



天津泰達生物醫學工程股份有限公司
Tianjin TEDA Biomedical Engineering Company Limited
(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 8189)

ANNOUNCEMENT ON ANNUAL RESULTS FOR 2025

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FINANCIAL HIGHLIGHTS

Financial Summary

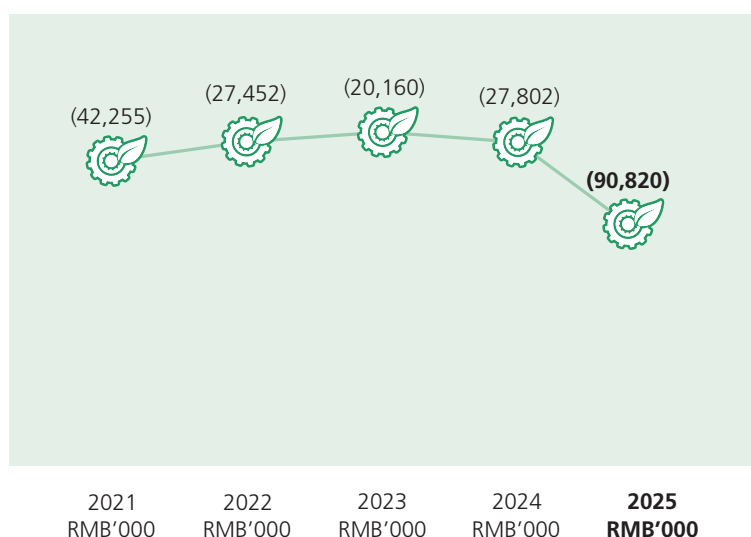
For the year ended 31 December

	2021	2022	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Results					
Turnover	476,385	403,729	397,998	385,482	522,967
Gross profit	45,605	14,822	21,366	20,223	35,675
Gross margin	9.57%	3.67%	5.37%	5.25%	6.82%
Loss attributable to the shareholders	(42,255)	(27,452)	(20,160)	(27,802)	(90,820)
Loss per share (RMB cents)	(2.23) cents	(1.45) cents	(1.06) cents	(1.46) cents	(4.37) cents

As at 31 December

	2021	2022	2023	2024	2025
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Assets & Liabilities					
Total assets	347,595	337,196	303,278	332,527	264,843
Total liabilities	237,236	256,046	238,699	304,087	262,111
Equity attributable to the shareholders	100,781	70,111	49,951	22,149	12,224

Loss attributable to the shareholders



The Board of Directors (the “Board”) of Tianjin TEDA Biomedical Engineering Company Limited (“TEDA Biomedical” or the “Company”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (hereafter collectively referred to as the “Group”) for the year ended 31 December 2025 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

	<i>Notes</i>	2025 RMB	2024 RMB
Continuing Operations			
Revenue	2	522,966,651	385,482,322
Cost of sales and services		(487,292,067)	<u>(365,259,446)</u>
Gross profit		35,674,584	20,222,876
Other income, gains and losses, net	4	7,488,976	(4,977,025)
Selling and distribution expenses		(9,242,045)	(13,922,955)
Administrative expenses		(22,979,828)	(20,338,969)
Research and development expenses		(4,140,632)	(1,102,139)
Impairment losses under expected credit loss model, net of reversal:			
– trade receivables		(1,918,295)	(9,990,028)
– other receivables		(19,041,382)	(1,108,620)
Impairment losses on prepayments		(62,798,846)	–
Impairment losses on:			
– property, plant and equipment		(18,740,246)	(2,408,741)
– right-of-use assets		(5,229,091)	–
Loss on disposal of subsidiaries		(8,216,416)	–
Share of losses of associate		(3,444)	–
Finance costs	5	(3,788,971)	<u>(4,581,000)</u>
Loss before tax	5	(112,935,636)	(38,206,601)
Income tax (expense)/credit	6	(609,096)	<u>221,318</u>
Loss after taxation		(113,544,732)	<u>(37,985,283)</u>
Discontinued operation			
Profit for the year from discontinued operation		–	<u>1,845,733</u>
Loss for the year and total comprehensive expense for the year		(113,544,732)	<u><u>(36,139,550)</u></u>

	<i>Notes</i>	2025 RMB	2024 <i>RMB</i>
(Loss)/profit for the year attributable to:			
Owners of the Company			
– From continuing operations		(90,820,485)	(29,647,974)
– From discontinued operation		<u>–</u>	<u>1,845,733</u>
		(90,820,485)	(27,802,241)
Non-controlling interests			
– From continuing operations		(22,724,247)	(8,337,309)
– From discontinued operation		<u>–</u>	<u>–</u>
		<u>(113,544,732)</u>	<u>(36,139,550)</u>
(Loss)/profit per share			
	8		
Basic and diluted (RMB cents)			
– From continuing operations		(4.37)	(1.56)
– From discontinued operation		<u>–</u>	<u>0.10</u>
		<u>(4.37)</u>	<u>(1.46)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	<i>Notes</i>	2025 RMB	2024 RMB
Non-current assets			
Property, plant and equipment		44,269,007	62,691,675
Right-of-use assets		30,775,336	35,661,586
Goodwill		–	–
Intangible assets		–	–
Deposits	<i>10</i>	–	180,000
Interest in an associate		–	–
Financial assets at fair value through profit or loss		180,000	–
		75,224,343	98,533,261
Current assets			
Inventories		62,795,794	75,307,871
Trade receivables	<i>9</i>	14,609,993	10,818,520
Amount due from an associate		150,000	–
Prepayments and other receivables	<i>10</i>	82,851,533	82,467,447
Pledged deposit		–	40,000,000
Cash and cash equivalents		29,211,582	25,399,950
		189,618,902	233,993,788
Current liabilities			
Trade payables	<i>11</i>	22,300,415	8,931,678
Contract liabilities		72,986,257	77,747,402
Other payables and accruals		55,296,757	56,154,708
Bank and other borrowings – due within one year	<i>12</i>	98,120,000	134,670,000
Lease liabilities		3,026,483	1,561,379
Tax payable		102,408	–
		251,832,320	279,065,167
Net current liabilities		(62,213,418)	(45,071,379)
Total assets less current liabilities		13,010,925	53,461,882

	<i>Notes</i>	2025 RMB	2024 RMB
Non-current liabilities			
Bank borrowings	<i>12</i>	–	14,870,000
Lease liabilities		8,592,773	8,813,875
Deferred tax liabilities		1,686,063	1,338,072
		<u>10,278,836</u>	<u>25,021,947</u>
Net assets		<u>2,732,089</u>	<u>28,439,935</u>
Capital and reserves			
Share capital	<i>13</i>	213,390,000	189,450,000
Reserves		(201,165,874)	(167,300,933)
Equity attributable to owners of the Company		12,224,126	22,149,067
Non-controlling interests		(9,492,037)	6,290,868
Total equity		<u>2,732,089</u>	<u>28,439,935</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	Share capital <i>RMB</i>	Share premium <i>RMB</i>	Surplus reserve fund <i>RMB</i>	Capital reserve <i>RMB</i>	Other reserve <i>RMB</i>	Accumulated losses <i>RMB</i>	Attributable to owners of the Company <i>RMB</i>	Non- controlling interests <i>RMB</i>	Total <i>RMB</i>
At 1 January 2024	189,450,000	275,317,438	3,717,696	2,541,404	(19,382,403)	(401,692,827)	49,951,308	14,628,177	64,579,485
Loss and total comprehensive expense for the year	-	-	-	-	-	(27,802,241)	(27,802,241)	(8,337,309)	(36,139,550)
At 31 December 2024	<u>189,450,000</u>	<u>275,317,438</u>	<u>3,717,696</u>	<u>2,541,404</u>	<u>(19,382,403)</u>	<u>(429,495,068)</u>	<u>22,149,067</u>	<u>6,290,868</u>	<u>28,439,935</u>
At 1 January 2025	189,450,000	275,317,438	3,717,696	2,541,404	(19,382,403)	(429,495,068)	22,149,067	6,290,868	28,439,935
Loss and total comprehensive expense for the year	-	-	-	-	-	(90,820,485)	(90,820,485)	(22,724,247)	(113,544,732)
Issuance of ordinary shares under placing, net of underwriting commissions and other issuance costs	23,940,000	56,955,544	-	-	-	-	80,895,544	-	80,895,544
Acquisition of subsidiaries	-	-	-	-	-	-	-	17,447	17,447
Disposal of subsidiaries	-	-	-	-	-	-	-	6,923,895	6,923,895
At 31 December 2025	<u>213,390,000</u>	<u>332,272,982</u>	<u>3,717,696</u>	<u>2,541,404</u>	<u>(19,382,403)</u>	<u>(520,315,553)</u>	<u>12,224,126</u>	<u>(9,492,037)</u>	<u>2,732,089</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

1. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

a. *Amendments to an HKFRS Accounting Standard that are mandatorily effective for the current year*

In the current year, the Group has applied amendments to HKAS 21, the effects of changes in foreign exchange rates – Lack of exchangeability issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) that are first effective for the current accounting period of the Group. The amendments do not have a material impact on these financial statements as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

b. *New and amendments to HKFRS Accounting Standards in issue but not yet effective*

The Group has not early applied the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective for the current accounting period. The Group has already commenced an assessment of the impact of these new and amendments to HKFRS Accounting Standards but is not yet in a position to state whether these new and amendments to HKFRS Accounting Standards would have a significant impact on its results of operations and financial position:

	Effective for accounting periods beginning on or after
• Amendments to HKFRS 9 and HKFRS 7, Contracts referencing nature-dependent electricity	1 January 2026
• Amendments to HKFRS 9 and HKFRS 7, Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
• Amendments to HKFRS 10 and HKAS 28, Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined
• Amendments to HKAS 21, Translation to a Hyperinflationary Presentation Currency	1 January 2027
• Amendments to HKFRS Accounting Standards, Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
• HKFRS 18, Presentation and Disclosure in Financial Statements	1 January 2027

2. REVENUE

Revenue, which is also the Group's turnover, represents the invoiced value of goods sold or services provided to customers after any allowance and discounts, and is analysed as follows:

	2025	2024
	RMB	RMB
Continuing operations		
Fertiliser products		
Sales of goods, recognised at point in time basis		
– Ordinary fertilizer	377,776,852	359,752,928
– Organic fertilizer	5,285,792	6,529,518
Services income, recognised on over time basis		
– Licensing income	2,363,773	1,495,217
– Processing income	27,978,005	16,980,723
– Warehousing service income	1,684	88,522
AI health & elderly care products and services		
Sales of goods, recognised at point in time basis		
– Sales of elderly gold products	87,402,916	–
– Sales of chips and servers supporting healthcare solutions	21,735,643	–
Services income, recognised on over time basis		
– Consultation service income	293,774	635,414
Leasing of elderly equipment	128,212	–
Total revenue from contracts with customers	<u>522,966,651</u>	<u>385,482,322</u>

The following table provides information about trade receivables and contract liabilities from contracts with customers.

