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GENERTEC UNIVERSAL MEDICAL GROUP COMPANY LIMITED

通用環球醫療集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 2666)

RENEWAL OF EXISTING CONTINUING CONNECTED TRANSACTIONS AND ENTERING INTO NEW CONTINUING CONNECTED TRANSACTIONS

RENEWAL OF EXISTING CONTINUING CONNECTED TRANSACTIONS

The Board is pleased to announce that, on 23 November 2023 (after trading hours), the Company entered into the 2024 Renewed Framework Agreements with GT-PRC to renew certain continuing connected transactions under the 2021 Framework Agreements and the 2023 Framework Agreements for a term of three years ending 31 December 2026.

ENTERING INTO NEW CONTINUING CONNECTED TRANSACTIONS

On the same day (after trading hours), the Company entered into the 2024 New Framework Agreements with GT-PRC for a term of three years ending 31 December 2026.

LISTING RULES IMPLICATIONS

As at the date of this announcement, GT-PRC directly and indirectly holds approximately 39.38% of the issued share capital of the Company and is a controlling shareholder of the Company. According to Rule 14A.07 of the Listing Rules, GT-PRC and its associates are connected persons of the Company. Accordingly, the transactions between the Group and GT-PRC and/or its associates under the 2024 Renewed Framework Agreements and the 2024 New Framework Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

One or more of the applicable percentage ratios of the proposed annual caps for the transactions under each of the 2024 Renewed Framework Agreements and 2024 New Framework Agreements (excluding the 2024 Factoring Service Framework Agreement and the 2024 Deposit Service Framework Agreement) will exceed 0.1% but all of them are less than 5%. Therefore, the transactions under each of the 2024 Renewed Framework Agreements and 2024 New Framework Agreements (excluding the 2024 Factoring Service Framework Agreement and the 2024 Deposit Service Framework Agreement) will constitute non-exempt continuing connected transactions of the Company subject to the reporting, annual review and announcement requirements but exempt from the Independent Shareholders' approval requirement pursuant to Chapter 14A of the Listing Rules.

One or more of the applicable percentage ratios of the proposed annual caps for the transactions under each of the 2024 Factoring Service Framework Agreement and the 2024 Deposit Service Framework Agreement will exceed 5% but none of them is 25% or more. Therefore, the transactions under each of the 2024 Factoring Service Framework Agreement and the 2024 Deposit Service Framework Agreement will constitute discloseable transactions and non-exempt continuing connected transactions of the Company subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements pursuant to Chapters 14 and 14A of the Listing Rules.

GENERAL

The Company will hold the EGM for the Independent Shareholders to consider and approve the transactions under the 2024 Factoring Service Framework Agreement and the 2024 Deposit Service Framework Agreement and the proposed annual caps thereof. GT-PRC and its associates will abstain from voting in respect of the ordinary resolutions on matters relating to the 2024 Factoring Service Framework Agreement and the 2024 Deposit Service Framework Agreement at the EGM.

The Independent Board Committee has been established to advise the Independent Shareholders on the transactions under the 2024 Factoring Service Framework Agreement and the 2024 Deposit Service Framework Agreement and the proposed annual caps thereof. Alliance Capital Partners Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

I. INTRODUCTION

References are made to (i) the announcement of the Company dated 10 November 2020 in relation to the renewal of continuing connected transactions under the 2021 Framework Agreements; (ii) the circular of the Company dated 25 November 2020, in relation to, among others, the continuing connected transactions under the 2021 Construction Service Framework Agreement; (iii) the announcements of the Company dated 31 December 2020 and 11 November 2021, and the circular of the Company dated 2 December 2021 in relation to the revision of annual caps of the 2021 Deposit Service Framework Agreement; and (iv) the announcement of the Company dated 1 March 2022 in relation to the revision of annual caps of the 2021 Construction Service Framework Agreement; and (v) the announcement of the Company dated 30 October 2023 in relation to the entering into the 2023 Framework Agreements.

As the term of each of the 2021 Framework Agreements and the 2023 Framework Agreements will expire on 31 December 2023, on 23 November 2023 (after trading hours) the Company entered into the 2024

Renewed Framework Agreements with GT-PRC to renew certain continuing connected transactions under the 2021 Framework Agreements and the 2023 Framework Agreements for a term of three years ending 31 December 2026.

On the same day (after trading hours), the Company entered into the 2024 New Framework Agreements with GT-PRC for a term of three years ending 31 December 2026.

The continuing connected transactions under the 2024 Deposit Service Framework Agreement and the 2024 Factoring Service Framework Agreement and the respective proposed annual caps thereof will be submitted at the EGM for Independent Shareholders to consider and approve.

II. 2024 RENEWED FRAMEWORK AGREEMENTS

Principal Terms of each of the 2024 Renewed Framework Agreements

The 2024 Renewed Framework Agreements include (A) the 2024 Medical Related Product Procurement Framework Agreement; (B) the 2024 Construction Service Framework Agreement; (C) the 2024 Medical Equipment Integrated Service Framework Agreement; (D) the 2024 Digitalization-based Sales Framework Agreement; (E) the 2024 Digitalization-based Procurement Framework Agreement; and (F) the 2024 Property Lease Framework Agreement. The principal terms of each of the 2024 Renewed Framework Agreements and the annual caps for the transactions thereunder are set out as below:

(A) 2024 Medical Related Product Procurement Framework Agreement

Parties: GT-PRC and the Company

Reasons for the transactions: GT-PRC and its associates have abundant business resources and extensive experience in integrating and introducing international advanced technology and major equipment, as well as rich hospital resources. All import and export companies under GT-PRC are largescale state-owned enterprises engaged in the importation of equipment and instruments in the PRC. In addition, pharmaceutical, medical consumable and equipment manufacturing companies under GT-PRC are also leaders in their respective sectors. With leveraging the advantage of centralized procurement of resources integration of each medical platform of GT-PRC, the Group can effectively reduce the procurement cost of supply chain, unify the management standard, guarantee the quality of procurement and supply, strengthen the centralized and unified management of medical supply chain of pharmaceuticals and medical consumables, and promote the centralized procurement and supply management across various segments under the management of the Company to realize complementary advantages and achieve win-win cooperation. The Company has maintained a long-term cooperative relationship with GT-PRC and its associates. Leveraging on such cooperative relationship, the Company believes that continuing to procure products from GT-PRC and its associates is more efficient and can better satisfy the Group's need for providing customized services to customers.

Major terms: The Company entered into the 2024 Medical Related Product Procurement Framework Agreement with GT-PRC on 23 November 2023, pursuant to which the Company and/or its subsidiaries will purchase medical related products and ancillary logistics and warehousing services from GT-PRC and/or its associates. The major terms of the 2024 Medical Related Product Procurement Framework Agreement are as follows:

- GT-PRC and/or its associates will sell various kinds of products and equipment, including but not limited to medical supplies such as pharmaceuticals and medical consumables, medical equipment and devices and provide ancillary logistics and warehousing services, to the Company and/or its

subsidiaries;

- the Company and/or its subsidiaries and GT-PRC and/or its associates will enter into separate agreements which prescribe specific terms and conditions for the procurement of specific products and/or ancillary services, including purchase price, product model and specification, insurance and transportation arrangement and other terms; and
- the 2024 Medical Related Product Procurement Framework Agreement will come into effect from 1 January 2024 until 31 December 2026 and may be renewed by mutual consent.

Pricing policy: Purchase prices of relevant products and services provided by GT-PRC and/or its associates should be determined based on the production costs or trade costs (as the case may be) of the relevant products plus a premium determined through arm's length negotiation. Such prices should not be higher than: (i) government price (if applicable); (ii) comparable market price; and (iii) (if a comparable market price is not available) the production costs or trade costs (as the case may be) of the relevant products and services plus a premium determined through arm's length negotiation, in each case, having regard to the Company's internal control measures so as to ensure that terms are no less favorable to the Company than terms available to the Group offered by independent third parties.

