Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

TIAN YUAN HEALTHCARE

天 元 医 疗

CHINA TIAN YUAN HEALTHCARE GROUP LIMITED

中 國 天 元 醫 療 集 團 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 557)

DISCLOSEABLE TRANSACTION – ACQUISITION OF 70% EQUITY INTEREST IN THE TARGET COMPANY

The Board is pleased to announce that on 31 December 2025 (after the Stock Exchange trading hours), the Purchaser (an indirect wholly-owned subsidiary of the Company) entered into the Equity Transfer Agreement with Vendor 1 and Vendor 2, pursuant to which the Purchaser has conditionally agreed to acquire and the Vendors have conditionally agreed to sell the Target Equity Interests for the Consideration of RMB2,100,000 (equivalent to approximately HK$2,331,000). Handover and Completion are conditional upon, among others, the fulfilment (or waiver, as the case may be) of the Conditions Precedent as set out in the Equity Transfer Agreement.

Upon Completion, the Target Company will be owned as to 70% by the Purchaser, 20% by Vendor 1 and 10% by Vendor 2. The Target Company will become an indirect non-wholly owned subsidiary of the Company, and the financial results of the Target Company will be consolidated into the accounts of the Group.

LISTING RULES IMPLICATIONS

As the discounted cash flow method under the income approach was adopted in the Valuation Report, the calculation of the value of the entire equity interest in the Target Company as set out in the Valuation Report is considered profit forecast under Rule 14.61 of the Listing Rules. Further announcement will be made by the Company within 15 business days following the publication of this announcement in compliance with Rules 14.60A and 14.62 of the Listing Rules.

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Acquisition are more than 5% but all are less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

Completion is conditional upon the satisfaction of certain Conditions Precedent stipulated in the Equity Transfer Agreement. There is no assurance that any of such conditions will be fulfilled. Accordingly, the Acquisition may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the securities of the Company.

INTRODUCTION

The Board is pleased to announce that on 31 December 2025 (after the Stock Exchange trading hours), the Purchaser (an indirect wholly-owned subsidiary of the Company) entered into the Equity Transfer Agreement with Vendor 1 and Vendor 2, pursuant to which the Purchaser has conditionally agreed to acquire and the Vendors have conditionally agreed to sell the Target Equity Interests for the Consideration of RMB2,100,000 (equivalent to approximately HK$2,331,000). Handover and Completion are conditional upon, among others, the fulfilment (or waiver, as the case may be) of the Conditions Precedent as set out in the Equity Transfer Agreement.

THE EQUITY TRANSFER AGREEMENT

The principal terms of the Equity Transfer Agreement are set out as below:

Date

31 December 2025

Parties

(i) the Purchaser, an indirect wholly-owned subsidiary of the Company;

(ii) Vendor 1; and

(iii) Vendor 2.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, as at the date of this announcement, both Vendor 1 and Vendor 2 are third parties independent of the Company and its connected persons as defined under the Listing Rules.

Assets to be acquired

Pursuant to the Equity Transfer Agreement, Vendor 1 and Vendor 2, in their capacities as the legal and beneficial owners of the Target Equity Interests held by them respectively, shall conditionally sell, and the Purchaser shall conditionally acquire from Vendor 1 and Vendor 2, respectively, 60% and 10% of the equity interests in the Target Company free from any encumbrances and third party rights (representing in aggregate 70% of the equity interests in the Target Company as at the Completion Date), together with all shareholders' interests attributable to such equity interests as at the Completion Date (including but not limited to assets, interests and undistributed profits). The subscribed capital contribution and paid-up capital attributable to the Target Equity Interests are RMB5,600,000 and RMB4,125,000, respectively.

Further information of the Target Company is set out in the section headed "Information of the Target Company" below.