	2025	2024
	RMB	RMB
Trade receivables	14,609,993	10,818,520
Contract liabilities	<u>72,986,257</u>	<u>77,747,402</u>

Contract liabilities mainly relate to the advance consideration received from customers of fertiliser products, RMB35,715,940 (2024: RMB45,094,683) of the balance at the beginning of the year has been recognised as revenue for the year ended 31 December 2025 from performance obligations satisfied during the year when the goods were sold or the services were rendered during the year.

As at 31 December 2025, the aggregated amount of unsatisfied or partially unsatisfied performance obligations under the Group’s existing contracts was approximately RMB72,986,257 (2024: RMB77,747,402). This amount represents revenue expected to be recognised in the future from delivery of biological compound fertilisers in accordance with the expected date of delivery of biological compound fertilisers in accordance with the remaining performance.

3. SEGMENT INFORMATION

Operating segments are identified in a manner consistent with the internal reporting, in accordance with the Group’s internal organisation and reporting structure, provided to the chief operating decision-maker (“CODM”), which is the chief executive officer, to make strategic decisions.

For the year ended 31 December 2025, the Group has two (2024: two) reportable and operating segments in its continuing operations. The Group’s reportable segments are determined based on internal management reporting reviewed by the CODM. Each segment represents a line of business that the CODM manages and evaluates together, reflecting the products and services that are considered part of that segment. During the year ended 31 December 2025, the Group commenced operations in two new product lines, in relation to sales of gold products and sales of chips and servers, in the expanded “Elderly care and health care services” segment and renamed the segment as “AI health & elderly care products and services” segment to reflect the Group’s strategic expansion into technology-driven products and services supported by QUANZHAN-AI medical models technology and the integration of elderly care services with healthcare. No operating segments have been aggregated in arriving at the reportable segments of the Group. The following summary describes the operations in each of the Group’s reportable segments:

Continuing Operations

- Fertiliser products – Manufacture and sale of biological compound fertiliser products, including active fertiliser, mixture with nitrogen, phosphorus and potassium with various formula, providing warehousing services and processing and licensing of the fertiliser products
- AI health & elderly care products and services – Provision of health and integrated elderly care services supported by QUANZHAN-AI medical models technology, including the leasing of elderly equipment and sales of elderly-related products. In line with internal management reporting, the CODM also reviews trading activities of gold products for elderly customers (such as gold amulets and bracelets targeted at elderly customers) and technology components (chips and servers supporting healthcare solutions) within this segment, as they form part of the Group’s broader elderly-related offerings and technology-enabled healthcare strategy.

(a) Segment revenues and results

The material accounting policies of the reportable and operating segments are the same as the Group’s material accounting policies. Central income and expenses are not allocated to the operating segments as they are not included in the measure of the segments’ profit or loss that is used by the chief operating decision-maker for assessment of segment performance.

The following is an analysis of the Group’s revenue and results from continuing operations by reportable and operating segment.

Year ended 31 December 2025

	Continuing operations		
	Fertiliser products <i>RMB</i>	AI health & elderly care products and services <i>RMB</i>	Total <i>RMB</i>
Revenue from external customers	413,406,106	109,560,545	522,966,651
Inter-segment revenue	—	—	—
Reportable segment revenue	<u>413,406,106</u>	<u>109,560,545</u>	<u>522,966,651</u>
Reportable segment profit/(loss)	<u>(94,320,421)</u>	<u>99,867</u>	(94,220,554)
Unallocated other income, gains or losses, net			490,108
Unallocated corporate expenses			(9,458,674)
Gain on disposal of financial assets at fair value through profit or loss			2,600,000
Loss on disposal of subsidiaries			(8,216,416)
Legal and professional fees			(2,080,100)
Unallocated impairment losses on trade and other receivables			<u>(2,050,000)</u>
Loss before tax			<u>(112,935,636)</u>

Year ended 31 December 2024

	Continuing operations		
	Fertiliser products <i>RMB</i>	AI health & elderly care products and services <i>RMB</i>	Total <i>RMB</i>
Revenue from external customers	384,846,908	635,414	385,482,322
Inter-segment revenue	—	—	—
Reportable segment revenue	<u>384,846,908</u>	<u>635,414</u>	<u>385,482,322</u>
Reportable segment loss	<u>(31,106,702)</u>	<u>(406,899)</u>	(31,513,601)
Unallocated other income, gains or losses, net			(866,899)
Unallocated corporate expenses			(4,696,495)
Unallocated interest expense			(261,000)
Unallocated impairment losses on trade and other receivables			<u>(868,606)</u>
Loss before tax			<u>(38,206,601)</u>

(b) Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities in its continuing operations by reportable and operating segments.

	2025	2024
	RMB	RMB
Segment assets		
Continuing operations		
Fertiliser products	191,318,307	319,422,910
AI health & elderly care products and services	69,350,878	1,041,761
Total segment assets	260,669,185	320,464,671
Unallocated corporate assets	4,174,060	12,062,378
Consolidated total assets	264,843,245	332,527,049
Segment liabilities		
Fertiliser products	227,500,999	285,168,180
AI health & elderly care products and services	18,970,358	2,084,728
Total segment liabilities	246,471,357	287,252,908
Unallocated corporate liabilities	15,639,799	16,834,206
Consolidated total liabilities	262,111,156	304,087,114

The assets and liabilities which are not for the purpose on generating segment profits are not allocated to the operating segments as they are not included in the measure of the segments' assets and liabilities that is used by the chief operating decision-maker for assessment of segment performance.

(c) *Other segment information*

	Continuing operations				
	Fertilizer products	AI health & elderly care products and services	Subtotal	Unallocated	Consolidated
	<i>RMB</i>	<i>RMB</i>	<i>RMB</i>	<i>RMB</i>	<i>RMB</i>
For the year ended 31 December 2025					
Amounts included in measure of segment profit or loss or segment assets:					
Loss on disposal of property, plant and equipment	33,159	–	33,159	–	33,159
Written off for inventories, net	2,271,281	–	2,271,281	–	2,271,281
Written off for prepayment	697,741	–	697,741	–	697,741
Reversal of over provision of professional fees	–	–	–	(422,385)	(422,385)
Waiver of other payables	–	(793,080)	(793,080)	–	(793,080)
Government grants	–	(7,000,000)	(7,000,000)	–	(7,000,000)
Selling and distribution expenses	8,238,533	1,003,512	9,242,045	–	9,242,045
Research and development expenses	1,060,004	3,080,628	4,140,632	–	4,140,632
Bank interest income	(65,586)	(2,071)	(67,657)	(6,921)	(74,578)
Other interest income	(3,020)	–	(3,020)	–	(3,020)
Service fee income	–	–	–	(195,500)	(195,500)
Compensatory payment	354,438	–	354,438	162,100	516,538
Interest expense	3,728,866	30,509	3,759,375	29,596	3,788,971
Depreciation expense	8,406,943	1,085,315	9,492,258	–	9,492,258
Impairment losses on trade and other receivables	17,357,057	1,552,620	18,909,677	2,050,000	20,959,677
Impairment losses on property, plant and equipment	18,740,246	–	18,740,246	–	18,740,246
Impairment on right-of-use asset	5,229,091	–	5,229,091	–	5,229,091
Impairment loss on prepayments	62,691,605	107,241	62,798,846	–	62,798,846
Additions to property, plant and equipment	4,587,103	3,674,331	8,261,434	–	8,261,434
Additions to right-of-use assets	–	3,690,974	3,690,974	–	3,690,974

	Continuing operations				
	Fertilizer products <i>RMB</i>	AI health & elderly care products and services <i>RMB</i>	Subtotal <i>RMB</i>	Unallocated <i>RMB</i>	Consolidated <i>RMB</i>
For the year ended 31 December 2024					
Amounts included in measure of segment profit or loss or segment assets:					
Loss on disposal of property, plant and equipment	1,171,831	–	1,171,831	–	1,171,831
Gain on disposal of right-of-use assets	(890,627)	–	(890,627)	–	(890,627)
Written off for inventories, net	3,253,284	–	3,253,284	–	3,253,284
Written off for prepayment	1,500,000	–	1,500,000	–	1,500,000
Government grants	(1,000)	–	(1,000)	–	(1,000)
Selling expenses	13,922,955	–	13,922,955	–	13,922,955
Research and development expenses	1,102,139	–	1,102,139	–	1,102,139
Bank interest income	(46,743)	(907)	(47,650)	(323)	(47,973)
Interest expense	4,320,000	–	4,320,000	261,000	4,581,000
Depreciation expense	9,032,844	94,679	9,127,523	–	9,127,523
Impairment losses on trade and other receivables	10,230,042	–	10,230,042	868,606	11,098,648
Impairment losses on property, plant and equipment	2,408,741	–	2,408,741	–	2,408,741
Additions to property, plant and equipment	2,558,492	–	2,558,492	–	2,558,492

	Fertiliser products		Continuing operations AI health & elderly care products and services		Total	
	2025	2024	2025	2024	2025	2024
	<i>RMB</i>	<i>RMB</i>	<i>RMB</i>	<i>RMB</i>	<i>RMB</i>	<i>RMB</i>
Primary geographical markets						
PRC	413,406,106	384,846,908	109,560,545	635,414	522,966,651	385,482,322
Major products/ services						
Sales of biological compound fertiliser products						
– Ordinary fertilisers	377,776,852	359,752,928	–	–	377,776,852	359,752,928
– Organic fertilisers	5,285,792	6,529,518	–	–	5,285,792	6,529,518
Provision of services in relation to biological compound fertiliser products						
– Licencing income	2,363,773	1,495,217	–	–	2,363,773	1,495,217
– Processing income	27,978,005	16,980,723	–	–	27,978,005	16,980,723
– Warehousing service income	1,684	88,522	–	–	1,684	88,522
Provision of AI health & elderly care products and services						
– Sales of elderly gold products	–	–	87,402,916	–	87,402,916	–
– Leasing of elderly equipment	–	–	128,212	–	128,212	–
– Sales of chips and servers supporting healthcare solutions	–	–	21,735,643	–	21,735,643	–
– Consultation service income	–	–	293,774	635,414	293,774	635,414
	413,406,106	384,846,908	109,560,545	635,414	522,966,651	385,482,322
Timing of revenue recognition						
At a point in time	383,062,644	366,282,446	109,138,559	–	492,201,203	366,282,446
Transferred over time	30,343,462	18,564,462	421,986	635,414	30,765,448	19,199,876
	413,406,106	384,846,908	109,560,545	635,414	522,966,651	385,482,322

(d) Disaggregation of revenue from contracts with customers

In the table above, revenue is disaggregated by major products and service lines and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Group's reportable segment revenue.

(e) Geographical information and major customers

The Group's revenue from external customers is mainly derived from its operations in the PRC, where most of its non-current assets are located. None of the customers have transactions with the Group which exceeded 10% of the Group's revenue for the years ended 31 December 2025 and 2024.

