明基医院
BenQ MEDICAL CENTER

BenQ BM Holding Cayman Corp.
明基醫院集團股份有限公司

(A company incorporated in the Cayman Islands with limited liability)

(Stock Code: 2581)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED DECEMBER 31, 2025

FINANCIAL HIGHLIGHTS

	Year Ended December 31,		
	2025	2024	Changes
	RMB'000	*RMB'000*	*%*
Revenue	**2,718,346**	2,658,973	2.2%
Gross Profit	**424,066**	482,042	-12.0%
Profit for the year	**94,936**	108,922	-12.8%
Basic and diluted earnings per share (in RMB)	**0.38**	0.44	-13.6%

The board (the "**Board**") of directors (the "**Directors**") of BenQ BM Holding Cayman Corp. (the "**Company**", together with its subsidiaries, collectively, the "**Group**") is pleased to announce the annual results of the Group for the year ended December 31, 2025 (the "**Reporting Period**"), together with comparative figures for the year ended December 31, 2024 (the "**Previous Period**") as follows:

Consolidated statement of profit or loss
for the year ended December 31, 2025

	Note	**2025** *RMB'000*	2024 *RMB'000*
Revenue	3	**2,718,346**	2,658,973
Cost of revenue		**(2,294,280)**	(2,176,931)
Gross profit		**424,066**	482,042
Other net gain	4	**12,496**	743
Selling and distribution expenses		**(5,988)**	(5,264)
Administrative expenses		**(267,285)**	(283,589)
Reversal of impairment losses on trade receivables		**732**	605
Profit from operations		**164,021**	194,537
Net finance costs		**(10,712)**	(3,089)
Share of losses of associates		**(12,966)**	(23,414)
Profit before taxation	5	**140,343**	168,034
Income tax expense	6	**(45,407)**	(59,112)
Profit for the year attributable to equity shareholders of the Company		**94,936**	108,922
Earnings per share (RMB)	7		
Basic (RMB)		**0.38**	0.44
Diluted (RMB)		**0.38**	0.44

Consolidated statement of profit or loss and other comprehensive income for the year ended December 31, 2025

	2025 *RMB'000*	2024 *RMB'000*
Profit for the year	**94,936**	108,922
Other comprehensive income for the year (after tax and reclassification adjustments)		
Item that will not be reclassified to profit or loss:		
Exchange differences on translation of		
– financial statements of the Company with functional currency other than RMB	**(318)**	91
Item that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of		
– financial statements of subsidiaries with functional currencies other than RMB	**(3,209)**	2,098
Other comprehensive income for the year	**(3,527)**	2,189
Total comprehensive income for the year attributable to equity shareholders of the Company	**91,409**	111,111

Consolidated statement of financial position
as at December 31, 2025

	Note	**2025** *RMB'000*	2024 *RMB'000*
Non-current assets			
Property, plant and equipment		**2,192,471**	2,029,840
Right-of-use assets		**147,320**	152,468
Intangible assets		**15,703**	19,392
Interests in associates		**288,465**	300,211
Prepayments, deposits and other receivables		**44,459**	33,961
Deferred tax assets		**63,537**	60,831
		2,751,955	2,596,703
Current assets			
Inventories		**63,222**	71,581
Trade receivables	8	**324,918**	285,812
Prepayments, deposits and other receivables		**60,563**	29,610
Time deposits		**703**	719
Cash and cash equivalents		**649,800**	116,884
		1,099,206	504,606
Current liabilities			
Bank loans		**466,094**	509,199
Trade and bills payables	9	**477,356**	397,151
Other payables and accruals		**381,405**	326,432
Contract liabilities		**30,692**	28,700
Current taxation		**38,499**	38,366
		1,394,046	1,299,848
Net current liabilities		**(294,840)**	(795,242)
Total assets less current liabilities		**2,457,115**	1,801,461

Consolidated statement of financial position
as at December 31, 2025 (continued)