Existing annual caps and actual transaction amount: The existing annual caps for the three years ended/ending 31 December 2021, 2022 and 2023 were RMB12.0 million, RMB15.0 million and RMB89.0 million, respectively. As at the date of this announcement, the annual actual transaction amount under the 2021 Product Procurement Framework Agreement has not exceeded the existing annual caps. For the two years ended 31 December 2021 and 2022, and the nine months ended 30 September 2023, the total amount procured by the Group for medical related product from GT-PRC and/or its associates was approximately RMB5.3 million, RMB7.6 million and RMB16.9 million, respectively.

Annual caps: For the three years ending 31 December 2024, 2025 and 2026, the total amount for medical related product procured from GT-PRC and/or its associates by the Group is not expected to exceed RMB266.0 million, RMB307.0 million and RMB328.0 million, respectively.

Basis of annual caps: The above proposed annual cap is based on the following factors:

- (i) the historical transaction amounts for the procurement of pharmaceuticals, medical consumables, equipment and devices by the Company from GT-PRC and its associates;
- (ii) the development of the Group's clinical department upgrade services to help hospitals in the PRC establish, modernize and upgrade their clinical department capabilities in medical areas with high and growing demand, and the Group's growing supply chain business under hospital group business, all of which will result in the Group's growing demand for the procurement of medical equipment and devices and medical consumables and medicine;
- (iii) the policy developments leading to an expanded scope of centralized procurement, which may further result in an increase in the procurement business with GT-PRC and/or its associates;
- (iv) the expected increase in the number of medical institutions within the Group which may enter into collaborative relationship with GT-PRC and/or its associates; and
- (v) the expected increase in the production or trade costs of relevant products with reference to the general growth trend in healthcare industry.

(B) 2024 Construction Service Framework Agreement

Parties: GT-PRC and the Company

Reasons for the transactions: GT-PRC and/or its associates provide construction services in various cities in the PRC. The Company expects that GT-PRC and/or its associates would participate in competitive tender process for the Group's construction works in the PRC as construction contractor from time to time, and subject to the results and terms of the relevant tender, GT-PRC and/or its associates may provide construction services to the Group. Taking into account their experience in construction works, the entering into of the 2024 Construction Service Framework Agreement would provide the Group with a more diverse base of contractors to participate in the construction works of the Group, and if upon successful tender awarded to GT-PRC and/or its associates, could assure the quality of the construction works of the Group up to standards, effectively enhance the quality of construction services and management efficiency, and reduce costs and management risks.

Major terms: The Company entered into the 2024 Construction Service Framework Agreement with GT-PRC on 23 November 2023, pursuant to which, subject to the tender process adopted by the Company and/or its subsidiaries from time to time and the results thereof, GT-PRC and/or its associates will provide construction services to the Company and/or its subsidiaries. The major terms of the 2024 Construction Service Framework Agreement are as follows:

- GT-PRC and/or its associates will provide the Company and/or its subsidiaries with construction services, including but not limited to construction consulting, planning and designing, constructing, and decorating buildings;
- with respect to specific construction projects, the Company and/or its subsidiaries will enter into separate agreements with GT-PRC and/or its associates to prescribe specific terms and conditions; and
- the 2024 Construction Service Framework Agreement will come into effect from 1 January 2024 until 31 December 2026 and may be renewed by mutual consent.

Pricing policy: The contract amount of the specific construction projects should be based on the nature and value of the relevant services rendered by GT-PRC and/or its associates and the actual costs and expenses incurred, through a public bidding process by comparison to the price charged by or the reference price provided by independent third-party service providers for services of a given project, having regard to the Company's internal control measures so as to ensure that terms are no less favorable to the Company than terms available to the Group offered by independent third parties.

Existing annual caps and actual transaction amount: The existing annual caps for the three years ended/ending 31 December 2021, 2022 and 2023 were RMB600.0 million, RMB400.0 million and RMB400.0 million, respectively. As at the date of this announcement, the annual actual transaction amount under the 2021 Construction Service Framework Agreement has not exceeded the existing annual caps. For the two years ended 31 December 2021 and 2022, and the nine months ended 30 September 2023, the total contract amount under the entered construction service agreements is approximately RMB0 million, RMB298.7 million and RMB81.0 million, respectively.

Annual caps: For the three years ending 31 December 2024, 2025 and 2026, the total contract amount under the potential construction service agreement(s) to be entered into between the Group and GT-PRC and/or its associates is not expected to exceed RMB260.0 million, RMB280.0 million and RMB220.0 million, respectively.

Basis of annual caps: The above proposed annual cap is based on the following factors:

- (i) the estimated total contract amount of potential new construction projects of the Group during the period commencing from 1 January 2024 and ending on 31 December 2026, with reference to the total investment amount of the Group's new construction projects for such period and the number of the Group's expected construction projects for such period;
- (ii) the estimated total contract amount of the Group's construction projects for which the Group expects GT-PRC or its associates would participate in competitive tender process from time to time taking into account of the numbers and size of the potential new construction projects of the Group;
- (iii) the estimated tender success rate for GT-PRC and/or its associates in the constructions projects planned to be held by the Group during 2024 to 2026. Considering that there should be no less than three bidders participating in the tender process of each project, which is required by the applicable rules and regulation in the PRC and the internal control measures adopted by the Group, it is estimated that the tender success rate of GT- PRC and/or its associates would be approximately 33.3%, assuming each bidder participating in the tender with equal probability of winning; and
- (iv) the prevailing market prices of construction materials and the labor costs in the year of 2023 with reference to the inflation rate.

(C) 2024 Medical Equipment Integrated Service Framework Agreement

Parties: GT-PRC and the Company

Reasons for the transactions: The Company is an integrated healthcare services provider offering a variety of solutions, including maintenance and hosting services for medical equipment. In ordinary course of business of the Company, GT-PRC and its associates would like to cooperate with the Company in medical equipment maintenance and hosting from time to time, to reduce maintenance cost and maximize utilization rate of medical equipment.

Major terms: The Company entered into the 2024 Medical Equipment Integrated Service Framework Agreement with GT-PRC on 23 November 2023, pursuant to which the Company and/or its subsidiaries will provide medical equipment maintenance and hosting services to GT-PRC and/or its associates. The major terms of the 2024 Medical Equipment Integrated Service Framework Agreement are as follows:

- GT-PRC and/or its associates will receive medical equipment maintenance and hosting services from the Company and/or its subsidiaries, including but not limited to hosting, repairing, maintaining and inspecting medical equipment;
- with respect to specific maintenance and hosting services for medical equipment, the Company and/or its subsidiaries will enter into separate agreements with GT-PRC and/or its associates to prescribe specific terms and conditions, including scope of the services, service fees, method of payment and other terms; and
- the 2024 Medical Equipment Integrated Service Framework Agreement will come into effect from 1 January 2024 until 31 December 2026 and may be renewed by mutual consent.

Pricing policy: The service fee the Company charges GT-PRC and/or its associates should be determined by the relevant parties through arm's length negotiation and based on the nature and value of the relevant services rendered by the Company and the actual costs and expenses incurred having regard to its internal control measures to ensure that terms are no less favorable to the Company than terms available to independent third parties.

Existing annual caps and actual transaction amount: The existing annual caps for the three years ended/ending 31 December 2021, 2022 and 2023 were RMB10.0 million, RMB30.0 million and RMB60.0 million, respectively. For the two years ended 31 December 2021 and 2022, and the nine months ended 30 September 2023, the total amount of services for medical equipment maintenance and hosting provided by the Group to GT-PRC and/or its associates is approximately RMB0, RMB0 and RMB0, respectively.