4. OTHER INCOME, GAINS AND LOSSES, NET

	2025 <i>RMB</i>	2024 <i>RMB</i>
Continuing operations		
Loss on disposal of property, plant and equipment	(33,159)	(1,171,831)
Written off for inventories, net	(2,271,281)	(3,253,284)
Written off for prepayment	(697,741)	(1,500,000)
Waive of other payables	793,080	–
Reversal of over provision of professional fees	422,385	–
Government grants (<i>note (i)</i>)	7,000,000	1,000
Bank interest income	74,578	47,973
Other interest income	3,020	–
Gain on disposal of right-of-use assets	–	890,627
Gain on acquisition of a subsidiary	18,158	–
Gain on disposal of financial assets at fair value through profit or loss	2,600,000	–
Sales of scraps	(650)	1,034
Service fee income	195,500	–
Compensatory payments (<i>note (ii)</i>)	(516,538)	–
Others	(98,376)	7,456
	<u>7,488,976</u>	<u>(4,977,025)</u>

Notes:

- (i) For the year ended 31 December 2025, government grants mainly represent the subsidies provided by Beijing Municipal Commission of Science and Technology (“Beijing Municipal Commission”) and the Management Committee of Zhongguancun Science and Technology Park (“Zhongguancun”) to the subsidiaries of the Group in respect of the expenses incurred by the Group in relation to the “Xihe-1 AI Medical Large Model Project” of the “Project for the First-class University, Science and Technology Park in the National University Science and Technology Park of Peking University”. These subsidies received are recognized in profit or loss in 2025 when the tasks have been carried out in accordance with the contract and the standards set by Beijing Municipal Commission and Zhongguancun are met (the “Criteria”). The Group has fulfilled the conditions to incur the spending on the Xihe-1 AI Medical Large Model Project during the year. For the year ended 31 December 2024, it mainly represented subsidies granted by the PRC Government to subsidiaries of the Group on the research and development expenses related to compound fertilisers incurred by the Group. The subsidies were received and recognised in profit or loss only when the research and development has been completed and fulfilled the Criteria set by the PRC Government.

- (ii) Compensatory payments include compensation for breach of contract of RMB134,019, late payment of RMB6,438 and compensation for industrial injuries of RMB348,000.

The breach of contract compensation is due to the fact that the Group (the purchaser), the joint liability guarantor and the vendor reached a settlement agreement with Chen Xuejun in the arbitration case regarding the “Transfer of Equity Agreement of Shanghai Weidai Network Technology Co., Ltd.”, and therefore need to pay a total compensation of RMB134,019 to Chen Xuejun.

Work injury compensation refers to the payment made by the Company to its employees when they suffer from work-related injuries. Two employees of the Group were injured at work. After assessment and identification, they were determined to have suffered a fifth-level disability and a ninth-level disability due to work-related injuries. When the labor relationship with the Group was terminated, an agreement was reached to compensate the employees for their work-related injury benefits.

5. LOSS BEFORE TAX

	2025	2024
	RMB	RMB
Continuing operations		
Loss before tax is arrived at after charging the following items:		
Auditor’s remuneration	541,920	510,817
Cost of services recognised as expense	382,503	378,259
Cost of inventories recognised as expense (<i>note (a)</i>)	485,420,478	364,881,187
Depreciation of property, plant and equipment	6,144,125	6,974,407
Depreciation of right-of-use assets	3,348,133	2,153,116
Short-term leases expenses	1,282,577	313,488
Travelling and transportation expenses	2,820,087	4,095,459
Legal and professional fee	2,400,629	365,267
Promotion expenses	1,309,422	1,201,319
Employee costs (including emoluments of directors and supervisors):		
– Wages and salaries	17,143,184	21,820,682
– Bonus	452,789	1,751,319
– Retirement benefit scheme contributions	3,481,851	3,396,368
– Staff welfare and other benefits	559,745	1,258,823
	21,637,569	28,227,192
Finance costs		
Interest expense on bank and other borrowings	3,342,444	4,132,174
Interest expense on lease liabilities	446,527	448,826
	3,788,971	4,581,000

Note (a)

Cost of inventories recognised as expense mainly includes raw materials and consumables used of RMB368,795,353 (2024: RMB356,787,875) and labour costs and production overheads of RMB8,320,978 (2024: RMB8,093,312) relating to sales of fertilisers and purchase cost of finished goods sold of RMB108,304,147 (2024: Nil).

Note (b)

For the year ended 31 December 2025, the Group incurred research and development expenses of RMB4,140,632 (2024: RMB1,102,139), all of which were charged to profit or loss as they did not meet the criteria for capitalisation. These expenses mainly consist of RMB2,186,690 (2024: RMB500,400) of the salaries of the technicians of fertiliser services and AI health and elderly care services (included in Employee costs above) and RMB1,070,874 (2024: Nil) of technical service fees.

6. INCOME TAX EXPENSE/(CREDIT)

	2025	2024
	RMB	RMB
Continuing operations		
Current tax		
– tax for the year	85,160	1,694
– Under provision in respect of prior years	175,945	–
	261,105	1,694
Deferred tax	347,991	(223,012)
	609,096	(221,318)

The Group is subject to income tax on an entity basis on profit arising in or derived from the tax jurisdictions in which members of the Group are domiciled and operated.

Pursuant to the rules and regulations of the Cayman Islands, the Group's subsidiaries incorporated in the Cayman Islands are not subject to any income tax. The Group's subsidiaries incorporated in Hong Kong are not liable for income tax as they did not have any assessable income arising in Hong Kong during the year ended 31 December 2025 (2024: Nil).

(a) China Corporate income tax

Pursuant to the income tax rules and regulations of the PRC, the provision for PRC income tax of the subsidiaries of the Group is calculated based on the statutory tax rate of 25% (2024: 25%), except for the subsidiaries described below.

High and New-Tech enterprise certificate was issued on 9 November 2017, and lasted for 3 years and extended for a further 3 years from 9 November 2020, to Guangdong Fulilong Compound Fertilisers Co., Ltd., recognising the entity as a High and New-Tech enterprise according to the PRC tax regulations and hence entitled to a preferential tax rate of 15% (2024: 15%). In accordance with public announcement made by Ministry of Science and Technology of the PRC dated 29 December 2023, Guangdong Fulilong Compound Fertilisers Co., Ltd. has been approved to extend its High and New-Tech enterprise qualification for further 3 years.

Certain subsidiaries of the Group in the PRC are qualified as small and micro businesses and enjoy preferential income tax rate of 5% (2024: 5%) with no expiry term.

7. DIVIDENDS

No dividend has been paid or declared by the Company during the year (2024: nil).

8. LOSS PER SHARE

The calculation of the basic loss per share attributable to owners of the Company is based on the following data:

	2025	2024
	RMB	RMB
Loss for the year attributable to owners of the Company		
– From continuing operations	(90,820,485)	(29,647,974)
– From discontinued operation	–	1,845,733
	<u>–</u>	<u>1,845,733</u>
Loss for the purpose of basic loss per share	(90,820,485)	(27,802,241)
	<u>–</u>	<u>1,845,733</u>
Weighted average number of ordinary shares for the purpose of basic loss per share	<u>2,079,643,561</u>	<u>1,894,500,000</u>

No adjustment is made in arriving at diluted loss per share as there was no potential ordinary shares in issue during the years ended 31 December 2025 and 2024.

9. TRADE RECEIVABLES

	2025	2024
	RMB	RMB
Trade receivables	110,152,402	105,971,674
Allowance for expected credit losses	(95,542,409)	(95,153,154)
	<u>14,609,993</u>	<u>10,818,520</u>

An aging analysis of the trade receivables as at the end of the reporting periods, based on the invoice date and net of loss allowance, is as follows:

	2025	2024
	RMB	RMB
Within 3 months	11,208,715	1,257,380
More than 3 months but less than 6 months	955,644	3,717,203
More than 6 months but less than 1 year	60,801	5,817,827
Over 1 year	<u>2,384,833</u>	<u>26,110</u>
	<u>14,609,993</u>	<u>10,818,520</u>

The credit period for the customers were from 30 to 60 days (2024: 30 to 60 days).

The Group does not hold any collateral or other credit enhancements over these balances. Movements in the allowance for impairment losses are as follows:

	2025	2024
	RMB	RMB
At 1 January	95,153,154	93,388,413
Written off of trade receivables	–	(8,225,287)
Written off impairment loss on disposal of a subsidiary	(1,529,040)	–
Expected credit losses provided	<u>1,918,295</u>	<u>9,990,028</u>
At 31 December	<u>95,542,409</u>	<u>95,153,154</u>

The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables.

10. PREPAYMENTS AND OTHER RECEIVABLES

	2025	2024
	<i>RMB</i>	<i>RMB</i>
Current		
Advanced deposits to suppliers of raw materials of fertiliser products and health care related products	142,164,143	78,976,908
Less: allowance for doubtful debts (note (iii))	<u>(62,798,846)</u>	<u>–</u>
	<u>79,365,297</u>	<u>78,976,908</u>
Other receivables (note (i))	33,728,631	16,354,312
Less: allowance for doubtful debts (note (ii))	<u>(30,242,395)</u>	<u>(12,863,773)</u>
	<u>3,486,236</u>	<u>3,490,539</u>
	82,851,533	82,467,447
Non-current		
Deposits	<u>–</u>	<u>180,000</u>
	<u>82,851,533</u>	<u>82,647,447</u>

Notes:

- (i) Included in other receivables is an amount due from a company in which a director of the Company is a substantial shareholder (“the Borrower”) with a gross carrying amount of RMB7,000,000 (2024: RMB7,000,000) as of 31 December 2025 and net carrying amount of Nil as of 31 December 2025 and 2024. The amount is unsecured and interest bearing at 4% per annum. The repayment date was extended for one year from 30 September 2020 to 30 September 2021. There was significant increase in credit risk due to further extension of the advance and such balance was considered as credit impaired. Therefore, such amount was fully impaired in previous year. As at the date of approval of the consolidated financial statements, no repayment has been received.

Also included in gross other receivables is (a) a consideration receivable arising from the disposal of an associate of approximately RMBNil as at 31 December 2025 (2024: RMB307,000), (b) gross amount of RMB6,500,000 due from 上海泛濶投資合夥企業(有限合夥) (“上海泛濶”), the previous vendor of a wholly owned subsidiary, Shanghai Weidi, for the disposal of 100% equity interest of Shanghai Weidi. The balance is unsecured, interest free, and repayable on demand, with ECL provision of RMB6,050,000, (c) gross amount due from a related party of a subsidiary of RMB2,093,660 (2024: Nil) which is unsecured, interest free, and repayable on demand and with ECL fully provided, (d) an amount due from an independent third party, 廣東福利龍農林生態科技有限公司 of RMB6,569,624 as at 31 December 2025 (2024: RMB5,949,623). The amount is unsecured, interest free, and repayable on demand, with ECL fully provided.