	Note	**2025** *RMB'000*	2024 *RMB'000*
Non-current liabilities			
Bank loans		**204,981**	169,578
Deferred income		**–**	16,000
		204,981	185,578
NET ASSETS		**2,252,134**	1,615,883
CAPITAL AND RESERVES			
Share capital	*10*	**2,073,352**	1,600,520
Reserves		**178,782**	15,363
TOTAL EQUITY		**2,252,134**	1,615,883

Notes to the financial statements

(Expressed in RMB unless otherwise indicated)

1 General information

BenQ BM Holding Cayman Corp. (the "Company") was incorporated in Cayman Islands on January 5, 2009 as an exempted company with limited liability under the Companies Act, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The Company's shares were listed on The Main Board of the Stock Exchange of Hong Kong Limited on December 22, 2025.

The Company is an investment holding company. The Company and its subsidiaries (together, "the Group") are principally engaged in the provision of healthcare services through the multi-disciplinary private for-profit general hospitals in the People's Republic of China (the "PRC").

2.1 Basis of preparation of the financial statements

These financial statements have been prepared in accordance with all applicable International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB") and the requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The consolidated financial statements have been prepared assuming the Group will continue as a going concern notwithstanding the net current liabilities of the Group of RMB294,840,000 at December 31, 2025. The directors of the Company are of the opinion that the Group is able to meet in full its financial obligations as they fall due for at least the next twelve months from December 31, 2025, having taken into account the factors including: (1) the Group's cash flow forecast covering a period of not less than twelve months from December 31, 2025 and (2) the Group's unused banking facilities as at December 31, 2025. Accordingly, the directors of the Company consider it is appropriate to prepare the consolidated financial statements on a going concern basis.

2.2 Changes in accounting policies and disclousures

The Group has applied amendments to IAS 21, The effects of changes in foreign exchange rates – Lack of exchangeability issued by the IASB to these financial statements for the current accounting period. The amendments do not have a material impact on these financial statements as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3 Revenue and segment reporting

(a) Revenue

The Group is principally engaged in hospital healthcare service.

(i) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by service lines is as follows:

	2025	2024
	RMB'000	*RMB'000*
Revenue from contracts with customers within the scope of IFRS 15		
Hospital healthcare services		
– Out-patient services	**1,254,183**	1,249,004
– In-patient services	**1,433,987**	1,379,046
Others	**9,473**	9,408
	2,697,643	2,637,458
Revenue from other sources		
Rental income		
– Lease payments that are fixed or depend on an index or a rate	**15,433**	16,199
– Variable lease payments that do not depend on an index or a rate	**5,270**	5,316
	2,718,346	2,658,973

Disaggregation of revenue from contracts with customers by the timing of revenue recognition is as follow:

	2025	2024
	RMB'000	*RMB'000*
Disaggregated by timing of revenue recognition		
Point in time	**1,263,656**	1,258,412
Over time	**1,433,987**	1,379,046
	2,697,643	2,637,458

The Group's customer base is diversified and there is no single customer with whom transactions have exceeded 10% of the Group's revenue for the year ended December 31, 2025 (2024: nil).

(ii) Revenue expected to be recognized in the future arising from contracts with customers in existence at the reporting date

The Group has applied the practical expedient in paragraph 121 of IFRS 15 and therefore the information about remaining performance obligations is not disclosed for contracts that have an expected duration of one year or less.

(b) Segment reporting

(i) Segment information

The Group manages its businesses as a whole by the Group's most senior executive management for the purposes of resource allocation and performance assessment. The Group's chief operating decision maker is the chief executive officer of the Group who reviews the Group's combined results of operations in assessing performance of and making decisions about allocations to this segment.

Accordingly, the Group has only one reportable segment and no further analysis of this single segment is presented.

(ii) Geographic information

No geographical information is shown as the revenue and profit from operations of the Group is substantially all derived from activities in the PRC and substantially all of the Group's property, plant and equipment are located physically or operationally in the PRC.