Annual caps: For the three years ending 31 December 2024, 2025 and 2026, the total amount of services for medical equipment maintenance and hosting provided by the Group to GT-PRC and/or its associates is not expected to exceed RMB200.0 million, RMB200.0 million and RMB200.0 million, respectively.

Basis of annual caps: Since 2021, the Group has been developing its maintenance and hosting services for medical equipment to strengthen its core business capabilities. As the relevant business subsegment was at its initial stage, there was no cooperation with GT-PRC and / or its associate, resulting in the absence of actual transaction amounts under the existing medical equipment integrated service framework agreement dated 10 November 2020. However, it is anticipated that, with the expansion of the Group's maintenance and hosting services for medical equipment and GT-PRC's integrated business collaboration in the coming years, there would be considerable connected transactions between the Group and GT-PRC and / or its associate. Therefore, it is necessary for the Company to renew the 2024 Medical Equipment Integrated Service Framework Agreement with increasing amount under the annual caps.

The above proposed annual caps are based on the following factors:

- (i) the expected future demand of GT-PRC and its associates for equipment maintenance and hosting services based on the total quantity of equipment they currently hold or are expected to hold, as well as a sufficient buffer to cater for any surge in demand for such services. With the number of medical institutions within GT-PRC increasing year by year (there are currently at least 300 medical institutions), the Company anticipates to expand the number of customers within GT-PRC;
- (ii) the Company continues to expand its service scope pertaining to medical equipment maintenance and hosting services, which will broaden the service scope that the Group is able to provide to GT-PRC and its associates; and
- (iii) the estimated increase in the fees charged for these services due to inflation and the expected increase in costs.

(D) 2024 Digitalization-based Sales Framework Agreement

Parties: GT-PRC and the Company

Reasons for the transactions: Efficient and professional digitalization platform and service is conducive to business operation and management of both GT-PRC and the Company. By entering into the 2023 Digitalization-based Sales Framework Agreement, the Group's self-developed Internet health platform will leverage on the synergies with GT-PRC to expand its external sales channels and obtain more profit returns. Furthermore, cooperation with GT-PRC on digitalization-based services will allow the parties to take advantage of the other party's strengths in digitalization construction and ensure the integration of operations and realize higher shareholders' returns.

Major terms: The Company entered into the 2024 Digitalization-based Sales Framework Agreement with GT-PRC on 23 November 2023, pursuant to which the Company and/or its subsidiaries will provide relevant digitalization-based products and/or services to GT-PRC and/or its associates. The major terms of the 2024 Digitalization-based Sales Framework Agreement are as follows:

- the Company and/or its subsidiaries will provide various kinds of digitalization-based products and/or services, including but not limited to intellectual property, data center, internet platform development

and cloud resources, to GT-PRC and/or its associates;

- the Company and/or its subsidiaries and GT-PRC and/or its associates will enter into separate agreements which prescribe specific terms and conditions for sales of specific products and/or services; and
- the 2024 Digitalization-based Sales Framework Agreement will come into effect from 1 January 2024 until 31 December 2026 and may be renewed by mutual consent.

Pricing policy: The sales prices that the Company charges GT-PRC and/or its associates should be determined based on the production costs or trade costs/labor costs (as the case may be) of the relevant products/services plus a premium determined through arm's length negotiation. Such prices should not be lower than: (i) comparable market price; and (ii) (if a comparable market price is not available) the production costs or trade costs/labor costs (as the case may be) of the relevant products/services plus a premium determined through arm's length negotiation, in each case, having regard to the Company's internal control measures so as to ensure that terms are no less favorable to the Company than terms offered by the Group to independent third parties.

Existing annual caps and actual transaction amount: The existing cap for the period from 27 October 2023 to 31 December 2023 is RMB23.0 million. As at the date of this announcement, the annual actual transaction amount under the 2023 Digitalization-based Sales Framework Agreement has not exceeded the existing cap.

Annual caps: For the three years ending 31 December 2024, 2025 and 2026, the total sales amount for digitalization-based products and/or services provided by the Group to GT-PRC and/or its associates is not expected to exceed RMB13.0 million, RMB16.0 million and RMB20.0 million, respectively.

Basis of annual caps: The above proposed annual cap is based on the following factors:

- (i) the historical transaction amounts and the expected transaction amounts for the procurement of digitalization-based products and/or services by GT-PRC and its associates in the future;
- (ii) the high demand for digitalization-based products and services, and digital construction of GT-PRC, all of which will result in GT-PRC's growing demand for the procurement of digitalization-based products and services; and
- (iii) the expected increase in the production or trade costs of relevant products and the labor costs of relevant services with reference to the general growth trend in digital industrialization.

(E) 2024 Digitalization-based Procurement Framework Agreement

Parties: GT-PRC and the Company

Reasons for the transactions: Efficient and professional digitalization platform and service is conducive to business operation and management of both GT-PRC and the Group. The entering into of the 2024 Digitalization-based Procurement Framework Agreement is expected to make maximum use of the advantages of the medical digital technology platform of GT-PRC, which can not only enhance the efficiency of system construction and reduce the cost of external procurement, but also enable the Group to use professional products of upgraded iterative computation and highly efficient and customized services more quickly under the premise of saving its own upgrading research and development cost and manpower cost. Furthermore, cooperation with GT-PRC on digitalization-based services will allow the parties to take advantage of the other party's strengths in digitalization construction and ensure the integration of operations and realize higher shareholders' returns.

Major terms: The Company entered into the 2024 Digitalization-based Procurement Framework Agreement with GT-PRC on 23 November 2023, pursuant to which the Company and/or its subsidiaries will purchase relevant digitalization-based products and/or services from GT-PRC and/or its associates. The major terms of the 2024 Digitalization-based Procurement Framework Agreement are as follows:

- GT-PRC and/or its associates will sell various kinds of digitalization-based products and/or services, including but not limited to data center, office end-use devices, office infrastructure, customized development of data services and internet platform development services, to the Company and/or its subsidiaries;
- the Company and/or its subsidiaries and GT-PRC and/or its associates will enter into separate agreements which prescribe specific terms and conditions for the procurement of specific products and/or services; and
- the 2024 Digitalization-based Procurement Framework Agreement will come into effect from 1 January 2024 until 31 December 2026 and may be renewed by mutual consent.

Pricing policy: Purchase prices of relevant products/services provided by GT-PRC and/or its associates should be determined based on the production costs or trade costs/labor costs (as the case may be) of the relevant products/services plus a premium determined through arm's length negotiation. Such prices should not be higher than: (i) comparable market price; and (ii) (if a comparable market price is not available) the production costs or trade costs/labor costs (as the case may be) of the relevant products/ services plus a premium determined through arm's length negotiation, in each case, having regard to the Company's internal control measures so as to ensure that terms are no less favorable to the Company than terms available to the Group offered by independent third parties.

Existing annual caps and actual transaction amount: The existing cap for the period from 27 October 2023 to 31 December 2023 is RMB59.0 million. As at the date of this announcement, the actual transaction amount under the 2023 Digitalization-based Procurement Framework Agreement has not exceeded the existing cap.

Annual caps: For the three years ending 31 December 2024, 2025 and 2026, the total amount for digitalization-based products/services procured by the Group from GT-PRC and/or its associates is not expected to exceed RMB120.0 million, RMB120.0 million and RMB125.0 million, respectively.

Basis of annual caps: The above proposed annual cap is based on the following factors:

- (i) the historical transaction amounts and the expected transaction amounts for the procurement of digitalization-based products and services by the Company from GT-PRC and its associates in the future;
- (ii) the high demand for internet techniques and service, and the Group's expectation on achieving high-quality development of the medical sector and grasp the initiative of digital transformation, all of which will result in the Group's growing demand for the procurement of digitalization-based and services; and
- (iii) the expected increase in the production or trade costs of relevant products and the labor costs of relevant services with reference to the general growth trend in digital industrialization.