(ii) Allowance for doubtful debts of other receivables:

	2025	2024
	RMB	RMB
At 1 January	12,863,773	11,755,153
Allowance for impairment loss of other receivables	19,041,382	1,108,620
Write-off on disposal of a subsidiary	(1,662,760)	–
	<u> </u>	<u> </u>
At 31 December	<u>30,242,395</u>	<u>12,863,773</u>

(iii) Allowance for impairment loss of prepayments:

	2025	2024
	RMB	RMB
At 1 January	–	–
Allowance for impairment loss of prepayments	62,798,846	–
	<u> </u>	<u> </u>
At 31 December	<u>62,798,846</u>	<u>–</u>

11. TRADE PAYABLES

	2025	2024
	RMB	RMB
Trade payables	<u>22,300,415</u>	<u>8,931,678</u>

Generally, the credit terms received from suppliers of the Group is 90 days. An aging analysis of year end trade payables, based on the invoice dates, is as follows:

	2025	2024
	RMB	RMB
Within 3 months	14,978,220	2,180,601
More than 3 months but less than 6 months	493,080	166,500
More than 6 months but less than 1 year	40,843	281,016
Over 1 year	6,788,272	6,303,561
	<u> </u>	<u> </u>
Trade payables	<u>22,300,415</u>	<u>8,931,678</u>

12. BANK AND OTHER BORROWINGS

	2025	2024
	RMB	RMB
Current		
Interest bearing		
Secured		
– Short-term bank loans (<i>note (i)</i>)	38,900,000	74,040,000
Unsecured		
– Short-term bank loans	59,220,000	50,020,000
– Short-term other loans (<i>note (ii)</i>)	–	2,610,000
	<u>98,120,000</u>	<u>126,670,000</u>
Non-interest bearing		
Unsecured		
– Short-term other loans (<i>note (ii)</i>)	–	8,000,000
	<u>–</u>	<u>8,000,000</u>
Total Short-term bank loans	<u>98,120,000</u>	<u>134,670,000</u>
Non-current		
Interest bearing		
Secured		
– Long-term bank loans (<i>note (i)</i>)	–	4,900,000
Unsecured		
– Long-term bank loans	–	9,970,000
	<u>–</u>	<u>9,970,000</u>
Total Long-term bank loans	<u>–</u>	<u>14,870,000</u>
Total Bank and other borrowings	<u>98,120,000</u>	<u>149,540,000</u>
Effective interest rates		
Secured loans	2.80% - 3.45%	1.21% - 10.00%
Unsecured loans	<u>2.95% - 3.45%</u>	<u>3.45%</u>

At the end of the reporting period, total current and non-current bank and other borrowings were scheduled to repay as follows:

	2025	2024
	RMB	RMB
Within one year	98,120,000	134,670,000
More than one year, but not exceeding two years	—	14,870,000
	<u>98,120,000</u>	<u>149,540,000</u>

Notes:

- (i) The bank borrowings of RMB38.9 million (2024: RMB38.9 million) were secured against property, plant and equipment and right-of-use assets with a total carrying amount as at 31 December 2025 of approximately RMB48.6 million (2024: RMB65.7 million). For the year ended 31 December 2024, certain bank borrowings were also guaranteed by a director of a subsidiary and an independent third party, and the remaining balances of RMB40.0 million represented the borrowings from bank carried at interest of 1.21% per annum and secured by pledged bank deposits.
- (ii) Short-term unsecured other loans as at 31 December 2024 represented borrowings granted by two independent third parties in a total of RMB10.6 million. Other loans of RMB2.6 million carried fixed interest rate of 10% per annum and repayable on demand, and RMB8.0 million carried at no interest rate and repayable on demand. During the year ended 31 December 2025, the other loans were fully settled.
- (iii) As at 31 December 2025, banking facilities of approximately RMB99.0 million (2024: RMB138.9 million) were granted to the Group and the Group utilised approximately RMB98.1 million during the year ended 31 December 2025 (2024: RMB138.9 million).

As at 31 December 2025 and 2024, all the bank and other borrowings were not subject to any financial covenants.

13. SHARE CAPITAL

(a) *The Company's issued and fully paid-up capital comprises:*

	2025	RMB	2024	RMB
	Number		Number	
	(million)		(million)	
Ordinary shares of RMB0.10 each:				
Domestic shares				
At 1 January and 31 December	<u>698</u>	<u>69,750,000</u>	<u>698</u>	<u>69,750,000</u>
H shares				
At 1 January	<u>1,197</u>	<u>119,700,000</u>	1,197	119,700,000
Issuance relating to placing (Note (i))	<u>239</u>	<u>23,940,000</u>	–	–
Sub-total – H shares	<u>1,436</u>	<u>143,640,000</u>	<u>1,197</u>	<u>119,700,000</u>
Total at 31 December	<u>2,134</u>	<u>213,390,000</u>	<u>1,895</u>	<u>189,450,000</u>

Note (i): On 19 February 2025, the Company successfully completed the placing (“Placing”) with 135,900,000 new H shares at HK\$0.375 per placing H share to not less than six places. The total gross proceeds from the Placing are approximately HK\$50.96 million and the net proceeds after deducting the underwriting commissions and other issuance costs are approximately RMB45.92 million.

On 8 May 2025, the Company successfully completed the placing (“Placing”) with 103,500,000 new H shares at HK\$0.375 per placing H share to not less than six places. The total gross proceeds from the Placing are approximately HK\$38.81 million and the net proceeds after deducting the underwriting commissions and other issuance costs are approximately RMB34.98 million.

Note (ii): Domestic shares and H shares are both ordinary shares in the share capital of the Company. However, H shares may only be subscribed for by, and traded in Hong Kong dollars between legal or natural persons of Hong Kong, Macau, Taiwan or any country other than the PRC. Domestic shares on the other hand, may only be subscribed for by, and traded between legal or natural persons of the PRC (other than Hong Kong, Macau and Taiwan) and must be subscribed for and traded in RMB. All dividends in respect of H shares are to be paid by the Company in Hong Kong dollars whereas all dividends in respect of domestic shares are to be paid by the Company in RMB. Other than the above, all domestic shares and H shares rank pari passu with each other in all respects and rank equally for all dividends or distributions declared, paid or made.

(b) Movements in the Group's reserves are set out in the consolidated statement of changes in equity.

(c) No share options had been granted by the Company under its share option scheme (the “Scheme”) since its adoption. At 31 December 2025, none of the directors or supervisors, employees or other participants of the Scheme had any rights to acquire the H Shares in the Company (2024: nil).

14. GOING CONCERN BASIS

The Group incurred a net loss of RMB113,544,732 and a net cash outflow of RMB56,788,582 from operating activities for the year ended 31 December 2025 and had accumulated losses of RMB520,315,553 as at 31 December 2025. As at 31 December 2025, the Group's current liabilities amounted to approximately RMB251,832,320 while its total cash and cash equivalents amounted to only RMB29,211,582. The Group was in a net current liabilities position of RMB62,213,418 as at 31 December 2025.

In addition, subsequent to the reporting period, heightened geopolitical tensions and conflicts in the Middle East, including developments involving Iran, United States and Israel, have led to increased volatility in global energy and commodity markets. As the production of fertilizer products is highly dependent on energy and raw material inputs, the Group expects an increase in raw material costs, which may adversely affect its products costs, profit margins and operating cash flows. The conflict may also negatively impact the Group's customers through increased costs and economic uncertainty, which could in turn affect demand for the Group's products and the recoverability of trade receivables.

These conditions may cast significant doubt on the Group's ability to continue as a going concern. The validity of the use of the going concern basis in the preparation of the consolidated financial statements is dependent upon the Group's ability to generate adequate cash flows in order to meet its obligations as and when the obligations fall due. The directors of the Company have been undertaking plans and measures to improve the Group's liquidity and financial position, including:

1. A revolving credit facility amounted to RMB50,000,000 was granted by a bank to the Group with expiry date up to August 2027. Under the revolving credit facility agreement, it allows the Group to withdraw, repay, and redraw borrowings continuously up to the above set limit. Interest is charged only on the outstanding balance. The Group has fully utilised such facility as at 31 December 2025 and is in discussions with the bank to grant further credit facility.
2. On 1 December 2025, the Company entered into an agreement with a shareholder whereby a loan facility with a limit of RMB\$20,000,000 was granted to the Company for a period of 24 months. The Group has not utilised such facility as at 31 December 2025.
3. In March 2026, the Group has obtained banking facilities amounting to RMB20,000,000 in order to meet its working capital requirements.
4. Subsequent to the reporting period, the Group has been actively seeking investors for a placing plan.

The Directors are of the opinion that, taking into account the above-mentioned plans and measures, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as they fall due within twelve months from the date of approval of the consolidated financial statements. Accordingly, the Directors are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis.

Having taken into account of the abovementioned plans and measures, the directors of the Company determined that it is appropriate to adopt the going concern basis in the preparation of the consolidated financial statements. In the opinion of the directors of the Company, in light of the aforesaid arrangements being implemented or planned, the Group will have sufficient working capital for its current requirements and it is reasonable to expect that the Group will remain as a commercially viable concern. Accordingly, the directors of the Company are satisfied that it is appropriate to prepare the consolidated financial statements for the year ended 31 December 2025 on a going concern basis.

However, given that the eventual outcome of the above mentioned plans and measures for future actions cannot be determined with certainty, there exist material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern. Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to write down the carrying amounts of assets to their recoverable amounts, to provide for future liabilities which might arise and to reclassify non-current assets and non-current liabilities to current respectively. The effects of these adjustments have not been reflected in the consolidated financial statements.

15. LITIGATION

On 8 July 2022, the Group acquired 100% equity interest in Shanghai Weidi, of which the consideration of RMB6,593,100 for the acquisition of 82.76% equity interest of Shanghai Weidi from 上海泛濶, an independent third party, has been settled during the year ended 31 December 2024 under a settlement agreement, and the consideration of RMB2,206,900 for the acquisition of the remaining 17.24% equity interest (representing the remaining interest held by the Group after the disposal of Shanghai Weidi during the year ended 31 December 2024) from another independent third party vendor (the "Second Vendor") had not yet been settled as at 31 December 2024 (the "Unsettled Consideration"). The Second Vendor sued the Group for the outstanding consideration amount and for additional compensation amounting to RMB340,966.

On 28 February 2025, a civil judgement was granted by the court, whereby the Group is found liable to pay for the Unsettled Consideration and legal costs in the total sum of RMB2,369,002 (the "Court Judgement") within ten days of the date of the civil judgement. As at 31 March 2025, the Group has not yet settled the Court Judgement, and therefore, the Second Vendor has applied to the court to freeze the 12.8% equity interest of Guangdong Fulilong Compound Fertilisers Co., Ltd, a wholly owned subsidiary of the Company, with an amount of RMB2,560,000 equivalent to nominal value of 12.8% of equity interest (the "Equity Interest").

During the year ended 31 December 2025, the Group entered into a settlement agreement with the Second Vendor to resolve the dispute, pursuant to which a total amount of RMB2,369,000, including the payable balance of RMB2,206,900 as at 31 December 2024, was repaid in full. The Second Vendor has applied to the court for the release of the freeze over the Equity Interest.

16. EVENT AFTER THE REPORTING PERIOD

Subsequent to the end of the reporting period, the geopolitical tensions in the Middle East escalated, particularly involving Iran in early 2026. This has resulted in increased volatility in the global energy market and the fertilizer industry, in which the Group's major customers operate.