4 Other net gain

	2025 *RMB'000*	2024 *RMB'000*
Government grants (Note)	**2,832**	1,554
Net foreign exchange loss	**(6)**	(412)
Net realized and unrealized gain on derivative financial instruments	**–**	1,397
Net loss on disposal of property, plant and equipment	**(1,588)**	(1,263)
Compensation income	**7,746**	–
Others	**3,512**	(533)
	12,496	743

Note: The government grants are mainly unconditional government subsidies received by certain subsidiaries of the Group in consideration of their tax contribution and to support the hospital development.

5 Profit before taxation

Profit before taxation is arrived at after charging:

(a) Net finance costs

	2025 *RMB'000*	2024 *RMB'000*
Finance income:		
Interest income	**(3,309)**	(5,838)
Finance costs:		
Interest expenses on bank loans and other borrowings	**18,610**	18,972
Less: interest expense capitalized into construction in progress*	**(4,589)**	(10,045)
	14,021	8,927
	10,712	3,089

* The borrowing costs have been capitalized at a rate range of 2.11%-2.50% per annum for the year ended December 31, 2025 (2024: 2.35% – 2.70%).

(b) Staff costs

	2025	2024
	RMB'000	*RMB'000*
Salaries, wages and other benefits	**862,947**	817,185
Contributions to defined contribution retirement plan	**94,617**	86,748
Equity settled share-based payment expenses	**1,621**	2,592
	959,185	906,525

Pursuant to the relevant labor rules and regulations in the PRC, the Group's PRC subsidiaries participate in defined contribution retirement benefit schemes (the "Schemes") organized by the local government authorities whereby the Group's PRC subsidiaries are required to make contributions to the Schemes based on certain percentages of the eligible employee's salaries. The local government authorities are responsible for the entire pension obligations payable to the retired employees.

The Group has no other material obligation for the payment of retirement benefits beyond the contributions described above.

(c) Other items

	2025	2024
	RMB'000	*RMB'000*
Depreciation and amortization		
– owned property, plant and equipment	**174,563**	151,384
– right-of-use assets	**5,148**	5,148
– intangible assets	**12,400**	12,158
	192,111	168,690
Listing expenses	**11,587**	28,887
Auditors' remuneration		
– audit services	**2,600**	–
– other services (Note)	**1,256**	3,071
Cost of inventories (representing pharmaceutical products and consumables used, included in cost of revenue)	**1,078,656**	1,034,361

Note: Other services include RMB1,256,000 (2024: RMB3,071,000) which is also included in the listing expenses disclosed separately above.

6 Income tax in the consolidated statement of profit or loss

(a) Taxation in the consolidated statement of profit or loss represents:

	2025 *RMB'000*	2024 *RMB'000*
Current tax – PRC Corporate Income Tax		
Provision for the year	**48,113**	63,386
Deferred tax		
Reversal and origination of temporary differences	**(2,706)**	(4,274)
	45,407	59,112

Notes:

(i) Pursuant to the rules and regulations of the Cayman Islands, the Company is not subject to any income tax in the Cayman Islands.

(ii) Pursuant to the income tax rules and regulations of the Malaysia Labuan ("LBU"), the Group's subsidiary in the LBU was a Labuan Holding Company, which was liable to the Malaysia corporation tax at a rate of 3% or a flat rate of MYR20,000 per annum. No provision for Labuan Profits tax was made for the subsidiary as it did not have any assessable profits subject to Labuan Profits Tax during the year ended December 31, 2025 (2024: nil).

(iii) The subsidiary of the Group incorporated in Taiwan, province of the PRC ("Taiwan") is liable to Taiwan Profits Tax at a rate of 20%. No provision for Taiwan Profits Tax was made for the subsidiary as it did not have any assessable profits subject to Taiwan Profits Tax during the year ended December 31, 2025 (2024: nil).