(F) 2024 Property Lease Framework Agreement

Parties: GT-PRC and the Company

Reasons for the transactions: The Company has been leasing certain properties from GT-PRC and/or its associates for office and warehousing purposes, and purchasing miscellaneous property services accordingly. Compared to independent third parties, GT-PRC and its associates (especially Genertec Real Estate Management Co., Ltd. (通用技術集團物業管理有限公司), a professional property management company affiliated to GT-PRC) have better understanding of the Group’s requirements for office and warehousing properties. In addition, relocating the Company’s warehouses to other premises would also incur unnecessary expenses.

Major terms: The Company entered into the 2024 Property Lease Framework Agreement with GT-PRC on 23 November 2023, pursuant to which the Company and/or its subsidiaries shall lease properties from GT-PRC and/or its associates for office and warehousing purposes, and purchase miscellaneous property services accordingly. The major terms of the 2024 Property Lease Framework Agreement are as follows:

- with respect to the relevant leased properties, the Company and/or its subsidiaries and GT-PRC and/or its associates will enter into separate agreements which prescribe specific terms and conditions, including rental, payment method and other terms;
- the rental payable will be determined by the relevant parties through arm’s length negotiation in accordance with the relevant PRC laws and regulations with reference to the prevailing market price; and
- the 2024 Property Lease Framework Agreement will come into effect from 1 January 2024 until 31 December 2026 and may be renewed by mutual consent.

Pricing policy: The rental payable during the lease term should be determined by the relevant parties through arm’s length negotiation with reference to the prevailing market price of local properties in proximity with a similar scale and quality and subject to the Company’s internal control measures. The miscellaneous property service fees thereunder should not be higher than service fees of a similar type charged by independent third-party service providers.

Existing annual caps and actual transaction amount: The existing cap for each of the three years ended/ending 31 December 2021, 2022 and 2023 was RMB10.0 million. As at the date of this announcement, the actual transaction amount under the 2021 Property Lease Framework Agreement has not exceeded the existing cap. For the two years ended 31 December 2021 and 2022, the Group paid a total rental of approximately RMB2.6 million and RMB1.5 million, respectively, to GT-PRC and/or its associates. According to the agreed payment arrangement, the Group’s obligation to fulfill rental payment for 2023 will be due by year-end. Therefore, the Group did not make any rental payment for this year as of the date of this announcement.

Annual caps: The table below sets out the details of proposed annual caps in respect of the 2024 Property Lease Framework Agreement.

	Year ending 31 December		
	<i>(RMB’ million)</i>		
	2024	2025	2026
Lease of Property ⁽¹⁾	96.0 ⁽³⁾	17.0 ⁽³⁾	17.0 ⁽³⁾
Miscellaneous Property Service Fees ⁽²⁾	14.0	14.0	14.0

Total	110.0	31.0	31.0
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Notes:

- (1) *In accordance with Hong Kong Financial Reporting Standard No. 16 “Leases”, the basis of determination of the proposed annual caps for the three years ending 31 December 2024, 2025 and 2026 have been determined with reference to the value of right-of-use assets relating to property lease at the commencement date of the property lease.*
- (2) *The miscellaneous property service fees under the 2024 Property Lease Framework Agreement will be recognized as expenses in the consolidated statement of profit or loss of the Company.*
- (3) *The amount of the Lease of Property is the value of right-of-use assets relating to property lease at the commencement date of the property lease. For each of the three years ending 31 December 2024, 2025 and 2026, the rent amount (exclusive of tax and government charges) to be paid by the Group to GT-PRC and/or its associates is estimated not to exceed RMB34.0 million, RMB40.0 million and RMB40.0 million, respectively.*

Basis of annual caps: The above proposed annual cap is based on the following factors:

- (i) the total property area leased by the Group from GT-PRC and its associates as of the date of this announcement;
- (ii) the unit rental stipulated in separate property lease agreements between the Group and GT-PRC or its associates, which is normally adjusted by GT-PRC and its associates on an annual basis with reference to the prevailing market conditions; and
- (iii) the estimated demand for office premises which may be leased from GT-PRC or its associates for daily operation of the Group.

III. 2024 NEW FRAMEWORK AGREEMENTS

Principal Terms of Each of the 2024 New Framework Agreements

The 2024 New Framework Agreements include (A) the 2024 Medical Supplies Sales Framework Agreement, (B) the 2024 Catering Procurement Framework Agreement, (C) the 2024 Factoring Service Framework Agreement, (D) the 2024 Physical Examination Service Framework Agreement, (E) the 2024 Deposit Service Framework Agreement and (F) the 2024 Discipline Development and Operation Service Framework Agreement. The principal terms of each of the 2024 New Framework Agreements and the annual caps for the transactions thereunder are set out as below:

(A) 2024 Medical Supplies Sales Framework Agreement

Parties: GT-PRC and the Company

Reasons for the transactions: The Group has abundant medical supplies resources and it has maintained a long-term cooperative relationship with GT-PRC and its associates. The Company expects that GT-PRC and/or its associates would procure medical supplies from the Group from time to time. In ordinary course of business of GT-PRC and/or its associates, the Group could provide such products to them, leveraging the advantages of geographical location and transportation convenience to provide such products, so as to

efficiently and conveniently meet the demand of GT-PRC and/or its associates (mainly medical institutions) for the procurement of medical consumables, pharmaceuticals, medical equipment and devices, and to deepen the synergies of resources among central state-owned enterprises.

Major terms: The Company entered into the 2024 Medical Supplies Sales Framework Agreement with GT-PRC on 23 November 2023, pursuant to which the Company and/or its subsidiaries will provide medical related products and ancillary logistics and warehousing services to GT-PRC and/or its associates. The major terms of the 2024 Medical Supplies Sales Framework Agreement are as follows:

- the Company and/or its subsidiaries will provide medical related products and ancillary logistics and warehousing services to GT-PRC and/or its associates, including but not limited to medical consumables, pharmaceuticals, medical equipment and machinery equipment;
- the Company and/or its subsidiaries and GT-PRC and/or its associates will enter into separate agreements which prescribe specific terms and conditions for sales of specific products; and
- the 2024 Medical Supplies Sales Framework Agreement will come into effect from 1 January 2024 until 31 December 2026 and may be renewed by mutual consent.

Pricing policy: The sales price that the Company charges GT-PRC and/or its associates should be determined based on the production costs or trade costs (as the case may be) of the relevant products plus a premium determined through arm's length negotiation. Such prices should not be higher than: (i) government price (if applicable); (ii) comparable market price; and (iii) (if a comparable market price is not available) the production costs or trade costs (as the case may be) of the relevant products plus a premium determined through arm's length negotiation.

Annual caps: For the three years ending 31 December 2024, 2025 and 2026, the total sales amount for digitalization-based products and/or services provided by the Group to GT-PRC and/or its associates is not expected to exceed RMB29.0 million, RMB35.0 million and RMB40.5 million, respectively.

Basis of annual caps: The above proposed annual cap is based on the following factors:

- (i) the existing sales amount of medical consumables and pharmaceuticals to GT-PRC and/or its associates, details of which has been disclosed in the Company's announcement dated 30 October 2023;
- (ii) the expected transaction amounts and demand for GT-PRC and/or its associates in the future; and
- (iii) the Company continues to expand its service scope pertaining to medical supplies, which will broaden the scope that the Group is able to provide to GT-PRC and its associates.

(B) 2024 Catering Procurement Framework Agreement

Parties: GT-PRC and the Company

Reasons for the transactions: As disclosed in the Company's announcement dated 19 July 2023, the Company expects to relocate certain of its office buildings to properties owned by GT-PRC, which provides ancillary catering services to occupants. Compared with operating a separate canteen by the Group to its employees after the relocation, procuring GT-PRC's catering services would be more convenient and cost-effective to the Group.