As at 31 December 2025, the Group had a concentration of credit risk with the top five balances representing 31% of the total trade receivables. The Group has performed a subsequent credit risk assessment up to the date of this report. Based on the latest available information, including the subsequent settlement patterns and the operational resilience of these customers amidst the rising fertilizer prices, the Group considers that the conflict does not have a material adverse impact on the recoverability of the trade receivables as at 31 December 2025.

Consequently, no adjustment to the expected credit loss ("ECL") as at 31 December 2025 has been made. The Group will continue to monitor the situation closely and will reflect future impact on the ECL in its future consolidated financial statements.

OPERATING REVIEW

I. Fertiliser Products Business

The Group's compound fertilizer business has long been dedicated to the research and development, production and sales of compound fertilizers. With production bases in Weifang, Shandong, and Dongguan, Guangdong, the Group has established an integrated operational system covering procurement, production, marketing, logistics, and finance. Our compound fertilizer product is primarily centered on high-tower compound fertilizers, encompassing various types such as sulfur-based, chlorine-based, and nitrate-based formulations. We also offer a range of products including high-concentration compound fertilizers, water-soluble fertilizers, controlled-release fertilizers, and crop-specific fertilizers. These products are widely used in both field crops and cash crops. We own well-known brands such as "Fulilong" and a well-established comprehensive dealer network, complemented by e-commerce platforms to expand our market reach.

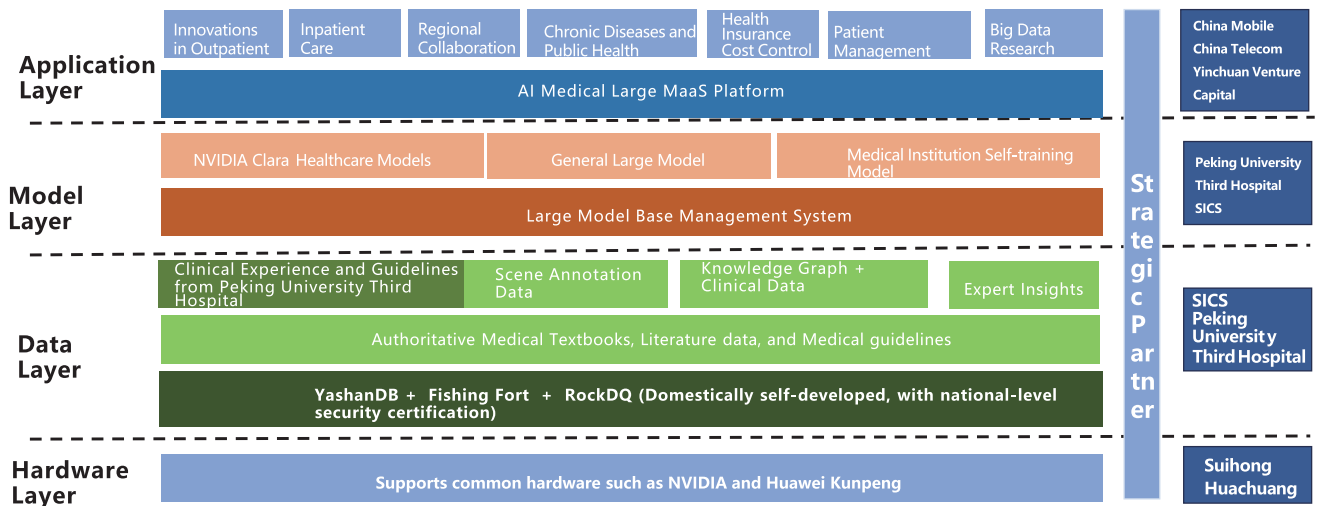
During the review period, the operating environment for the compound fertilizer industry remained under pressure. Overall industry demand was weak, market competition intensified, and price increases for products failed to keep pace with rising costs, resulting in a continuous narrowing of profits. Prices for key raw materials such as urea, ammonium phosphate, potash, and sulfur fluctuated at high levels. Coupled with geopolitical factors that exacerbated disruptions in global supply chains, raw material prices are expected to remain elevated, further squeezing industry profit level. Due to multiple factors, including a downturn in industry conditions, weak in demand, and pressure on asset valuations, there is significant uncertainty regarding the future profitability and recoverable amounts of assets related to the compound fertilizer business.

Taking into account market conditions and the actual status of its assets, the Group has conducted a prudent assessment of assets related to the accounts receivable, prepayments, fixed assets, and property, plant, and equipment of the compound fertilizer business. Provisions for these assets increased significantly this year compared to the previous year, which collectively impacted the Group's financial performance for the year.

II. AI Life and Health Business

The Group has been engaged in the elderly care business since 2017. As China’s population continues to age and the integration of elderly care services with healthcare deepens, the Group began developing its AI medical large-model business in 2024 and formally launched its AI medical large-model MaaS platform business in 2025 (i.e. a service platform that provides AI medical large-model capabilities to medical institutions on a “pay-as-you-go” basis). At present, the Group is promoting the deployment of the AI medical large model MaaS platform in locations such as Xiamen and Yinchuan, with plans to further expand nationwide in the future. The Group is committed to becoming China’s leading AI medical MaaS operation service provider.

Architecture Diagram of the AI Medical Large Model MaaS Platform



1. Hardware Layer: Domestic Multi-Heterogeneous Computing Infrastructure

The Group entered into a strategic cooperation agreement with “Suihong Huachuang”, a subsidiary of Hongxin Electron (Stock code: 300657), focusing on comprehensive business collaboration in the construction of intelligent computing centres, integrated computing hardware solutions, and AI medical all-in-one machine applications. Suihong Huachuang provides the Group with high-performance and cost-effective computing hardware support, ensuring the continuous training and stable inference requirements of the AI medical large models. By deeply integrating multi-heterogeneous computing resources, the Group has established a secure, controllable, and elastically scalable domestic computing infrastructure. This foundation lays a solid groundwork for the industrial implementation and continuous iteration of full-stack AI medical models.

2. *Data Layer: Root Technology-Driven High-Quality Data Governance*

The Group entered into an ecosystem cooperation framework agreement with Shenzhen Institute of Computing Sciences (“SICS”), leveraging SICS’s independently developed core root technologies, including the Yashan Database System, Caishiji Data Quality System, and Diaoyucheng Data Analysis Engine, to provide clients with end-to-end data services covering data cleaning, intelligent analysis, and customised model training. While SICS focuses on fundamental theoretical innovation and core technology R&D, the Group contributes its engineering implementation capability in industry scenario understanding, system integration and deployment, and market-oriented implementation. Through a collaborative model of “technology supply + engineering implementation,” both parties jointly promote the industrial application of domestically developed foundational software in key sectors such as healthcare, government administration, and finance. Together with China Communications Construction Group Research Institute Co., Ltd. and SICS, the Group undertook the design and construction of Yinchuan’s “One Cloud, One Lake, One Platform” city-level high-standard public data operation platform, and such project is still under construction. As a core infrastructure for Yinchuan’s digital economy development, this platform will effectively support efficient governance, secure circulation, and value transformation of public data, laying a solid foundation for regional digital transformation.

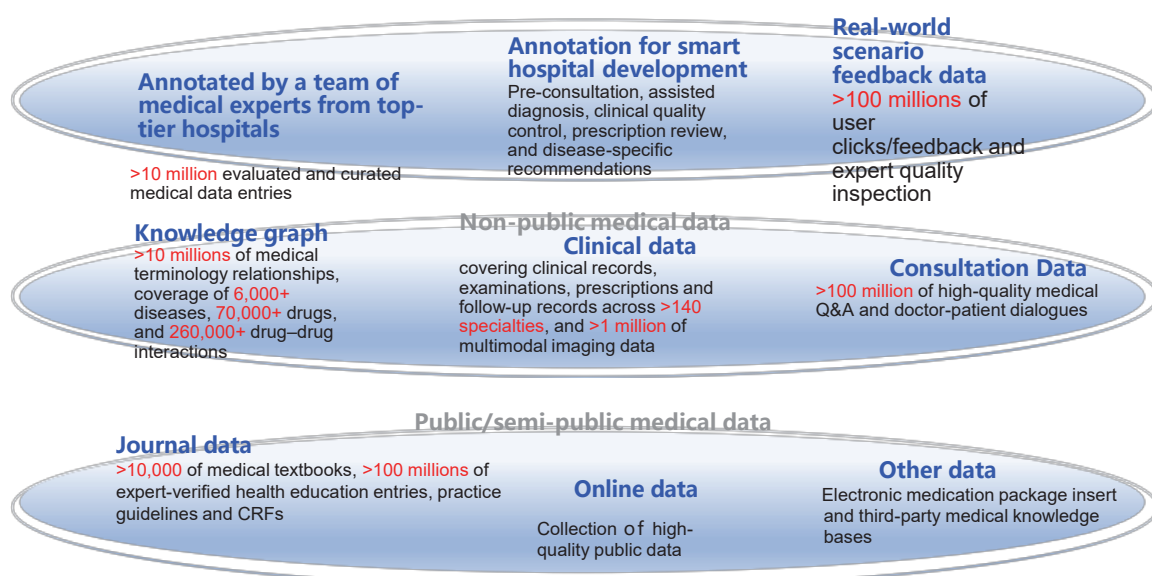
In October 2025, Professor Fan Wenfei (“Professor Fan”), an internationally recognised authority in big data and database research, was appointed as the Group’s Chief Advisor. Professor Fan concurrently serves as an academician of six prestigious academies, including the Chinese Academy of Sciences, the Royal Society (UK), the European Academy of Sciences, the Royal Society of Edinburgh (Scottish Academy), the Royal Academy of Engineering (UK), and ACM Fellow (USA), and is also the Chief Scientist of SICS. In his role, Professor Fan provides top-level guidance on the Group’s strategic planning and technical roadmap for its data business.

In addition, the Group entered into a strategic cooperation relationship with Peking University Third Hospital (“PUTH”). In the 2026 Global Hospital Rankings published by Brand Finance (UK), PUTH was ranked 72nd worldwide, being the only hospital in China to be listed among the global top 100. PUTH provides the Group with proprietary medical data comprising millions of authentic clinical cases, which forms a solid data foundation for the deep training and clinical scenario adaptation of the Group’s AI medical large model.

3. Model Layer: Xihe No.1 Medical Large Model

(1) “Xihe No.1” Medical Large Model

The Group, in collaboration with PUTH, has developed a bilingual (Chinese-English) medical large model named “Xihe No.1.” The development of this model spanned ten years, trained on millions of authentic clinical cases from PUTH using proprietary medical data (non-internet open-source data). Unlike conventional approaches based on data fitting, “Xihe No.1” is pathology-driven and equipped with parameters at the trillion scale. The model can be extensively applied across multiple domains, including disease diagnosis and personalised treatment, disease prediction, medical imaging analysis, AI diagnosis and telemedicine, drug R&D and clinical trials, medical text analysis, patient services and education, as well as medical education and scientific research. Professor Tang Yida, vice president of PUTH, serves as the chief scientist of “Xihe No.1” Medical Large Model, providing top-level guidance on “Xihe No.1” Medical Large Model’s strategic planning and technical roadmap.