(iv) The Group's subsidiaries in Mainland China are subject to Corporate Income Tax ("CIT") at a statutory rate of 25% on their respective taxable income during the year ended December 31, 2025 (2024: 25%).

(b) Reconciliation between tax expense and accounting profit at applicable tax rates:

	2025 *RMB'000*	2024 *RMB'000*
Profit before taxation	**140,343**	168,034
Notional tax on profit before taxation, calculated at the rates applicable to profits in the jurisdictions concerned	**41,446**	50,770
Tax effect of non-deductible expenses	**3,907**	8,305
Tax effect of unused tax losses not recognized	**54**	37
Actual tax expense	**45,407**	59,112

7 Earnings per share

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of RMB94,936,000 (2024: RMB108,922,000) and the weighted average number of ordinary shares of 246,780,617 shares (2024: 244,945,001 shares) in issue during the year, calculated as follows:

Weighted-average number of ordinary shares:

	2025	2024
Issued ordinary shares at January 1	**244,945,001**	244,945,001
Effect of shares issued by initial public offering	**1,835,616**	–
Weighed average number of ordinary shares at December 31	**246,780,617**	244,945,001

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit attributable to equity shareholders of the Company of RMB94,936,000 (2024: RMB108,922,000), and the weighted average number of ordinary shares of 247,722,496 shares (2024: 246,872,274 shares) during the year ended December 31, 2025, calculated as follows:

	2025	2024
Weighted average number of ordinary shares at December 31	**246,780,617**	244,945,001
Effect of deemed issue of shares under the Company's Share Option Scheme	**941,879**	1,927,273
Weighted average number of ordinary shares (diluted) at December 31	**247,722,496**	246,872,274

8 Trade receivables

	2025	2024
	RMB'000	*RMB'000*
Due from related parties	**1,632**	2,052
Due from public medical insurance programs	**236,841**	216,265
Due from other third parties	**97,732**	79,534
	336,205	297,851
Less: loss allowance	**(11,287)**	(12,039)
	324,918	285,812

All of the trade receivables are expected to be recovered within one year.

Ageing analysis

As of the end of each reporting period, the ageing analysis of trade receivables, based on the date of revenue recognition and net of loss allowance, is as follows:

	2025	2024
	RMB'000	*RMB'000*
Within 6 months	**297,488**	262,006
Over 6 months but within 12 months	**29,430**	27,910
Over 12 months but within 18 months	**2,963**	2,621
Over 18 months	**6,324**	5,314
	336,205	297,851
Less: loss allowance	**(11,287)**	(12,039)
Trade receivables, net	**324,918**	285,812

9 Trade and bills payables

	2025	2024
	RMB'000	*RMB'000*
Bills payable	**–**	20,000
Due to related parties	**5,880**	4,170
Due to third parties	**471,476**	372,981
	477,356	397,151

All of the trade and bills payables are expected to be settled within one year or are repayable on demand.

As of the end of the reporting period, the ageing analysis of trade and bills payables, based on the invoice date, is as follows:

	2025	2024
	RMB'000	*RMB'000*
Within 1 year	**466,579**	392,571
Over 1 year	**10,777**	4,580
	477,356	397,151

10 Share capital

	Numbers of shares	**Share capital**	**Share capital**
		USD	***RMB'000***
Issued and fully paid			
At January 1, 2024 and December 31, 2024	244,945,001	244,945,001	1,600,520
Issuance of ordinary shares through initial public offering (Note)	67,000,000	67,000,000	472,832
At December 31, 2025	**311,945,001**	**311,945,001**	**2,073,352**

Note: On December 22, 2025, the Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited, 67,000,000 ordinary shares with a par value of US$1.0 per share were issued at a price of HK$9.34 per ordinary share. The gross proceeds raised from the offering was HK$625,780,000 (equivalent to approximately RMB567,399,000). Net proceeds from the offering were RMB543,221,000 (after offsetting costs directly attributable to the issuance of shares of approximately RMB24,178,000), of which RMB472,832,000 was credited to the Company's share capital account and the remaining RMB70,389,000 was credited to the Company's share premium account.