Major terms: The Company entered into the 2024 Catering Framework Agreement with GT-PRC on 23 November 2023, pursuant to which GT-PRC and/or its associates will provide catering services to the

Company and/or its subsidiaries. The major terms of the 2024 Catering Framework Agreement are as follows:

- GT-PRC and/or its associates will provide catering services to the Company and/or its subsidiaries;
- the Company and/or its subsidiaries and GT-PRC and/or its associates will enter into separate agreements which prescribe specific terms and conditions for the procurement of catering services; and
- the 2024 Catering Framework Agreement will come into effect from 1 January 2024 until 31 December 2026 and may be renewed by mutual consent.

Pricing policy: The service fee and other expenses charged by GT-PRC and/or its associates should be determined based on the nature and value, and actual costs and expenses of the relevant services plus a premium determined through arm's length negotiation. Service fees and other terms thereunder should be no less favorable to the Company than those available to the Group offered by independent third parties.

Annual caps: For the three years ending 31 December 2024, 2025 and 2026, the total amount for catering services procurement from GT-PRC and/or its associates by the Group is not expected to exceed RMB20.0 million, RMB23.0 million and RMB25.0 million, respectively.

Basis of annual caps: The above proposed annual cap is based on the following factors:

- (i) the number of the Group's employees who are expected to consume the catering services from GT-PRC and/or its associates, the applicable price per meal in the canteen operated by GT-PRC and/or its associates, and the expected increase in such number in the future; and
- (ii) the expected increase in costs such as the increase in labor costs and raw material costs.

(C) 2024 Factoring Service Framework Agreement

Parties: GT-PRC and the Company

Reasons for the transactions: Certain members of the Group are principally engaged in providing commercial factoring service. It is expected that the Group would provide commercial factoring service to GT-PRC and/or its associates in the near future as the revenue generated from the factoring service can provide an additional source of income for the Group. The demand for factoring service from GT-PRC and/or its associates represents an opportunity for the Group to expand its commercial factoring business to a wider customer base and achieve better economies of scale. The Group's factoring service is beneficial to GT-PRC and/or its associates as factoring services will provide them with immediate funding for working capital and business development and help optimize their assets structure, increase capital efficiency. Furthermore, the Group is able to provide factoring service to GT-PRC and/or its associates in a more convenient and efficient manner as compared to other third parties because of our long-term business relationship.

Major terms: The Company entered into the 2024 Factoring Service Framework Agreement with GT-PRC on 23 November 2023, pursuant to which the Company and/or its subsidiaries will provide factoring services to GT-PRC and/or its associates. The major terms of the 2024 Factoring Service Framework Agreement are as follows:

- the Company and/or its subsidiaries will provide factoring services to GT-PRC and/or its associates;
- the Company and/or its subsidiaries and GT-PRC and/or its associates will enter into separate

agreements which prescribe specific terms and conditions for the provision of factoring services;
and

- subject to the Independent Shareholders' approval at the EGM, the 2024 Factoring Service Framework Agreement will come into effect from 1 January 2024 until 31 December 2026 and may be renewed by mutual consent.

Pricing policy: The factoring service fees the Company charges GT-PRC and/or its associates should be determined with reference to the relevant interest rates or service fees for the same type and same period provided by major domestic commercial banks or institutions that conduct commercial factoring business in accordance with the laws, and shall be on terms no less favorable to the Company than terms available to independent third parties. The fees for other ancillary transactions (if any) such as consulting shall be determined by agreements between both parties with reference to the relevant fees charged by comparable third parties in conjunction with the content of the services and shall be on terms no less favorable than terms available to independent third parties.

Annual caps: For the three years ending 31 December 2024, 2025 and 2026, the annual cap under the 2024 Factoring Service Framework Agreement are as follows:

	Year ending 31 December		
	<i>(RMB' million)</i>		
	2024	2025	2026
Factoring Financing Amount	1,000	1,000	1,000
Factoring Service Charge and Handling Charge	60	60	60
Total	1,060	1,060	1,060

Basis of annual caps: The above proposed annual cap is based on the following factors:

- (i) the demand for commercial factoring services of GT-PRC and/or its associates as estimated by the Group based on the information available to the Group, as well as a sufficient buffer to cater for any surge in demand for factoring loans from GT-PRC and/or its associates;
- (ii) the Group's capacity to offer commercial factoring services, which has shown consistent growth in recent years; and
- (iii) the market rate of interests and fees for factoring services.

(D) 2024 Physical Examination Service Framework Agreement

Parties: GT-PRC and the Company

Reasons for the transactions: The Company has acquired and is operating certain affiliated hospitals from GT-PRC. These hospitals are expected to continue providing physical examinations to employees of the original promoters of these hospitals, who are associates of GT-PRC. This continuation is anticipated due to the familiarity of both the original promoters and their employees with the physical examination services provided by these hospitals. In addition, the Group's hospitals may provide physical examination services to group members of GT-PRC from time to time.

Major terms: The Company entered into the 2024 Physical Examination Service Framework Agreement with GT-PRC on 23 November 2023, pursuant to which the Company and/or its subsidiaries will provide physical examination services to GT-PRC and/or its associates. The major terms of the 2024 Physical Examination Service Framework Agreement are as follows:

- the Company and/or its subsidiaries will provide physical examination services to GT-PRC and/or its associates;
- the Company and/or its subsidiaries and GT-PRC and/or its associates will enter into separate agreements which prescribe specific terms and conditions for the provision of physical examination services; and
- the 2024 Physical Examination Service Framework Agreement will come into effect from 1 January 2024 until 31 December 2026 and may be renewed by mutual consent.

Pricing policy: The fees the Group charges GT-PRC and/or its associates should be determined based on the nature and value, and actual costs and expenses of the relevant services plus a premium determined through arm's length negotiation. Service fees and other terms thereunder should be no less favorable to the Group than those offered by the Group to independent third parties.

Annual caps: For the three years ending 31 December 2024, 2025 and 2026, the total transaction amount of services provided by the Group to GT-PRC and/or its associates is not expected to exceed RMB29.0 million, RMB34.0 million and RMB39.0 million, respectively.

Basis of annual caps: The above proposed annual cap is based on the following factors:

- (i) the historical amount of physical examination services purchased by the original promoters within the hospitals acquired from GT-PRC; and
- (ii) the estimated demand for physical examination services of GT-PRC and/or its associates from these hospitals.

(E) 2024 Deposit Service Framework Agreement

Parties: GT-PRC and the Company

Reasons for the transactions: GT-PRC and its associates (especially GT-PRC Finance, a non-bank financial institution approved and regulated by the PBOC and the NAFR) are dedicated to strengthen centralized management of corporate group funds and increase utilization efficiency. GT-PRC Finance has been serving as a fund management platform to help centralize management and more efficiently allocate funds for the Group, and has acquired in-depth knowledge about the Company over the years and good understanding on the capital structure, business operation, capital requirements and modes of cash flows of the Company. Considering that GT-PRC is able to anticipate the Company's business needs and provide customized services for the Company, the Company expects to continue the existing business relationship with GT-PRC Finance and may seek similar deposit service from other qualified members of GT-PRC based on the Group's business needs in the future. Moreover, entering into the 2024 Deposit Service Framework Agreement will not prevent the Group from using financial services from independent commercial banks in China. The Group may still select at its own discretion independent commercial banks in China to act as its financial service provider as it deems fit and in the interest of the Group.

Major Terms: The Company entered into the 2024 Deposit Service Framework Agreement with GT-PRC on 23 November 2023, pursuant to which GT-PRC and/or its associates will provide deposit services to the

Company and/or its subsidiaries. The major terms of the 2024 Deposit Service Framework Agreement are as follows:

- GT-PRC and/or its associates will provide deposit service to the Group;
- with respect to specific deposit service, specific terms and conditions, including service scope, deposit interest and other terms will comply with the relevant regulations of the NAFR and the PBOC; and
- the 2024 Deposit Service Framework Agreement will come into effect from 1 January 2024 until 31 December 2026, subject to the Independent Shareholders' approval at the EGM and may be renewed by mutual consent.