To implement President Xi Jinping’s directives on advancing China-Africa health cooperation delivered at the 2024 Beijing Summit of the Forum on China-Africa Cooperation, the National Health Commission presided over the establishment of the “China-Africa Hospital Alliance” in August 2025. During this meeting, the “Xihe No.1” medical large model was officially released. The Company’s subsidiary, Beijing Boya Qanjian Intelligent Computing Co., Ltd. (“Boya Intelligent Computing”), was elected as the leading unit of the AI Development Working Group under the Health Silk Road initiative of the China-Africa Hospital Alliance.

During the review period, “Xihe No.1” was incorporated into the national “Belt and Road” and China-Arab cooperation framework, with Boya Intelligent Computing becoming the sole corporate member of the China-Arab Medical Cooperation Alliance. Mainstream central media, including CCTV-1 Evening News, CCTV-13 Morning News, People’s Daily, Xinhua News Agency, and Economic Daily, all produced dedicated reports on “Xihe No.1,” fully affirming its significant innovative breakthroughs in the field of “AI + Healthcare.”

CCTV-1 Evening News and CCTV-13 Morning News broadcast related coverage



A report from the People's Daily

中非医院联盟成立，医疗大模型“羲和一号”亮相

在日前举行的第 31 届中国国际医用设备展览会暨技术交流会上，中非医院联盟宣告成立，医疗大模型“羲和一号”正式亮相。

本次会议由国家卫生健康委国际交流与合作中心主办，主题为“共赴健康挑战，共享发展机遇”，重点展示了医学影像、医学检验、放射治疗、AI 医疗大模型、数智化解决方案、生命支持、卫生应急等多领域中国制造创新成果。

中非医院联盟健康丝路 AI 发展工作组组长田佑中介绍，医疗 AI 驱动带来五大领域转型，包括医疗服务与医疗管理跃升、医药研发与临床应用加速、医保管理智能化、公共卫生资源供给与效率提升、医学教育与科研革命，构建起医疗领域发展的新逻辑。

A report from the Economic Daily

“羲和一号”医疗大模型发布后，中非医院联盟健康丝路 AI 发展工作组在“与 AI 同行：健康丝路 AI 赋能研讨会”上宣布，启动共建“全球儿童“两病”（癫痫、先心病）早诊早治 AI 创新生态”，邀请首批来自国家儿童医学中心、北医三院、北大人民医院、华中科技大学同济医学院等医疗机构的专家成为创新生态合作伙伴，依托中国医疗 AI 技术优势，首先提升儿童癫痫及先心病等非洲高发

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(2) *“Helan Mountain No.1” Full-Stack AI Industry Model*

During the review period, the Group, together with China Communications Construction Group Research Institute Co., Ltd. and SICS, jointly undertook the construction of Yinchuan’s “One Cloud, One Lake, One Platform” city-level high-standard public data operation platform. Building upon this foundation, the Group further collaborated with SICS and Yinchuan Venture Capital Group to officially launch the “Helan Mountain No.1” full-stack AI industry model. This industry model encompasses eight sub-models: Helan–Fubo Precision Formulation AI Model, Helan–Mengxi New Energy Battery Manufacturing AI Capacity Model, Helan–Xihe Medical Model, Helan–Qubing Biotech Innovative Drug AI R&D Model, Helan–Dasanguan Cybersecurity AI Model, Helan–Shuijing E-commerce Marketing AI Model, Helan–Tutu Banking AI Decision-Making Model, Helan–Caishiji AI Medical Insurance Risk Control Model. “Helan Mountain No.1” integrates full-stack AI technologies with logical reasoning and machine learning, effectively addressing key challenges faced by mainstream large models, including hallucinations, the difficulty of balancing accuracy and fairness, high R&D and application costs, and reliance on large-scale datasets. The model comprehensively empowers industries such as intelligent manufacturing, finance, and healthcare, delivering dual advantages of high-precision algorithmic support and efficient scenario adaptation. It provides smarter and more efficient solutions for digital transformation across industries, bridging the “last mile” in the practical implementation of artificial intelligence.

The model has been incorporated into Yinchuan’s “15th Five-Year” plan. According to relevant government documents of Yinchuan, the large-scale application of “Helan Mountain No.1” has been designated as a core task for Yinchuan’s AI and digital economy development during the “15th Five-Year” period, with the creation of no fewer than 50 “AI+” application scenarios.

4. *Application Layer: Deployment of the Large Model onto the AI Medical Large Model MaaS Platform*

(1) Introduction to the AI Medical Large Model MaaS Platform

With the “Xihe No.1” medical large model as its core engine, the Group has already achieved diversified applications including intelligent pre-consultation, assisted diagnosis, clinical decision support, personalised treatment recommendations, and chronic disease intelligent management. These applications have effectively enhanced diagnostic precision and healthcare service efficiency, providing solid technological support for the AI transformation of medical services.

Building on the maturity of the “Xihe No.1” medical large model, the Group has further systematised and platformised its AI capabilities, upgrading to establish the AI Medical Large Model MaaS Platform. In collaboration with partners, local governments, and medical institutions, the Group jointly invests in computing power and data resources, while taking responsibility for overall platform planning, construction, deployment, operation management, and continuous technological iteration. As a model service provider, the Group modularises and orchestrates underlying model capabilities, medical scenario knowledge, device interface protocols, and expert experience rules. Through its model orchestration engine, the Group achieves unified scheduling and collaborative integration of the AI model library, medical scenario library, and clinical knowledge base, thereby delivering AI model services across multiple scenarios including outpatient care, inpatient treatment, chronic disease management, and regional collaboration. Medical institutions at all levels are not required to make any repetitive hardware investments or engage in model development. They can simply access model services on demand and pay service fees based on actual module usage. This significantly lowers the threshold for AI technology adoption, truly enabling the equitable dissemination and inclusive sharing of high-quality medical capabilities. Based on the actual utilisation volume of AI medical and pharmaceutical services, the Group charges service fees according to token usage, thereby generating sustainable and recurring revenue. This establishes a scalable dual-driven profit model of “one-time construction + ongoing subscription.”

The Group has developed and deployed seven categories of model services, comprehensively empowering medical institutions at all levels as well as related fields such as pharmaceutical R&D and data services.

- **AI Outpatient Innovation Services:** Including AI intelligent triage (reducing waiting time by more than 30%), AI intelligent medical record generation (voice input with modification rate below 5%), and AI rational drug use review.
- **AI Inpatient Diagnosis and Treatment Services:** Covering AI-assisted diagnosis systems, AI condition monitoring and early warning, AI intelligent ward round assistance, and AI-assisted comparison and quality control of examination reports.
- **AI Regional Collaborative Services:** Supporting real-time uploading and intelligent analysis of primary-level diagnostic data, providing AI misdiagnosis and missed diagnosis monitoring, and AI intelligent referral services.
- **AI Chronic Disease and Public Health Management Services:** Automatically generating personalised follow-up plans, improving follow-up completion rates, and reducing readmission rates.
- **AI Medical Insurance Cost Control Services:** Covering intelligent review of medical insurance fund usage, identification of irregular medical practices, fraud risk alerts, and cost structure analysis, thereby achieving full-chain intelligent supervision of medical insurance with pre-warning, real-time monitoring, and post-review.
- **AI Patient Health Management Services:** Creating a 24/7 AI digital doctor to provide continuous services such as condition consultation and health assessment.
- **AI Big Data Services:** Based on seven specialised disease databases across key disciplines, supporting the full process of scientific research transformation from data retrieval, statistical analysis to model training. These services can be extended to empower pharmaceutical R&D in target screening and compound analysis, as well as intelligent data services such as medical data cleaning and annotation.

(2) Core Advantages of the AI Medical Large Model MaaS Platform

(i) Unified Infrastructure, Addressing Redundant Investment and Fragmentation

Through multi-party collaboration with local governments and medical institutions, the Group and its partners jointly build the computing power and data infrastructure of the platform, with the Group responsible for its construction and operation. Medical institutions across the city are no longer required to independently procure AI systems; instead, they can access various model services on demand and pay by module. This model eliminates inconsistencies in hospital standards, dispersed computing resources, and redundant investments, thereby achieving resource integration and coordinated capability upgrades across the city.

(ii) Model-as-a-Service, Driving Equitable Access to High-Quality Capabilities

By providing a standardised model service platform, the Group offers AI model services covering scenarios such as outpatient care, inpatient treatment, and chronic disease management, directly empowering primary-level physicians. With the support of this platform, grassroots doctors can significantly improve diagnostic accuracy and reduce referral rates, fundamentally addressing the challenges of uneven capabilities and limited specialist resources at the primary level, and enabling the large-scale dissemination of high-quality medical services.

Relying on the “Xihe No.1” medical large model and the top-tier clinical expertise of Peking University Third Hospital, the Group is deeply integrating AI technology into grassroots elderly care scenarios. Targeting the chronic disease management needs of China’s over 300 million elderly population, the Group provides AI technical support to grassroots elderly care institutions and community-based elderly services through AI-driven chronic disease management, health monitoring and early warning, and intelligent follow-up models. This effectively enhances elderly health management capabilities and chronic disease intervention efficiency, facilitating the transition from “passive healthcare” to “proactive health,” and injecting new momentum into the AI upgrade of the elderly care service system. Through the ongoing application of AI technology, the Group has effectively increased user retention and engagement among its elderly user base, significantly boosting sales of health and elderly care products and services, and fostering a virtuous cycle of technology-driven innovation and business expansion.

FINANCIAL REVIEW

Turnover, Gross Profit and Gross Profit Margin

For the year ended 31 December 2025, the Group achieved a total turnover of RMB522,966,651 (31 December 2024: RMB385,482,322), representing a year-on-year increase of 35.67%. The consolidated gross profit amounted to RMB35,674,584 (31 December 2024: RMB20,222,876), and the consolidated gross profit margin was 6.82% (31 December 2024: 5.25%). The revenue growth was mainly attributable to the expansion and improved operational performance of the Group's AI life and health business during the Year. The Company's strategic deployment in these areas has gradually translated into performance, becoming a key driver of revenue growth.

Selling and Distribution Costs

For the year ended 31 December 2025, the Group's selling and distribution costs amounted to RMB9,242,045 (31 December 2024: RMB13,922,955) during the Year, representing a year-on-year decrease of 33.62% of the selling and distribution costs in review period. The decline in selling and distribution costs was mainly due to the Group's proactive reinforcement of expense control, achieving cost reduction and efficiency enhancement through reforms in travel reimbursement policies and refined channel management.

Other Income, Gains and Losses, Net

For the year ended 31 December 2025, the Group's other income and gains, net amounted to RMB7,488,976 (31 December 2024: net loss of RMB4,977,025) during the Year. This was mainly attributable to the receipt of capital subsidies for the R&D of the AI life and health computing platform during the Year.