11 Dividends

No dividend has been paid or declared by the Company during the year ended December 31, 2025 (2024: nil).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

During the Reporting Period, healthcare services industry in the People's Republic of China (the "**PRC**") remained in a phase of deepening reform and structural adjustment. At the national level, efforts were focused on advancing the high-quality development of the healthcare service system, including the continuous promotion of the tiered diagnosis and treatment system, optimizing the allocation of medical resources, and channeling high-quality medical resources to primary-level and regional healthcare facilities. Concurrently, reforms in medical insurance payment methods were further implemented, with payment systems, such as diagnosis-related group (DRG) and disease-based integrated (DIP), being progressively deployed nationwide. This imposed higher demands on medical institutions in terms of healthcare quality management, cost control, and operational efficiency.

The Group derives substantially all of its revenue from the healthcare services provided through its hospitals in the PRC, namely Nanjing BenQ Hospital and Suzhou BenQ Hospital, both of which are medical institutions with a certain scale and comprehensive service capabilities in their respective regions, forming the core operational foundation of the Group. Nanjing BenQ Hospital is a Grade A Class III General Hospital which possesses strong capabilities in acute and critical care, multidisciplinary collaboration, and comprehensive diagnosis and treatment, and has obtained multiple professional certifications, such as the National Chest Pain Center and Stroke Center. Suzhou BenQ Hospital is a Class III General Hospital and has been accredited by the Joint Commission International, gradually developing distinctive development directions in fields such as obstetrics and gynecology, pediatrics, and geriatric medicine. In 2024 and 2025, revenue generated from our provision of healthcare services accounted for 98.8% and 98.9% of our total revenue, respectively.

Taking general hospitals as the business carrier, the Group continuously improves its medical service system, covering the needs for acute and critical care, diagnosis and treatment of common diseases, and multidisciplinary comprehensive medical services.

The Group's medical institutions are mainly located in the Yangtze River Delta region of China, specifically in Nanjing and Suzhou of Jiangsu Province. The Yangtze River Delta region boasts a dense population, vibrant economy, and solid foundation of medical service demand, providing a favorable regional environment for the sustainable operation and development of the Group's medical institutions. By allocating medical resources within the region, the Group serves surrounding cities and the radiated population, forming a relatively stable regional medical service network.

Scale of operation

During the Reporting Period, the Group generated revenue primarily from providing healthcare services through its two hospitals, namely Nanjing BenQ Hospital and Suzhou BenQ Hospital. In terms of treatment processes, the Group's services can be primarily categorized into inpatient healthcare services and outpatient healthcare services. During the Reporting Period, the Group's revenue amounted to RMB2,718.3 million (Previous Period: RMB2,659.0 million) and the number of outpatient visits and inpatient visits of our hospitals were approximately 2,171,253 and 87,276, respectively, representing the respective year-on-year increase of 1.2% and 1.2%.

The following table sets forth a breakdown of key operating statistics for the two hospitals for the years indicated:

	2024	**2025**
Inpatient healthcare services		
Number of registered beds	1,850	**1,950**
Effective service capacity	677,100	**677,550**
Inpatient visits (in thousand)	86.2	**87.3**
Number of inpatient surgeries	22,744	**22,607**
Average spending per inpatient visit (RMB)	15,998	**16,430**
Average bed turnover days	7.9	**7.8**
Inpatient bed-days	657,588	**669,759**
Bed occupancy rate (%)	97.1	**98.9**
Outpatient healthcare services		
Outpatient visits (in thousand)	2,146.5	**2,171.3**
Average spending per outpatient visit (RMB)	542	**536**
Number of outpatient surgeries	4,367	**5,118**

BUSINESS PROSPECTS

The Group's core objectives are to consolidate general healthcare service capabilities, strengthen the development of advantageous specialties, and enhance refined operational management levels, so as to continuously improve medical service quality and patient experience, promoting stable and sustainable development for the Group.