Pricing Policy: In respect of the deposit service, the interest rate on the Group's deposits placed with GT-PRC and/or its associates should not be lower than: (i) the benchmark interest rate of similar deposits for a similar term set by the PBOC published on its official website (www.pbc.gov.cn) from time to time; and (ii) the interest rate of similar deposits for a similar term provided by an independent commercial bank in China to the Group.

Proposed annual caps:

On 10 November 2020, the Company entered into a deposit service framework agreement with GT-PRC Finance, pursuant to which GT-PRC Finance agreed to provide deposit services to the Company and/or its subsidiaries from time to time. For each of the three years ended/ending 31 December 2021, 2022 and 2023, the existing annual caps for the daily maximum deposit (including accrued interest) of the Group placed with GT-PRC Finance were RMB2,000 million. As at the date of this announcement, the annual actual transaction amount under the 2021 Deposit Service Framework Agreement has not exceeded the existing annual caps. The table below sets out, for the two years ended 31 December 2021 and 2022, and the nine months ended 30 September 2023, the maximum daily deposit balance (including accrued interest) of the Group placed with GT-PRC Finance.

	Year ended 31 December		For the nine months ended 30 September
	<i>(RMB' million)</i>		
	2021	2022	2023
Maximum daily deposit balance (including accrued interest) of the Group placed with GT-PRC Finance	1,508.78	1,939.37	1,901.36

For the period from 1 January 2021 to 20 June 2021, the basic deposit of RMB0.5 million placed by the Company with GT-PRC Finance was applied with an interest rate of 0.525%, and any balance exceeding RMB0.5 million was applied with an interest rate of 1.725%. For the period from 21 June 2021 to 30 September 2023, the basic deposit of RMB0.5 million placed by the Company with GT-PRC Finance was applied with an interest rate of 0.55%, and any balance exceeding RMB0.5 million was applied with an interest rate of 1.35%. Such interest rates were determined upon arm-length negotiation with reference to the corresponding benchmark interest rates for current deposits and negotiated deposits promulgated by the PBOC respectively.

The table below sets out the proposed annual caps in respect of the 2024 Deposit Services Framework Agreement.

	Year ending 31 December		
	<i>(RMB' million)</i>		
	2024	2025	2026
Maximum daily deposit balance (including accrued interest) of the Group placed with GT-PRC	1,600	1,600	1,600

Basis of proposed annual caps: The above proposed maximum daily deposit balance (including accrued interest) is based on:

- (i) the Group's maximum daily deposit balance with GT-PRC Finance for the two years ended 31 December 2021 and 2022, and the nine months ended 30 September 2023;
- (ii) the increasing trend of the historical revenue of the Group;
- (iii) the expected cash flows from the Group's financing activities, including debt financing; and
- (iv) the expected net increase in cash inflow to the Group in the following years, which is likely to lead to an increase in the Group's demand for deposit services from GT-PRC and/or its associates.

(F) 2024 Discipline Development and Operation Service Framework Agreement

Parties: GT-PRC and the Company

Reasons for the transactions: The Company has abundant experience in healthcare industry. In ordinary course of operation of medical institutions, GT-PRC and its associates would like to cooperate with the Company in discipline development and operation from time to time, to better unleash the value of specialty disciplines.

Major terms: The Company entered into the 2024 Discipline Development and Operation Service Framework Agreement with GT-PRC on 23 November 2023, pursuant to which the Company and/or its subsidiaries will provide discipline development and operation services to GT-PRC and/or its associates. The major terms of the 2024 Discipline Development and Operation Service Framework Agreement are as follows:

- the Company and/or its subsidiaries will provide discipline development and operation services to GT-PRC and/or its associates;
- the Company and/or its subsidiaries and GT-PRC and/or its associates will enter into separate agreements which prescribe specific terms and conditions for the provision of discipline development and operation services; and
- the 2024 Discipline Development and Operation Service Framework Agreement will come into effect from 1 January 2024 until 31 December 2026 and may be renewed by mutual consent.

Pricing policy: The fees the Group charges GT-PRC and/or its associates should be determined based on the nature and value, and actual costs and expenses of the relevant services plus a premium determined through arm's length negotiation. Service fees and other terms thereunder should be no less favorable to the Group than those offered by the Group to independent third parties.

Annual caps: For the three years ending 31 December 2024, 2025 and 2026, the total transaction amount of services for discipline development and operation provided by the Group to GT-PRC and/or its associates is not expected to exceed RMB30.0 million, RMB30.0 million and RMB30.0 million, respectively.

Basis of annual caps: The above proposed annual cap is based on the following factors:

- (i) the scope of services and estimated incurred value provided by the Company and/or its subsidiaries; and
- (ii) the estimated demand for discipline development and operation services of GT-PRC and/or its associates.

IV. INTERNAL CONTROL MEASURES

For the continuing connected transactions under each of the 2024 Renewed Framework Agreements and the 2024 New Framework Agreements (except for the 2024 Deposit Service Framework Agreement) regarding purchasing products or services from GT-PRC and/or its associates, the Company has adopted the following internal procedures to safeguard the interest of the Shareholders as a whole:

- if a comparable market price is available, the Group should compare the proposed products price/service fee with the market price to ensure that the proposed prices/fees will not be higher than the price of product/service of a similar type or nature provided by independent third-party product/service providers;
- before selecting an associate of GT-PRC as service provider, the Group should obtain price quotations from certain independent third-party product/service providers, and several rounds of assessment will be conducted by various internal departments, including the relevant business department, business operation department and treasury department. The factors to be considered by the Group in conducting internal assessments include price, quality, exclusivity of service, and value added to the Group;
- if no comparable market price is available, the Group should conduct arm's length negotiation with the associate of GT-PRC to determine a reasonable profit margin based on the value of the relevant service and the actual costs and expenses incurred;
- after arm's length negotiation with the associate of GT-PRC and rounds of internal assessment, the relevant internal department will report to the senior management of the Company who will approve separate transactions as appropriate;
- the treasury department of the Company will regularly collect and monitor the transaction amount of continuing connected transactions to ensure timely assessment on whether the relevant annual caps are exceeded; and
- the independent non-executive Directors will also conduct annual review on the continuing connected transactions to ensure that such transactions have been entered into on normal commercial terms, are fair and reasonable and conducted according to the terms. The auditor of the Company will also conduct annual review on the pricing and annual cap of the continuing connected transactions.

For the continuing connected transactions under each of the 2024 Renewed Framework Agreements and the 2024 New Framework Agreements (except for the 2024 Deposit Service Framework Agreement) regarding supplying products or services to GT-PRC and/or its associates, the Company has adopted the following internal procedures to safeguard the interest of the Shareholders as a whole:

- the business departments of the Company will conduct market analysis on specific product or service, and make pricing proposal to the senior management after considering a number of factors, including overall market price, market share, orders and performance of major competitors, value added by relevant service and importance of customer relationship;
- the business departments of the Company will conduct arm's length negotiation with the associate of GT-PRC, and after several rounds of internal assessment conducted on individual transactions based on the above factors by the Company's internal departments such as business operation department and treasury department, a final report will be made to the senior management who will approve individual transactions;
- the business departments of the Company will also review the reasonableness of pricing for relevant products or services on regular basis according to the latest market intelligence, and report to the senior management, if necessary, for their approval of any adjustment;
- the treasury department of the Company will regularly collect and monitor the transaction amount of continuing connected transactions; and
- the independent non-executive Directors will also conduct annual review on the continuing connected transactions to ensure that such transactions have been entered into on normal commercial terms, are fair and reasonable and conducted according to the terms. The auditor of the Company will also conduct annual review on the pricing and annual cap of the continuing connected transactions.