Administrative Expenses

For the year ended 31 December 2025, the Group's administrative expenses amounted to RMB22,979,828 (31 December 2024: RMB20,338,969) during the Year, representing a year-on-year increase of 12.98%. The increase was mainly due to the expansion of the Company's business scale, which required corresponding additional administrative personnel and office facilities.

Research and Development Expenses

For the year ended 31 December 2025, the Group's research and development expenses amounted to RMB4,140,632 (31 December 2024: RMB1,102,139) during the Year, representing a year-on-year increase of 275.69%. This was mainly attributable to the investment in the research phase of the Xihe No. 1 Medical Large Model project.

Finance Costs

For the year ended 31 December 2025, the Group's finance costs amounted to RMB3,788,971 (31 December 2024: RMB4,581,000) during the Year, representing a year-on-year decrease of 17.29%. The decrease in finance costs was due to the significant year-on-year decline in interest rates for one-year and long-term bank loans during the Year.

Loss for the Year

For the year ended 31 December 2025, the loss attributable to owners of the Group amounted to RMB90,820,485 (31 December 2024: RMB27,802,241) during the Year. The loss per share attributable to the Company for the year ended 31 December 2025 was RMB4.37 cents (31 December 2024: RMB1.46 cents). The significant change in losses during the Reporting Period was primarily due to the substantial provisions for bad debts on certain accounts receivable and real estate of compound fertilizer segment in accordance with the principle of prudence, which correspondingly reduced profits for the period.

Pledge of Assets and Contingent Liabilities of the Group

As at 31 December 2025, the carrying amount of buildings under property, plant and equipment and right-of-use assets pledged as security for certain of the Group's banking facilities amounted approximately to RMB48,600,000 (31 December 2024: RMB65,700,000).

As at 31 December 2025, the Group did not have any material contingent liabilities (2024: Nil).

Structure of Share Capital

As at 31 December 2025, the structure of the share capital of the Company was as follows:

Names of shareholders	Number of shares held	Percentage of shareholding (%)
Tianjin Economic and Technological Development Area State Asset Operation Company (“State Asset Operation”)	182,500,000	8.55
Shenzhen Xiangyong Investment Company Limited (“Shenzhen Xiangyong”)	180,000,000	8.44
Shenzhen Aopaipai Technology Co., Ltd. (“Shenzhen Aopaipai”)	180,000,000	8.44
Dongguan Lvye Fertilisers Company Limited (“Dongguan Lvye”)	120,000,000	5.62
Other domestic shares	35,000,000	1.64
H Shares public shareholders	<u>1,436,400,000</u>	<u>67.31</u>
Total	<u><u>2,133,900,000</u></u>	<u><u>100.00</u></u>

Subscription of New H Shares under the General Mandate

On 16 January 2025, the Company entered into a placing agreement with the placing agent, pursuant to which the placing agent conditionally agreed, as the placing agent of the Company, to procure on a best efforts basis not less than six places to subscribe for up to 239,400,000 placing shares at the placing price of HK\$0.265 per placing share (the “First 2025 Placing”). On 9 February 2025, the Company and the placing agent entered into a supplemental agreement to the placing agreement, under which the placing price per placing share was changed from HK\$0.265 to HK\$0.375. On 19 February 2025, the placing of new H shares under the general mandate was completed, with a total of 135,900,000 shares successfully placed at HK\$0.375 per share. The gross proceeds and net proceeds (after deducting all relevant expenses) from the subscription of shares amounted to approximately HK\$50.96 million and HK\$50.50 million, respectively. For details, please refer to the announcements published by the Company on the GEM website on 16 January 2025, 5 February 2025, 9 February 2025, 10 February 2025 and 19 February 2025.

The shareholding structure of the Company before and after the placing of H shares is as follows:

Domestic share or H share holders	Immediately before completion of the Placing		Immediately after completion of the Placing	
	Number of shares	Percentage	Number of shares	Percentage
<i>Domestic shares</i>				
State Asset Operation	182,500,000	9.63	182,500,000	8.99
Shenzhen Xiangyong	180,000,000	9.50	180,000,000	8.87
Guangdong Jiamei Ecological Technology Co., Ltd. (“Guangdong Jiamei”)	180,000,000	9.50	180,000,000	8.87
Dongguan Lvye	120,000,000	6.33	120,000,000	5.91
Other domestic shareholders	35,000,000	1.86	35,000,000	1.72
<i>H Shares</i>				
Public shareholders	1,197,000,000	63.18	1,197,000,000	58.95
Places			135,900,000	6.69
Total	<u>1,894,500,000</u>	<u>100.00</u>	<u>2,030,400,000</u>	<u>100.00</u>

On 8 April 2025, the Company again entered into a placing agreement with the placing agent, pursuant to which the placing agent conditionally agreed, as the Company’s placing agent, to procure on a best efforts basis not less than six places to subscribe for up to 103,500,000 placing shares at the placing price of HK\$0.375 per placing share (the “Second 2025 Placing”). On 8 May 2025, the placing of new H shares under the general mandate was completed, with a total of 103,500,000 shares successfully placed at HK\$0.375 per share. The gross proceeds and net proceeds (after deducting all relevant expenses) from the subscription of shares amounted to approximately HK\$38.81 million and HK\$38.30 million respectively. For details, please refer to the announcements published by the Company on the GEM website on 8 April 2025 and 8 May 2025.

According to the announcement published by the Company on the GEM website on 8 April 2025, the proceeds from the Second 2025 Placing will be used for the development of the medical health software platform, general working capital for the medical and elderly care health business, and potential investment opportunities.

As of 31 December 2025, the use of the net proceeds from the Company's issue of H shares is as follows:

Intended use of net proceeds	Amount of net proceeds allocated after the Placing (<i>HK\$ million</i>)	Actual amount of net proceeds used (<i>HK\$ million</i>)
For the acquisition of medical health software platform	40.6	40.6
For the subsequent development of the medical health software platform, general working capital for the medical and elderly care health business and potential investment opportunities	<u>48.2</u>	<u>48.2</u>
Total	<u><u>88.8</u></u>	<u><u>88.8</u></u>

Resignation and Appointment of Directors

On 27 March 2025, Mr. Cao Aixin resigned as a non-executive director. On 31 March 2025, Mr. He Xin was redesignated from an executive director to a non-executive director. On 12 December 2025, the Company published an announcement and circular stating that the term of office of the eighth session of the Board of the Company will expire on 31 December 2025. Ms. Li Xueying, a non-executive director, and Mr. Wang Yongkang, an independent non-executive director, retired on 31 December 2025. Mr. Wang Yongkang also retired as a member and chairman of the remuneration committee, a member of the nomination committee and a member of the audit committee. In view of such retirements, the Board proposed: (i) to nominate Mr. Yang Zeng as a candidate for executive director of the ninth session of the Board; (ii) to nominate Mr. Xia Ruizhe as a candidate for executive director of the ninth session of the Board; (iii) to nominate Mr. Wang Lei as a candidate for non-executive director of the ninth session of the Board; and (iv) to nominate Mr. Chen Jiang as a candidate for independent non-executive director of the ninth session of the Board. Except for the retiring directors mentioned above, the remaining directors will continue to serve as members of the ninth session of the Board. The term of office of the directors of the ninth session of the Board is three years from the date of approval at the extraordinary general meeting. On 31 December 2025, the Company convened an extraordinary general meeting and approved the above proposals. For details, please refer to the notice of extraordinary general meeting and circular of the Company both dated 12 December 2025 published on the GEM website, and the announcement of the results of the extraordinary general meeting dated 31 December 2025 published on the GEM website.

GENERAL MANDATE TO ISSUE SHARES

On 24 June 2025, the Company issued an announcement of results of annual general meeting, according to which a special resolution was duly passed at the annual general meeting of the Company on 24 June 2025 granting the Board a general mandate to issue, allot and deal with additional domestic shares/H shares not exceeding 20% of the domestic shares in issue and 20% of the H shares in issue of the Company, and authorising the Board to make such amendments to the articles of association of the Company as it thinks fit to reflect the new share capital structure subsequent to the allotment and issue of additional shares. For details, please refer to the notice of the annual general meeting and circular of the Company both dated 8 May 2025 published on the GEM website, and the announcement of results of the annual general meeting dated 24 June 2025 published on the GEM website.

SEGMENTAL INFORMATION

The Group principally operates two business segments: (1) fertilisers products; and (2) AI health & elderly care products and services.

The details of the analysis of the Group's segment results for the years ended 31 December 2025 and 31 December 2024 are disclosed in note 6.

LIQUIDITY, FINANCIAL RESOURCES AND GEARING RATIO

During the year ended 31 December 2025, the Group financed its operations mainly by internally generated cash, banking facilities and proceeds from share placement.

As at 31 December 2025, the Group's current assets and current liabilities were RMB189,618,902 (31 December 2024: RMB233,993,788) and RMB251,832,320 (31 December 2024: RMB279,065,167) respectively. The liquidity ratio of the Group, represented by the ratio of current assets over current liabilities, was 0.75 (31 December 2024: 0.84). The Group's current assets as at 31 December 2025 comprised mainly cash and bank balances of RMB29,211,582 (31 December 2024: RMB25,399,950), trade receivables of RMB14,609,993 (31 December 2024: RMB10,818,520), prepayments and other receivables of RMB82,851,533 (31 December 2024: RMB82,467,447) and inventories of RMB62,795,794 (31 December 2024: RMB75,307,871).

As at 31 December 2025, total bank borrowings of the Group amounted to RMB98,120,000 (31 December 2024: RMB149,540,000). As at 31 December 2025, the bank borrowings were denominated in Renminbi and provided by various licensed banks in China with fixed interest rates ranged from 2.8% to 3.45% per annum (31 December 2024: fixed interest rates ranged from 1.21% to 10.00% per annum).

As at 31 December 2025, the Group's consolidated total assets and net assets were RMB264,843,245 (31 December 2024: RMB332,527,049) and RMB2,732,089 (31 December 2024: RMB28,439,935) respectively. The Group's consolidated gearing ratio, represented by the ratio of total liabilities to total assets, was 0.99 (31 December 2024: 0.91). As at 31 December 2025, the Group's consolidated gearing ratio, represented by the ratio of total bank and other borrowings to total assets, was 0.47 (31 December 2024: 0.45).

EMPLOYEE AND REMUNERATION POLICIES

As of 31 December 2025, the Group had 273 employees (31 December 2024: 260 employees). The remuneration of the Group's employees are determined in accordance with the terms of government policies and by reference to market standard and the performance, qualifications and experience of employees. Discretionary bonuses are paid to a few employees as a recognition of and reward for their contributions to the corporate development. Other employee benefits include contributions to retirement schemes, medical schemes, unemployment insurance schemes and housing allowances.

The Company adopted the Share Award Scheme on 29 August 2025, in which directors, eligible employees and service providers are entitled to participate. The Company has implemented this scheme to incentivise, retain and attract talents who play an important role in the future business development of the Group.

EXPOSURE TO FOREIGN CURRENCY RISK

During the year under review, the Group had a relatively low foreign currency risk since the principal business of the Group were mainly domestic sales in China denominated in RMB and payables to suppliers were also mainly denominated in RMB.