The Group will continue to promote multidisciplinary collaboration and specialty capability building, enhancing service levels in treating complex and critical illnesses and providing general diagnosis and treatment. Through the continuous introduction and cultivation of medical professionals, the Group will improve the talent echelon construction, supporting the long-term development of disciplinary capabilities and research standards.

Relying on the location and resource advantages of existing hospitals, the Group will methodically advance on-going construction and planned projects. It will gradually expand medical service delivery capacity, enhance the layout of key specialties and characteristic services, and strengthen regional medical service coverage capabilities, subject to compliance with regulations and market conditions.

The Group also plans to further strengthen cooperation with medical institutions and related service providers within the regions. It will explore resource sharing and division of labor collaboration models, improve patient referral and continuum of care systems, and promote the extension of medical services across the entire diagnosis and treatment cycle.

In the future, the Group will adhere to a prudent and stable development strategy. It will advance various tasks focusing on key priorities such as improving medical quality, optimizing business structure, and strengthening compliance management. The Group will dynamically adjust the pace of development based on changes in the macroeconomic policy environment, industry trends, and market conditions, ensuring the overall sustainability of its operations and controllability of risks.

INDUSTRY OUTLOOK

From an overall perspective, the deepening of population aging and rising public health awareness are driving the steady and long-term expansion of medical service demand. Demand for chronic disease management, geriatric medicine, oncology diagnosis and treatment, rehabilitation medicine, and other fields continues to grow. The medical service industry is gradually shifting from scale expansion to a development stage centered on quality improvement and efficiency optimization.

Digital and intelligent technologies are accelerating penetration into the medical service sector. The continuous advancement of the national unified medical insurance information platform helps improve the standardization of medical services and the level of data interconnection and interoperability. Technologies such as artificial intelligence and big data are increasingly applied in auxiliary diagnosis and treatment, operational management, patient services, and other links, becoming important supports for enhancing medical service efficiency and refined management.

For the private medical service industry, the sector as a whole has entered a stage of profound differentiation. Although private medical institutions account for a consistently high proportion of the total number of medical institutions nationwide, service volume and high-quality medical resources remain relatively concentrated in institutions with scale advantages, disciplinary capabilities, and brand accumulation. Leading private medical institutions have gradually established competitive advantages in segmented fields such as oncology, rehabilitation, traditional Chinese medicine, and health management through specialized, high-end, and differentiated development strategies. In addition, the coordinated development of medical insurance and commercial insurance, as well as the gradual improvement of the payment system, have laid a more solid payment foundation for differentiated medical services.

According to official statistics from the National Health Commission, the total number of visits to medical and health institutions and total health expenditure in China maintained steady growth in 2025, while the overall number of hospitals remained relatively stable. The focus of industry development has gradually shifted from "quantitative expansion" to "structural optimization and quality improvement", creating a relatively favorable development environment for medical service institutions with sustainable operational capabilities and standardized management systems.

FINANCIAL REVIEW

Revenue

During the Reporting Period, the revenue of the inpatient healthcare services segment was RMB1,434.0 million, representing a year-on-year increase of 4.0% and the revenue of the outpatient healthcare services was RMB1,254.2 million, representing a year-on-year increase of 0.4%.

Cost of Revenue

The cost of revenue in the Reporting Period was approximately RMB2,294.3 million, increased by approximately 5.4% year-on-year, and the increase was mainly due to (i) an increase in employee benefits expenses, primarily driven by the growth in the number of doctors and other healthcare professionals during the same period. As at December 31, 2024, we had 1,011 doctors and 1,938 other medical professionals, which increased to 1,065 doctors and 1,956 other medical professionals as at December 31, 2025; and (ii) depreciation and amortization, as well as utilities expenses arising from the operation of Phase II of Nanjing BenQ Hospital commenced in February 2025.