Consideration and payment method

Pursuant to the Equity Transfer Agreement, the Consideration payable by the Purchaser for the Acquisition is RMB2,100,000 (equivalent to approximately HK$2,331,000). The Consideration is payable in proportion to the 60% and 10% equity interests in the Target Company transferred by Vendor 1 and Vendor 2 respectively. In particular, the consideration payable by the Purchaser to Vendor 1 is RMB1,800,000 (equivalent to approximately HK$1,998,000); and the consideration payable to Vendor 2 is RMB300,000 (equivalent to approximately HK$333,000). The payment method is as follows:

(i) Within 5 business days after signing the Equity Transfer Agreement, the Purchaser shall pay RMB180,000 (equivalent to approximately HK$199,800) to Vendor 1's account, and RMB30,000 (equivalent to approximately HK$33,300) to Vendor 2's account;

(ii) Within 1 business day from the date on which all the Conditions Precedent set out in the Equity Transfer Agreement have been satisfied (or waived, as the case may be) before the Long Stop Date, completion of Handover shall take place, and within 5 business days from the date of completion of Handover by the Purchaser and the Vendors, the Purchaser shall pay RMB1,440,000 (equivalent to approximately HK$1,598,400) to Vendor 1's account and RMB240,000 (equivalent to approximately HK$266,400) to Vendor 2's account; and

(iii) Within 5 business days from the date of completion of industrial and commercial registration change procedures in respect of the transfer of the Target Equity Interests by the Target Company (which shall be determined by the actual completion of the change of industrial and commercial registration), the Purchaser shall pay RMB180,000 (equivalent to approximately HK$199,800) to Vendor 1's account, and RMB30,000 (equivalent to approximately HK$33,000) to Vendor 2's account.

The Consideration of the Acquisition will be settled by the internal resources of the Company.

Basis of Determination of the Consideration

The Consideration was determined after arm's length negotiations between the Purchaser and the Vendors on normal commercial terms with reference to, among others, (i) the business development opportunity and prospects of the Target Company; (ii) the asset valuation report (the "**Valuation Report**") dated 30 December 2025 prepared by China Assets Appraisal Co., Ltd., an independent valuer (the "**Independent Valuer**"), pursuant to which the value of the entire equity interest in Target Company as of the valuation benchmark date (i.e. 31 October 2025) is RMB3,068,000 (equivalent to approximately HK$3,405,480) under the income approach; and (iii) the factors set out in the section headed "Reasons for and benefits of the Acquisition" below.

The Directors consider the Consideration to be fair and reasonable and on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

Conditions Precedent

Handover and/or Completion are conditional upon the fulfilment (or waiver, as the case may be) of the following Conditions Precedent set out in the Equity Transfer Agreement before the Long Stop Date:

(i) the change of the industrial and commercial name of the Target Company to "Yinchuan Jinfeng District Deshang Clinic Co., Ltd. * (銀川市金鳳區德尚門診部有限責任公司)", or such other name as the Purchaser may confirm, having been completed;

(ii) a new property lease contract having been entered into by the Target Company with the property owner on reasonable terms and confirmed by the Purchaser and the rent paid for the property having been transferred to the new property lease contract;

(iii) all disclosed judicial cases having been resolved and fully executed;

(iv) the labour contracts/service contracts, social security and provident fund contribution for all employees of the Target Company having been fulfilled in accordance with legal requirements; the rehired retirees having been retired and the service contracts having been completed, and all wages, social insurance premiums, provident fund, welfare benefits and other expenses arising from employment relationships (including those under labour or service contracts) up to the Handover Date having been paid in full with no arrears, and relevant proofs of settlement having been obtained, except for the wages of employees and social insurance premiums as set out in the Equity Transfer Agreement;

(v) the ownership of all medical equipments and fixed assets owned by the Target Company in the statements of fixed assets with a value exceeding RMB50,000 being clear, and the Purchaser having been provided with documents evidencing the ownership of such assets (including, but not limited to, the lawful purchase contract and the invoice for payment in full);

(vi) The Vendors having converted the amounts paid previously to the Target Company into the Vendors' paid-up capital contribution and completed the relevant registration of changes;

(vii) The legal representative of the Target Company being changed to the person designated by the Purchaser;

(viii) there being no Material Adverse Change in the Target Company from the date of signing the Equity Transfer Agreement to the Handover Date;

(ix) the representations and warranties made by the Vendors under the Equity Transfer Agreement having remained true, accurate, complete and not misleading as at the Handover Date and throughout the period from the date of the Equity Transfer Agreement to the Handover Date;

(x) the Vendors having obtained all necessary consents or approvals from the relevant governmental or regulatory authorities or any other persons (as applicable) for entering into the Equity Transfer Agreement and the transactions contemplated thereunder;

