended December 31,		
	2023	2024	2025
Gross profit margin[(1)]	50.8%	48.1%	47.1%
Current ratio[(2)]	1.7	1.5	1.2
Quick ratio[(3)]	1.5	1.3	1.1
Gearing ratio [(4)]	33.7%	34.4%	36.2%

Notes:

(1) Gross profit margin is calculated based on gross profit divided by revenue and multiplied by 100%.

(2) Current ratio is calculated based on total current assets divided by total current liabilities.

(3) Quick ratio is calculated based on total current assets less inventories divided by total current liabilities.

(4) Gearing ratio equals total liabilities divided by total assets multiplied by 100%.

SUMMARY OF MATERIAL RISK FACTORS

Our business and operations face risks including those set out in the section headed "Risk Factors." Some of the major risks that we face include: (i) our business depends significantly on our reputation, and any failure to develop, maintain and enhance our reputation, or any negative publicity and allegations in the media against us, could materially and adversely affect our business and financial conditions, results of operation and business prospects; (ii) if we are unable to continue to attract and retain patients, provide high-quality healthcare services and maintain patients' trust in us, our business, financial condition and results of operations may be materially and adversely affected; (iii) we may be adversely affected by unfavorable market perceptions of, or negative developments and news regarding, the private healthcare industry as a whole; (iv) changes in healthcare reform policies, regulatory frameworks and government enforcement priorities may adversely affect our operations, pricing, reimbursement and compliance costs, and could materially and adversely affect our business, financial condition and results of operations; (v) we operate a growing network of overseas hospitals and cross-border operations, and any failure to effectively manage international operations and comply with diverse local laws, regulations, cultural norms and operational requirements could materially and adversely affect our business, reputation, financial condition and results of operations; (vi) we operate in a competitive industry. If we do not compete successfully against other hospitals and healthcare providers, our profitability and market share may be affected; (vii) rapid advances in ophthalmic diagnostic and treatment technologies may render existing techniques and equipment less competitive, and if we fail to timely identify, adopt, invest in and commercialize new technologies, our competitiveness, reputation and results of operations may be materially and adversely affected; and (viii) we are exposed to inherent risks of medical disputes, including medical malpractice claims, and legal proceedings arising from our operations, and resolving such disputes and proceedings could result in further costs and harm to our reputation, and materially and adversely affect our results of operations and prospects. For details, see "Risk Factors."

[REDACTED] EXPENSES

[**REDACTED**] expenses to be borne by us are estimated to be approximately HK$[**REDACTED**] million (equivalent to approximately RMB[**REDACTED**] million) (assuming an [**REDACTED**] of HK$[**REDACTED**] per Share, being the mid-point of the indicative [**REDACTED**] range of HK$[**REDACTED**] to HK$[**REDACTED**] per Share), representing approximately [**REDACTED**] of the estimated [**REDACTED**] from the [**REDACTED**] assuming no [**REDACTED**] are [**REDACTED**] pursuant to [**REDACTED**]. The [**REDACTED**] expenses consist of (i) [**REDACTED**] expenses, including [**REDACTED**], of approximately HK$[**REDACTED**] million (equivalent to approximately RMB[**REDACTED**] million), and (ii) non-[**REDACTED**]-related expenses of approximately HK$[**REDACTED**] million (equivalent to approximately RMB[**REDACTED**] million), comprising (a) fees and expenses of our legal advisors and reporting accountants of approximately HK$[**REDACTED**] million (equivalent to approximately RMB[**REDACTED**] million), and (b) sponsor fee and other fees and expenses of approximately HK$[**REDACTED**] million (equivalent to approximately RMB[**REDACTED**] million). During the Track Record Period, the [**REDACTED**] expenses charged to our consolidated statements of profit or loss were HK$[**REDACTED**] and the issue costs, which were recognized as prepayments and are expected to be deducted from equity upon the [**REDACTED**], were HK$[**REDACTED**]. After the Track Record Period, approximately HK$[**REDACTED**] million is expected to be charged to our consolidated statements of profit or loss, and approximately HK$[**REDACTED**] million is expected to be accounted for as a deduction from equity upon the [**REDACTED**]. We do not believe any of the above fees or expenses are material or are unusually high for our Group. The [**REDACTED**] expenses above are the latest practicable estimate for reference only, and the actual amount may differ from this estimate.

OUR CONTROLLING SHAREHOLDERS

As of the Latest Practicable Date, our Controlling Shareholders comprised Mr. CHEN and Aier Investment. Aier Investment and Mr. CHEN collectively held approximately [49.82]% of the total issued Shares of our Company and controlled the voting rights attaching to an aggregate of approximately [49.99]% of the total issued Shares of our Company (excluding the treasury Shares). Immediately following the completion of the [**REDACTED**] (assuming the [**REDACTED**] is not exercised), our Controlling Shareholders will continue to hold [**REDACTED**]% of the total issued Shares of our Company and control the voting rights attaching to approximately [**REDACTED**]% of the total issued Shares of our Company in aggregate (excluding the treasury Shares). For details. See "Relationship with Our Controlling Shareholders."