For the 2024 Deposit Service Framework Agreement, the Company has adopted the following internal procedures to safeguard the interest of the Shareholders as a whole:

- the Company will obtain the relevant interest rate from GT-PRC and independent commercial banks whenever the Company has demand for services or the PBOC adjusts the benchmark interest rate for deposits;
- the Company will consider several factors before placing deposit with GT-PRC, including but not limited to (a) the deposit interest rates provided by GT-PRC and independent commercial banks, (b) the type of deposit to be placed (such as demand deposit, term deposit, negotiated deposit or others), (c) the financial status of GT-PRC (such as total assets, current ratio, net profit and others), and (d) the quality of services provided by GT-PRC (such as customized services, response time, designated service team, notification period and others); and
- the Company will at the beginning of each month, compare quotation from GT-PRC with quotation published on the official websites of at least three independent commercial banks (such as Agricultural Bank of China, China Construction Bank, and Industrial and Commercial Bank of China) for deposits of a similar type and maturity. If the deposit interest rate provided by GT-PRC is not lower than: (a) the benchmark interest rate of similar deposits for a similar term set by the PBOC; and (b) the interest rate of similar deposits for a similar term provided by independent commercial banks in China to the Group.

Furthermore, the Company has adopted the following internal procedures to control the risk exposure relating to the Group's deposits with GT-PRC:

- GT-PRC has undertaken to provide the Company with annual audited financial statements and other financial information that the Company may reasonably request from time to time, which will enable the Company to monitor and review the financial positions of GT-PRC;

- GT-PRC has undertaken to notify the Company as soon as practicable, to the extent permissible by applicable laws and regulations, if it is subject to any judicial, legal or regulatory proceedings or investigations that are reasonably likely to have a material adverse effect on the financial positions of GT-PRC. If the Company considers that there is any material adverse change in the financial positions of GT-PRC, it will take proper measures to protect the deposits of the Company, including early withdrawal of deposits and discontinuation of further deposits;
- GT-PRC has undertaken to periodically provide the Company with relevant information on its deposits to enable the Company to monitor changes in its deposits and ensure that the relevant annual caps under the 2024 Deposit Service Framework Agreement will not be exceeded; and
- the Company has the right to require withdrawal or early termination of the Company's deposits with GT-PRC, in full or in part, to ensure its liquidity and deposit safety. If the Company's deposits with GT-PRC exceed the maximum daily deposit balance (including accrued interest) on any day, the Company should transfer the excess deposits to its designated account with an independent commercial bank.

V. INFORMATION ABOUT THE PARTIES

The Company

The Company is an integrated healthcare service provider with a focus on the fast-growing healthcare service industry in the PRC. Leveraging its own diversified healthcare resources and strong financial support, the Company has been committed to building up hospitals' comprehensive strengths in terms of healthcare technology, service quality, operating efficiency as well as managerial capacity.

GT-PRC

GT-PRC was established in March 1998 as a state-owned enterprise supervised by the State-owned Assets Supervision and Administration Commission. The principal business of GT-PRC comprises three major segments, namely, advanced manufacturing and technology service, pharmaceutical and healthcare and trade and engineering contracting.

VI. LISTING RULES IMPLICATIONS

As at the date of this announcement, GT-PRC directly and indirectly holds approximately 39.38% of the issued share capital of the Company and is a controlling shareholder of the Company. According to Rule 14A.07 of the Listing Rules, GT-PRC and its associates are connected persons of the Company. Accordingly, the transactions between the Group and GT-PRC and/or its associates under the 2024 Renewed Framework Agreements and the 2024 New Framework Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

One or more of the applicable percentage ratios of the proposed annual caps for the transactions under each of the 2024 Renewed Framework Agreements and 2024 New Framework Agreements (excluding the 2024 Factoring Service Framework Agreement and the 2024 Deposit Service Framework Agreement) will exceed 0.1% but all of them are less than 5%. Therefore, these transactions will constitute non-exempt continuing connected transactions of the Company subject to the reporting, annual review and announcement requirements but exempt from the Independent Shareholders' approval requirement

pursuant to Chapter 14A of the Listing Rules.

One or more of the applicable percentage ratios of the proposed annual caps for the transactions under each of the 2024 Factoring Service Framework Agreement and the 2024 Deposit Service Framework Agreement will exceed 5% but none of them is 25% or more. Therefore, the transactions under each of the 2024 Factoring Service Framework Agreement and the 2024 Deposit Service Framework Agreement will constitute discloseable transactions and non-exempt continuing connected transactions of the Company subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements pursuant to Chapters 14 and 14A of the Listing Rules.

VII. APPROVAL BY THE BOARD

As at the date of this announcement, among the Directors, Mr. Tong Chaoyin and Mr. Xu Ming hold positions in GT-PRC or its associates and accordingly they are considered to have material interests in the transactions under the 2024 Renewed Framework Agreements and the 2024 New Framework Agreements. Mr. Tong Chaoyin and Mr. Xu Ming had abstained from voting on the resolutions in respect of the 2024 Renewed Framework Agreements and the 2024 New Framework Agreements and the proposed annual caps thereunder at the Board meeting. Save as disclosed above, no Director has interests in the transactions under the 2024 Renewed Framework Agreements or the 2024 New Framework Agreements.

The transactions under each of the 2024 Renewed Framework Agreements and the 2024 New Framework Agreements and the respective proposed annual caps thereunder have been approved by the Directors who are entitled to vote at the Board meeting. Each of the 2024 Factoring Service Framework Agreement and the 2024 Deposit Service Framework Agreement and the proposed annual caps thereunder will be submitted for the approval by the Independent Shareholders at the EGM.

With respect to the 2024 Renewed Framework Agreements and the 2024 New Framework Agreements (excluding the 2024 Factoring Service Framework Agreement and the 2024 Deposit Service Framework Agreement), in view of (i) the above reasons under the relevant paragraphs headed "Reasons for the transactions", and (ii) the service fees to be generated from the separate agreements under the 2024 Renewed Framework Agreements and the 2024 New Framework Agreements (excluding the 2024 Factoring Service Framework Agreement and the 2024 Deposit Service Framework Agreement) and terms under such agreements will not be less favorable to the Group than those available to or from independent third parties, the Directors (including the independent non-executive Directors but excluding Mr. Tong and Mr. Xu) consider that each of the 2024 Renewed Framework Agreements and the 2024 New Framework Agreements (excluding the 2024 Factoring Service Framework Agreement and the 2024 Deposit Service Framework Agreement) and the proposed annual caps thereunder have been entered into/arrived at (i) in the ordinary and usual course of the business of the Company; (ii) on normal commercial terms; and (iii) on terms that are fair and reasonable and in the interest of the Company and its Shareholders as a whole.

With respect to the 2024 Deposit Service Framework Agreement and the 2024 Factoring Service Framework Agreement, in view of the above reasons under the relevant paragraphs headed "Reasons for the transactions", the Directors (excluding Mr. Tong, Mr. Xu and the independent non-executive Directors whose view will be set out in the circular to be despatched for the EGM) consider that each of the 2024 Factoring Service Framework Agreement and the 2024 Deposit Service Framework Agreement and the respective proposed annual caps thereunder have been entered into/arrived at (i) in the ordinary and usual course of the business of the Company; (ii) on normal commercial terms; and (iii) on terms that are fair and reasonable and in the interest of the Company and its Shareholders as a whole.

VIII. GENERAL

The Company has established the Independent Board Committee comprising all independent non-executive Directors for providing advice to the Independent Shareholders on (i) whether the terms of each of the 2024 Factoring Service Framework Agreement and the 2024 Deposit Service Framework Agreement, and the transactions thereunder are in the ordinary course of business of the Group and on normal commercial terms, fair and reasonable, and in the interest of the Company and the Shareholders as a whole; and (ii) whether the proposed annual caps under each of the 2024 Factoring Service Framework Agreement and the 2024 Deposit Service Framework are fair and reasonable and in the interest of the Company and the Shareholder as a whole.