(xi) the Purchaser, its direct and indirect shareholders (including the Company) having completed all necessary internal decision-making procedures (such as Board approvals) in relation to the Equity Transfer Agreement and the transactions contemplated thereunder and having obtained all necessary consents or approvals from the relevant governmental or regulatory authorities or any other persons for the entering into of the Equity Transfer Agreement and the transactions contemplated thereunder;

(xii) the Stock Exchange not having any verbal and/or written comment on any announcement(s) that has been released and to be released in connection with the transactions contemplated under the Equity Transfer Agreement required under the Listing Rules and the publication of the said disclosure on the Stock Exchange's website or by any other means; or in the event that the Stock Exchange have any verbal and/or written comment on any announcement(s) and/or circular(s) that has been released and to be released in connection with the transactions contemplated under the Equity Transfer Agreement required under the Listing Rules and the publication of the said disclosure on the Stock Exchange's website or by any other means on or before the Long Stop Date, the Company having made corresponding response(s) and/or amendment(s), which results in the Stock Exchange advising that they have no further verbal and/or written comment(s) on the said disclosure on or before the Long Stop Date;

(xiii) there being no governmental laws or regulations, court decisions or judgments, arbitration awards, policies or orders prohibiting or restricting any of the parties from entering into the transactions contemplated under the Equity Transfer Agreement; and no statute, regulation or decision having been enacted, nor any measure or action having been taken, by any governmental authority, that would prohibit, restrict or materially delay the transactions contemplated under the Equity Transfer Agreement or the continuing operation of the Target Company;

(xiv) the Purchaser being satisfied with the results of the legal, financial and business due diligence in respect of the Target Company and its shareholders, directors, legal representatives and senior management; and

(xv) any other matters relating to the due diligence having been dealt with.

Save for conditions (i), (ii), (iii), (xiv) and (xv) which may be waived in writing by the Purchaser in its sole and absolute discretion, all other conditions shall not be waived by any party to the Equity Transfer Agreement.

If any of the Conditions Precedent set out above is not fulfilled by the Long Stop Date and has not been waived by the Purchaser in writing (except where the non-fulfilment is due to the Purchaser's failure to provide the necessary cooperation or explicit request for suspension), the Purchaser shall have the right to terminate the Equity Transfer Agreement by unilateral notice in writing, and the Vendors shall return to the Purchaser any monies paid by the Purchaser within 10 days after the receipt of such notice.

The Transition Period

The period from the date of signing the Equity Transfer Agreement to the Handover Date is the Transition Period.

During the Transition Period, Vendors shall procure the Target Company to:

(i) Conduct its business prudently in accordance with its usual practices, maintaining good relationships with customers, suppliers, employees, and other stakeholders;

(ii) Without the Purchaser's prior written consent, the following shall not occur:

1. Distributing profits or capital reserves;

2. Increasing registered capital;

3. Providing guarantees to external parties or incurring new debt;

4. Disposing of assets or intellectual property;

5. Changing the main business;

6. Entering into major contracts beyond the scope of normal business operations;

7. Increasing the compensation and benefits of core employees;

8. Initiating or settling major litigation or arbitration;

9. Disposing of or transferring assets owned, possessed, or used by the Target Company; and

10. Ensuring that no more than 5 core personnel/business backbone members of the existing team resign and that no more than 1/3 of the total staff resign;

(iii) Promptly notify the Purchaser of any events that may have a material adverse effect on the Target Company's business, assets, or financial condition; and

(iv) During the Transition Period, all profits generated by the Target Company shall belong to the Target Company.

Handover and Completion

On the Handover Date, the Vendors and the Target Company shall conduct an on-site, item-by-item handover to the Purchaser or its designated representative, and the Purchaser and the Vendors shall jointly sign a written "Handover Confirmation List" (the "**Handover**"). The Handover must include, but is not limited to, the company seal and stamp, original certificates and qualification documents, financial information, bank account access, system control, assets and contracts, personnel and administrative files, data and electronic information, premises and assets. In addition, the Vendors shall reduce the registered capital of the Target Company to align with the paid-up capital, such that the registered capital of the Target Company is fully paid up, and the Purchaser shall provide the necessary cooperation. The date on which the Vendors complete the transfer of all management rights to the Purchaser shall be the date of Handover (the "**Handover Date**") under the Equity Transfer Agreement.