CONNECTED TRANSACTIONS

Prior to the [**REDACTED**], our Group has entered into certain transactions in our ordinary and usual course of business with parties who will, upon the [**REDACTED**], become connected persons of our Company. We will continue to engage in certain connected transactions after the [**REDACTED**]. For details of such one-off connected transactions and continuing connected transactions of our Company following the [**REDACTED**], see "Connected Transactions."

We have applied to the Stock Exchange for, and the Stock Exchange [has granted], a waiver to us under Rule 14A. 105 of the Listing Rules from strict compliance with the announcement, circular and independent Shareholders' approval requirements. For details, see "Connected Transactions."

OUR LISTING ON THE SHENZHEN STOCK EXCHANGE

On October 30, 2009, our Company completed the A-Share Listing and our A Shares commenced trading on the Shenzhen Stock Exchange (stock code: 300015). Our Directors confirm that, since the listing of the Shenzhen Stock Exchange and up to the Latest Practicable Date, we had no instance of material non-compliance with the rules of the Shenzhen Stock Exchange and other applicable securities laws and regulations of the PRC in any material respects, and, to the best knowledge of our Directors having made all reasonable enquiries, there was no material matter that should be brought to the investors' attention in relation to our compliance record on the Shenzhen Stock Exchange.

For details, see "History and Corporate Structure — Listing on the Shenzhen Stock Exchange and Reasons for [**REDACTED**] on the Stock Exchange."

DIVIDENDS

In 2023, 2024 and 2025, we declared dividends of RMB717.7 million, RMB1,394.8 million and RMB2,230.8 million, respectively.

After the completion of the [**REDACTED**], we may distribute dividends in the form of cash or by other means permitted by our Articles of Association. In principle, we prioritize cash dividends as the profit distribution method if the conditions for cash dividends are met. On the premise of ensuring the full distribution of cash dividends, we can distribute dividends in the form of share equity. A decision to declare or to pay dividends in the future and the amount of dividends will be at the discretion of our Board and will depend on a number of factors, including our results of operations, cash flows, financial condition, business prospects, statutory and regulatory restrictions on our declaration and payment of dividends and other factors that our Board may consider important. Any declaration and payment as well as the amount of dividends will be subject to our constitutional documents and the relevant laws. Our Shareholders may approve any declaration of dividends.

According to applicable laws in Chinese Mainland and our Articles of Association, we will pay dividends out of our profit after tax only after we have made the following allocations: recovery of the losses incurred in the previous years; allocations to the statutory reserve equivalent to 10% of our profit after tax; allocations to a discretionary common reserve of certain percentage of our profit after tax that are approved by Shareholders' meeting. Subject to the principles of profit distribution and the premise of ensuring our normal operations and long-term development, when the conditions for cash dividend distribution are satisfied, we shall in principle distribute cash dividends once per year. The profits distributed in cash each year shall be no less than 10% of the distributable profits realized in that year, or alternatively, the cumulative profits distributed in cash over any consecutive three-year period shall be no less than 30% of the average annual distributable profits realized during such three-year period.

[**REDACTED**]

FUTURE PLANS AND [REDACTED]

We estimate that we will receive [**REDACTED**] from the [**REDACTED**] of approximately HK$[**REDACTED**] million, after deducting [**REDACTED**], fees and estimated expenses payable by us in connection with the [**REDACTED**], and assuming that the [**REDACTED**] is not exercised and an [**REDACTED**] of HK$[**REDACTED**] per Share, being the mid-point of the indicative [**REDACTED**] range stated in this document. We intend to apply the net [**REDACTED**] from the [**REDACTED**] (after deducting the [**REDACTED**] fees and [**REDACTED**] and estimated expenses payable by us) as follows: (i) approximately [**REDACTED**]%, or HK$[**REDACTED**] million, for the construction and upgrade of our AIER ophthalmic medical centers in the Chinese Mainland; (ii) approximately [**REDACTED**]%, or HK[**REDACTED**] million, for the acquisition of domestic and overseas ophthalmic medical centers; (iii) approximately [**REDACTED**]%, or HK[**REDACTED**] million, for ophthalmic AI and technology ecosystem development; (iv) approximately [**REDACTED**]%, or HK[**REDACTED**] million, will be allocated for working capital and other general corporate purposes.

RECENT DEVELOPMENTS AND NO MATERIAL ADVERSE CHANGE

Recent Developments

We are a public company listed on the Shenzhen Stock Exchange, and are required to disclose unaudited quarterly financial statements under the relevant PRC securities laws and regulations. On April 24, 2026, we published the interim financial information of the three months ended March 31, 2026, which was prepared in accordance with the China Accounting Standards for Business Enterprises. You may refer to our published interim financial information for the three months ended March 31, 2026 at http://static.cninfo.com.cn/finalpage/2026-04-24/1225174517.PDF.

In May 2026, during an internal tax review process and following a series of communications with relevant tax authority, we made supplementary enterprise income tax payments of RMB348 million, late payment surcharges of RMB176 million and an additional enterprise income tax payment of fiscal year 2025 of RMB232 million. We have fully settled these tax payments in May 2026.

No Material Adverse Change

After performing sufficient due diligence work which our Directors consider appropriate and after due and careful consideration, our Directors confirm that, save as disclosed above, 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, which is the end date of the periods reported on in the Accountants' Report included 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.