The Group mainly operated in PRC with most of the transactions settled in RMB and did not have significant exposure to risk resulting from changes in foreign currency exchange rates.

TREASURY POLICIES

The Group's bank borrowings are denominated in RMB and are usually renewed for one year upon maturity. Any cash balances will be placed as deposits with licensed banks in China.

FUTURE OUTLOOK

Looking ahead, the Group will resolutely advance the large-scale replication and nationwide deployment of its AI medical large model MaaS platform, accelerating the strategic transformation from a traditional manufacturing enterprise to a leading AI medical technology pioneer.

On the technology and product iteration front, the Group will continue to optimise the clinical adaptability of its “Xihe No.1” medical large model. Leveraging the top-tier medical resources of Peking University Third Hospital and the fundamental technical support of SICS, the Group will further strengthen the model’s leading advantages in key capabilities such as few-shot learning, explainable reasoning, and multimodal data integration. At the same time, the Group will enhance the standardised service processes of the MaaS platform, reduce the costs of model development and deployment, and enable more primary healthcare institutions to access advanced AI-assisted diagnostic capabilities at low thresholds, thereby achieving broader coverage and equitable distribution of high-quality medical resources.

On the business expansion front, the Group plans to fully promote the MaaS platform model across Fujian Province, Ningxia Autonomous Region, and other cities nationwide within the next three to five years. In Yinchuan, the “Helan Mountain No.1” full-stack AI industry model has already been incorporated into the city’s “15th Five-Year Plan.” According to relevant documents issued by the Yinchuan Municipal Government, the large-scale application of “Helan Mountain No.1” has been designated as a core task for Yinchuan’s AI and digital economy development during the “15th Five-Year” period, with the creation of no fewer than 50 “AI+” application scenarios. Seizing this opportunity, the Group will further deepen its strategic collaboration with Yinchuan Venture Capital Group and Shenzhen Institute of Computing Sciences to drive the in-depth application of the model in industry scenarios primarily focused on AI healthcare and pharmaceuticals, continuously unlocking the cross-sector empowerment value of full-stack AI technologies.

In the field of smart elderly care, the Group will continue to deepen the integrated application of AI technology with elderly care services. Leveraging the “Xihe No. 1” medical large-model and the cutting-edge clinical capabilities of Peking University Third Hospital, the Group will further expand the deployment of model services, such as AI chronic disease management, health monitoring alert and smart follow-up care across primary-level elderly care institutions and community elderly care scenario, thereby empowering the intelligent upgrade of the elderly care service system. Through the ongoing empowerment of AI technology, the Group will effectively enhance service retention among elderly users and improve the level of health management, while significantly boosting sales of elderly care products and services, thereby achieving synergistic development between technological empowerment and commercial value.

The Group firmly believes that, supported by its robust self-developed technological foundation, clear and feasible business model, and increasingly comprehensive ecosystem cooperation network, the AI medical large model MaaS platform will become a core engine driving the AI upgrade of China's healthcare industry. The Group will remain committed to technology innovation and guided by social value, striving to grow into a domestic leader with global vision in AI medical technology, and continuously create long-term value for shareholders, customers, and society.

DIRECTORS' AND SUPERVISORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As of 31 December 2025, none of the Directors or the Supervisors of the Company had interest in any securities, underlying shares and debentures of the Company or any of its associated corporations, which are required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) otherwise notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by directors to be notified to the Company and the Stock Exchange.

DIRECTORS' AND SUPERVISORS' RIGHTS TO ACQUIRE SHARES

At no time during the year was the Company or its subsidiaries a party to any arrangement to enable the directors and the supervisors of the Company or their respective spouses or children under 18 years of age, to have the rights to subscribe for the Company's securities or to exercise any such rights.

SUBSTANTIAL SHAREHOLDERS

As at 31 December 2025, the following persons (other than the Directors and the Supervisors of the Company) had interests and short positions in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were notified to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept under Section 336 of the SFO:

Long position in ordinary shares of RMB0.1 each in the Company:

Names of shareholders	Capacity	Number of ordinary shares	Percentage of issued share capital
State Asset Operation	Beneficial owner	182,500,000 (Note)	8.55%
Shenzhen Xiangyong	Beneficial owner	180,000,000 (Note)	8.44%
Shenzhen Aopaipai	Beneficial owner	180,000,000 (Note)	8.44%
Dongguan Lvye	Beneficial owner	120,000,000 (Note)	5.62%

Note: All of the shares represent domestic shares.

Save as disclosed above, as at 31 December 2025, the Directors of the Company were not aware of any other person (other than the Directors and the Supervisors of the Company) who had an interest and short position in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept under Section 336 of the SFO and/or were directly or indirectly interested in 5% or more of the issued share capital carrying rights to vote in all circumstances at general meetings of the Company.

MANAGEMENT CONTRACTS

No contracts concerning the management or administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

COMPETING INTERESTS

During the year ended 31 December 2025, none of the Directors, the Supervisors, or the management shareholders and their respective associates of the Company (as defined under the GEM Listing Rules) competes or may compete with the business of the Group or has or may have any other conflicts of interest with the Group required to be disclosed pursuant to the GEM Listing Rules.

FINANCIAL INFORMATION

The financial information in this announcement does not constitute the Group's consolidated financial statements for the year ended 31 December 2025, but represents an extract from those consolidated financial statements. The annual results of the Group for the year ended 31 December 2025 have been reviewed by the Audit Committee of the Company.

SCOPE OF WORK OF FAN, CHAN & CO. LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and the related notes thereto for the Year as set out in the preliminary announcement have been agreed by the Group's auditor, Fan, Chan & Co. Limited, to the amounts set out in the Group's audited consolidated financial statements for the Year. The work performed by Fan, Chan & Co. Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Fan, Chan & Co. Limited on the preliminary announcement.

MATERIAL UNCERTAINTY RELATING TO GOING CONCERN

The following is an extract of Fan, Chan & Co. Limited's report in the Group's consolidated financial statement for the year ended 31 December 2025. We draw attention to note 3 to the consolidated financial statements, which sets out that the Group incurred a net loss of RMB113,544,732 and a net cash outflow of RMB54,581,682 from operating activities for the year ended 31 December 2025 and had accumulated losses of RMB520,315,553 as at 31 December 2025. As at 31 December 2025, the Group's current liabilities amounted to approximately RMB251,832,320 while its total cash and cash equivalents amounted to only RMB29,211,582. The Group was in a net current liabilities position of RMB62,213,418 as at 31 December 2025. These conditions, along with other matters as set out in note 3 to the consolidated financial statements, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

On 19 February 2025, the Company completed a round of share placing, successfully placing a total of 135,900,000 shares at HK\$0.375 per share. The gross proceeds and net proceeds (after deducting all relevant expenses) from the subscription of shares amounted to approximately HK\$50.96 million and HK\$50.50 million respectively. The proceeds from this placing will be used for the purchase of an artificial intelligence-based medical health software platform, as well as for the subsequent development of the medical health software platform, general working capital for the medical and elderly care health business, and potential investment opportunities.

On 8 May 2025, the Company completed a new round of share placing, successfully placing a total of 103,500,000 shares at HK\$0.375 per share. The gross proceeds and net proceeds (after deducting all relevant expenses) from the subscription of shares amounted to approximately HK\$38.81 million and HK\$38.30 million respectively. The net proceeds will be used for the development of the medical health software platform, general working capital for the medical and elderly care health business, and potential investment opportunities.

For detailed information on the above two placings, please refer to the section headed “Subscription of New H Shares under the General Mandate” and “Use of Proceeds from Issue of New H Shares” above.

Save as disclosed above, neither the Company nor any of its subsidiaries have purchased, sold or redeemed any of the Company’s shares as of 31 December 2025.

Adoption of Share Award Scheme

On 25 April 2025, the Board of the Company resolved to adopt the 2025 share award scheme. On 29 August 2025, shareholders approved the scheme by ordinary resolution at an extraordinary general meeting of the Company.

Since the adoption of the share award scheme up to the date of this result announcement, no awards have been granted, cancelled or lapsed under the scheme. As at 31 December 2025, the number of awards that may be granted under the Share Award Scheme is 143,640,000 H shares.

For details, please refer to the announcement and circular published by the Company on the GEM website on 25 April 2025 and 12 August 2025.

AUDIT COMMITTEE

The Company established an audit committee with written terms of reference in compliance with the GEM Listing Rules and by reference to the “Guidelines for The Establishment of An Audit Committee” published by the Hong Kong Institute of Certified Public Accountants. The audit committee provides an important link between the Board and the Company’s auditor in matters coming within the scope of the Group’s audit. The primary duties of the committee are to review and supervise the financial reporting process of the Group. It also reviews the effectiveness of the external audit, internal controls and risk evaluation. During the year under review, the audit committee of the Company comprises three independent non-executive directors. The term of office of the eighth session of the Board of the Company expired on 31 December 2025, and Mr. Wang Yongkang retired as an independent non-executive director and member of the audit committee of the Company on that date. On 31 December 2025, the Company convened an extraordinary general meeting and a Board meeting, and elected Mr. Chen Jiang as an independent non-executive director and member of the audit committee. In addition, the members of the audit committee of the Company include two independent non-executive directors, Mr. Tu Xiangzhen and Ms. Gao Chun, among whom Ms. Gao Chun was appointed as the chairman of the audit committee due to her professional qualifications in accounting and auditing experience.

The audit committee had held four meetings during the current financial year. The audit committee has reviewed the audited annual results of the Group for the year ended 31 December 2025.

CORPORATE GOVERNANCE PRACTICES

The Board and the management of the Company have endeavored to apply the code provisions as set out in the Corporate Governance Code (the “Code”) contained in Appendix 15 of the GEM Listing Rules to the Group. The corporate governance principles which the Company complies emphasis on the establishment of an efficient Board and sound internal control, as well as the transparency presented to all of the shareholders. The directors are of the view that, the Company had complied with all the provisions of the Code except A.2.1 of the Code during the year under review.

DIRECTORS' SECURITIES TRANSACTION

For the year ended 31 December 2025, the Company has adopted a code of conduct regarding directors' securities transactions on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry with all directors, the directors of the Company have complied with such code of conduct and the required standard of dealings.

By order of the Board
Tianjin TEDA Biomedical Engineering Company Limited
Sun Li
Chairman

Tianjin, the PRC
31 March 2026

As at the date of this announcement, the executive directors of the Company are Ms. Sun Li, Mr. Yang Zeng and Mr. Xia Alan Zhe; the non-executive directors of the Company are Mr. He Xin, Dr. Li Ximing and Mr. Wang Lei; the independent non-executive directors of the Company are Mr. Chen Jiang, Ms. Gao Chun and Mr. Tu Xiangzhen.

This announcement, for which the directors are willing to collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief that the information contained in this announcement is accurate and complete in all material respects and is not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the GEM website at <http://www.hkgem.com> on the "Latest Listed Company Information" page for seven days from the date of its posting, and it will also be published and remain on the website of the Company at www.bioteda.com.