Following the Handover Date, the Target Company's creditor rights shall be assumed by the Target Company, and the debts disclosed by the Vendors to the Purchaser shall be assumed by the Target Company.

Within 1 business day from the date on which all the Conditions Precedent set out in the Equity Transfer Agreement have been satisfied (or waived, as the case may be) before the Long Stop Date, completion of Handover shall take place, and within 5 business days from the date the Vendors complete the reduction of the Target Company's registered capital, all the legal and valid application documents required for the equity transfer shall be completed and submitted to the industrial and commercial registration authority. The Purchaser and the Vendors shall use their best endeavours to procure the industrial and commercial registration authority to complete the approval as soon as possible after the submission of the aforesaid documents. The date on which the Target Equity Interests become registered in the name of the Purchaser shall be the Completion Date under the Equity Transfer Agreement.

Upon Completion, the Target Company will be owned as to 70% by the Purchaser, 20% by Vendor 1 and 10% by Vendor 2. The Target Company will become an indirect non-wholly owned subsidiary of the Company, and the financial results of the Target Company will be consolidated into the accounts of the Group.

INFORMATION ON THE PARTIES

The Company is an investment holding company. The Group is principally engaged in investment holding and the provision of hospitality related services, securities and fund investment, money lending and related business and healthcare business.

The Purchaser is a company incorporated in the PRC with limited liability ,principally engaged in hospital management, health consultation and related businesses and is an indirect wholly-owned subsidiary of the Company.

Both Vendor 1 and Vendor 2 are independent individuals holding PRC nationality.

INFORMATION ON THE TARGET COMPANY

The Target Company is a limited liability company established on 8 February 2023 under the laws of the PRC with a registered capital and paid-up capital of RMB8,000,000 and RMB5,500,000, respectively. The Target Company was established for the purpose of conducting medical check-up business in the PRC. As at the date of this announcement, the equity interest of the Target Company is owned as to 80% by Vendor 1 and 20% by Vendor 2.

FINANCIAL INFORMATION OF THE TARGET COMPANY

Set out below is the unaudited consolidated financial information of the Target Company from the date of establishment (8 February 2023) to 31 October 2025:

	From the date of establishment (8 February 2023) to 31 December 2023	**Year ended 31 December 2024**	**Ten months ended 31 October 2025**
	RMB'000 (unaudited)	*RMB'000* (unaudited)	*RMB'000* (unaudited)
Revenue	1,906	4,496	2,516
Net profit/(loss) before and after tax	(2,368)	(1,770)	(1,625)

The unaudited total assets of the Target Company as at 31 October 2025 amounted to approximately RMB1,939,200.

REASONS FOR AND BENEFITS OF THE ACQUISITION

Through the Acquisition, the Group will acquire the controlling interest in Target Company. Target Company is expected to continue to generate revenue primarily from its provision of medical check-up services in the PRC.

The Group is of the view that, the medical check-up centre operated by the Target Company, which has a business area of approximately 3,869 sq.m. and 44 staff members, of whom 6 are chief physicians and associate-chief physicians, will progressively demonstrate its competitiveness in the industry in its region.

The Group has been actively expanding its healthcare services sector in the PRC. The Acquisition aligns with the Group's expansion strategy in the healthcare business sector, strengthens its existing core businesses within the healthcare business segment, and leverages the Target Company's regional advantages and business foundation to achieve resource integration and complementary strengths, supporting the Group's continued expansion in the healthcare market in the PRC. The Directors believe that the Acquisition will bring synergies to the Group's performance, fit the overall development strategy, and provide solid momentum for future growth.

Based on the above, the Directors consider that the terms of the Equity Transfer Agreement and the transaction contemplated thereunder are normal commercial terms that are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

As the discounted cash flow method under the income approach was adopted in the Valuation Report, the calculation of the value of the entire equity interest in the Target Company as set out in the Valuation Report is considered profit forecast under Rule 14.61 of the Listing Rules. Further announcement will be made by the Company within 15 business days following the publication of this announcement in compliance with Rules 14.60A and 14.62 of the Listing Rules.