The Company has appointed Alliance Capital Partners Limited as the Independent Financial Adviser to the Company for providing advice to the Independent Board Committee and the Independent Shareholders on (i) whether the terms of each of the 2024 Factoring Service Framework Agreement and the 2024 Deposit Service Framework Agreement and the transactions thereunder are in the ordinary course of business of the Group and on normal commercial terms, fair and reasonable, and in the interest of the Company and the Shareholders as a whole; and (ii) whether the proposed annual caps under each of the 2024 Factoring Service Framework Agreement and the 2024 Deposit Service Framework Agreement are fair and reasonable and in the interest of the Company and the Shareholder as a whole.

The Independent Shareholders will consider and approve (among others) the resolutions in respect of the continuing connected transactions under each of the 2024 Factoring Service Framework Agreement and the 2024 Deposit Service Framework Agreement and the respective proposed annual caps thereof at the EGM. According to Rule 14A.36 of the Listing Rules, shareholder who has a material interest in a transaction shall abstain from voting on relevant resolutions at a general meeting. In view of GT-PRC's interest in the proposed transactions, GT-PRC and its associates must abstain from voting on the resolutions approving the continuing connected transactions under each of the 2024 Factoring Service Framework Agreement and the 2024 Deposit Service Framework Agreement and the proposed annual caps thereunder. As at the date of this announcement and to the best knowledge, information and belief of the Directors, save as disclosed in this announcement, no other Shareholders shall abstain from voting on the relevant resolutions.

A circular containing (among others) (i) the details of the continuing connected transactions under each of the 2024 Factoring Service Framework Agreement and the 2024 Deposit Service Framework Agreement and the respective proposed annual caps thereof; (ii) a letter from the Independent Board Committee to the Independent Shareholders; and (iii) a letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, together with the notice of the EGM, will be dispatched to the Shareholders on or before 8 December 2023.

DEFINITIONS

“2021 Deposit Service Framework Agreement”	the deposit service framework agreement entered into between the Company and GT-PRC Finance on 10 November 2020
“2021 Framework Agreements”	refer to (a) the product procurement framework agreement entered into between the Company and GT-PRC on 10 November 2020 (the “ 2021 Product Procurement Framework Agreement ”), (b) the construction service framework agreement entered into between the

Company and GT-PRC on 10 November 2020 (the “**2021 Construction Service Framework Agreement**”), and (c) the medical equipment integrated service framework agreement entered into between the Company and GT-PRC on 10 November 2020, collectively

“2023 Framework Agreements” refer to (a) the digitalization-based product and service sales framework agreement entered into between the Company and GT-PRC on 27 October 2023 (the “**2023 Digitalization-based Sales Framework Agreement**”), and (b) the digitalization-based product and service procurement framework agreement entered into between the Company and GT-PRC on 27 October 2023 (“**2023 Digitalization-based Procurement Framework Agreement**”), collectively

“2024 New Framework Agreements” refer to (a) the medical supplies sales framework agreement entered into between the Company and GT-PRC on 23 November 2023 (the “**2024 Medical Supplies Sales Framework Agreement**”), (b) the catering procurement framework agreement entered into between the Company and GT-PRC on 23 November 2023 (the “**2024 Catering Procurement Framework Agreement**”), (c) the factoring service framework agreement entered into between the Company and GT-PRC on 23 November 2023 (the “**2024 Factoring Service Framework Agreement**”), (d) the physical examination service framework agreement entered into between the Company and GT-PRC on 23 November 2023 (the “**2024 Physical Examination Service Framework Agreement**”), (e) the deposit service framework agreement entered into between the Company and GT-PRC on 23 November 2023 (the “**2024 Deposit Service Framework Agreement**”), and (f) the discipline development and operation service framework agreement entered into between the Company and GT-PRC on 23 November 2023 (the “**2024 Discipline Development and Operation Service Framework Agreement**”), collectively

“2024 Renewed Framework Agreements” refer to (a) the medical related product procurement framework agreement entered into between the Company and GT-PRC on 23 November 2023 (the “**2024 Medical Related Product Procurement Framework Agreement**”), (b) the construction service framework agreement entered into between the Company and GT-PRC on 23 November 2023 (the “**2024 Construction Service Framework Agreement**”), (c) the medical equipment integrated service framework agreement entered into between the Company and GT-PRC on 23 November 2023 (the “**2024 Medical Equipment Integrated Service Framework Agreement**”), (d) the digitalization-based product and service sales framework agreement entered into between the Company and GT-PRC on 23 November

2023 (the “**2024 Digitalization-based Sales Framework Agreement**”), (e) the digitalization-based product and service procurement framework agreement entered into between the Company and GT-PRC on 23 November 2023 (the “**2024 Digitalization-based Procurement Framework Agreement**”), and (f) the property lease framework agreement entered into between the Company and GT-PRC on 23 November 2023 (the “**2024 Property Lease Framework Agreement**”), collectively

“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors of the Company
“Company”	Genertec Universal Medical Group Company Limited (通用環球醫療集團有限公司), a company incorporated in Hong Kong with limited liability and the issued shares of which are listed on the main board of the Stock Exchange (stock code: 2666)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the directors of the Company
“EGM”	the extraordinary general meeting of the Company to be held to consider and approve, among others, the continuing connected transactions under the 2024 Deposit Service Framework Agreement and the 2024 Factoring Service Framework Agreement, and the respective proposed annual caps thereof
“Group”	the Company and its subsidiaries
“GT-PRC”	China General Technology (Group) Holding Company (中國通用技術(集團)控股有限責任公司), a state-owned enterprise and a controlling shareholder of the Company
“GT-PRC Finance”	Genertec Finance Co., Ltd (通用技術集團財務有限責任公司), a company established in the PRC, which is wholly owned by GT-PRC
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent board committee comprising all the independent non-executive Directors, for the purpose of providing advice to the Independent Shareholders in respect of the continuing connected transactions under each of the 2024 Factoring Service Framework Agreement and the 2024 Deposit Service Framework Agreement and the respective proposed annual caps thereof

“Independent Adviser”	Financial	Alliance Capital Partners Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), being the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the continuing connected transactions under each of the 2024 Factoring Service Framework Agreement and the 2024 Deposit Service Framework Agreement and the respective proposed annual caps
“Independent Shareholders”		the Shareholders who are not required to abstain from voting in respect of the continuing connected transactions under each of the 2024 Factoring Service Framework Agreement and the 2024 Deposit Service Framework Agreement and the respective proposed annual caps thereof
“Listing Rules”		the Rules Governing the Listing of Securities on the Stock Exchange
“NAFR”		the National Administration of Financial Regulation (國家金融監督管理總局)
“PBOC”		the People’s Bank of China
“PRC” or “China”		the People’s Republic of China
“RMB”		Renminbi, the lawful currency of the PRC
“Shareholders”		holder(s) of the shares of the Company
“Shares”		the ordinary share(s) in the capital of the Company
“Stock Exchange”		The Stock Exchange of Hong Kong Limited
“subsidiary”		has the meaning ascribed thereto under the Listing Rules
%		per cent

By order of the Board
**Genertec Universal Medical Group Company
Limited**
通用環球醫療集團有限公司
Peng Jiahong
Chairwoman of the Board

Beijing, PRC, 23 November 2023

As at the date of this announcement, the executive Directors are Ms. Peng Jiahong (Chairwoman), Mr. Wang

Wenbing and Ms. Wang Lin; the non-executive Directors are Mr. Chan Kai Kong (Vice-chairman), Mr. Tong Chaoyin, Mr. Xu Ming and Mr. Zhu Ziyang; and the independent non-executive Directors are Mr. Li Yinquan, Mr. Chow Siu Lui, Mr. Xu Zhiming and Mr. Chan, Hiu Fung Nicholas.