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Acquisition are more than 5% but all are less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

Completion is conditional upon the satisfaction of certain Conditions Precedent stipulated in the Equity Transfer Agreement. There is no assurance that any of such conditions will be fulfilled. Accordingly, the Acquisition may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, the following expressions shall, unless the context requires otherwise, have the following meanings:

"Acquisition"	the acquisition of the Target Equity Interests by the Purchaser from the Vendors pursuant to the Equity Transfer Agreement
"Board"	the board of Directors of the Company
"Company"	China Tian Yuan Healthcare Group Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 557)
"Completion"	completion of the Acquisition in accordance with the terms and conditions of the Equity Transfer Agreement
"Completion Date"	the date on which the Conditions Precedent are all fulfilled (or waived, as the case may be) by the Long Stop Date and the Target Equity Interests become registered in the name of the Purchaser
"Conditions Precedent"	the conditions precedent under the Equity Transfer Agreement as set out in the section headed "Conditions Precedent" in this announcement
"Consideration"	the consideration in the sum of RMB2,100,000 (equivalent to approximately HK$2,331,000), payable by the Purchaser to the Vendors under the Equity Transfer Agreement for the Acquisition
"Director(s)"	the directors of the Company
"Equity Transfer Agreement"	the Equity Transfer Agreement dated 31 December 2025 entered into between the Vendors and the Purchaser in respect of the Acquisition

"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Long Stop Date"	by 15 January 2026 (or such later date as the Purchaser may agree in writing)
"Material Adverse Change(s)"	According to the Equity Transfer Agreement, the material adverse changes include, but are not limited to: (i) loss of assets owned or occupied for use and valued at above RMB100,000, subject to seizure, freezing, impoundment or compulsory execution; (ii) administrative penalties imposed by relevant competent authorities; (iii) disruption or interruption of core business operations; (iv) major litigation, arbitration or regulatory investigation involving an amount of RMB100,000 or more; (v) material breach of law or regulation; (vi) departure of 30% or more of key management or technical team; (vii) incurrence of any undisclosed debts or guarantees in excess of RMB100,000; (viii) change in control or shareholding structure or pledge, freezing or other encumbrance of equity interest without the consent of the Purchaser; and (ix) other events or changes that may materially and adversely affect the financial condition, prospects, assets, business of the Target Company or the truth and accuracy of any of the representations and warranties of the Vendors under the Equity Transfer Agreement
"PRC"	the People's Republic of China which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Purchaser"	Zhongning County Lekang Medical Technology Co., Ltd.*（中寧縣樂康醫療科技有限公司）, a company incorporated in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company

"Reference Date"	31 December 2025, being the reference date for the financial position, debts division and distribution of rights and obligations of the Target Company
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	ordinary share(s) of HK$1 each in the issued share capital of the Company
"Shareholders"	holders of the issued Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Target Company"	Ningxia Deshang Clinic Co., Ltd.*（寧夏德尚門診部有限責任公司), a company incorporated in the PRC with limited liability
"Transition Period"	The period from the date of signing the Equity Transfer Agreement to the Handover Date
"Vendor 1"	Ms. Zou Congxian*（鄒從賢), an independent individual, who holds 80% equity interest in the Target Company as at the date of this announcement
"Vendor 2"	Ms. Zou Mixian*（鄒蜜賢), an independent individual, who holds 20% equity interest in the Target Company as at the date of this announcement
"Vendors"	Vendor 1 and Vendor 2, collectively
"%"	per cent

In this announcement, the translation of RMB into Hong Kong dollars is based on the exchange rate of RMB1 to HK$1.11 for illustration purposes only. Such translations should not be construed as representations that the relevant amounts have been, could have been, or could be, converted at these or any other rates or at all.

By order of the Board
China Tian Yuan Healthcare Group Limited
Dong Wei
Executive Director

Hong Kong, 31 December 2025

As at the date of this announcement, the Board is composed of five directors of which Ms. Dong Wei is the executive Director, Ms. He Mei is the non-executive Director, and Mr. Yuen Kwok Kuen, Ms. Zhou Siqi and Mr. Li Jun are the independent non-executive Directors.

* *For identification purpose only*