Gross Profit and Gross Profit Margin

During the Reporting Period, gross profit was approximately RMB424.1 million, as compared to approximately RMB482.0 million in the Previous Period. Gross profit margin decreased from approximately 18.1% to approximately 15.6% as compared to the Previous Period, which was primarily attributable to (i) an increase in depreciation and amortization of RMB21.6 million and a rise in utility expenses of RMB13.1 million resulting from the commencement of operations of the Phase II of Nanjing BenQ Hospital; and (ii) an increase in employee benefit expenses of RMB62.4 million which mainly due to the growth in the number of doctors and other healthcare professionals during the Reporting Period.

Other net gain increased from RMB0.7 million in the Previous Period to RMB12.5 million in the Reporting Period, mainly due to (i) the litigation compensation income in the sum of approximately RMB7.7 million representing the one-off litigation compensation income from a successful lawsuit against a contractor in respect of the quality of construction works for Phase I of Nanjing BenQ Hospital which were completed in 2012; and (ii) an increase in the local government subsidies.

Administrative expenses

During the Reporting Period, the Group's administrative expenses totaled RMB267.3 million, decreased by 5.7% year-on-year, and the decrease was mainly due to the decrease in listing expenses.

Net Finance Costs

The Group's net finance costs increased from RMB3.1 million to RMB10.7 million during the Reporting Period, representing an increase of approximately 246.8% as compared to the Previous Period, which was mainly due to (i) a decrease in the average balance of cash and cash equivalents during the period, resulting in a decrease in interest income from RMB5.8 million in 2024 to RMB3.3 million in 2025; and (ii) an increase in interest expenses as interest was no longer capitalized following the commencement of operations of Phase II of Nanjing BenQ Hospital.

Share of Losses of Associates

The Group's share of losses of associates for the Reporting Period was approximately RMB13.0 million (Previous Period: RMB23.4 million), mainly contributed by the following associates:

- share of loss of approximately RMB10.9 million from Guigang Donghui Medical Investment Co., Ltd. (貴港市東暉醫療投資有限公司) ("**Donghui Medical**") which is primarily engaged in provision of healthcare services

- share of loss of approximately RMB2.0 million from Nanjing Yinxia Healthcare Industry Development Co., Ltd. (南京銀廈健康產業發展有限公司) ("**Nanjing Yinxia Healthcare**"), which is primarily engaged in provision of elderly care services

The decrease was primarily due to a decrease in the net losses of Donghui Medical and Nanjing Yinxia Healthcare.

Income tax expense

During the Reporting Period, the Group's income tax expense decreased from RMB59.1 million in the Previous Period to RMB45.4 million in the Reporting Period, mainly because the profit before tax decreased from 2024 (approximately RMB168.03 million) to 2025 (approximately RMB140.34 million).

Profit for the Period and Net Profit Margin

The Group's profit decreased from RMB108.9 million for the Previous Period to RMB94.9 million in the Reporting Period and the net profit margin decreased from 4.1% for the Previous Period to 3.5% in the Reporting Period. The decrease was primarily because of a decrease in profit before tax.

Liquidity, Financing and Capital Structure

As at December 31, 2025, the Group had net current liabilities of approximately RMB294.8 million (December 31, 2024: approximately RMB795.2 million). The current ratio of the Group calculated based on the Group's total current assets divided by total current liabilities as at the end of the Reporting Period was approximately 0.79 times as at December 31, 2025 (December 31, 2024: approximately 0.39 times).

The Group finances its operations primarily through a combination of cash flows generated from operations and bank borrowings. The increase of current ratio and bank balances was primarily attributable to cash inflows from operating activities and proceeds from the listing (the "**Listing**") of the shares of the Company (the "**Shares**") on the Main Board of The Stock Exchange of the Hong Kong Limited (the "**Stock Exchange**").

As at December 31, 2025, the Group had bank balances and cash of approximately RMB649.8 million (December 31, 2024: approximately RMB116.9 million).

As at December 31, 2025, on the basis of interest-bearing liabilities divided by total assets, the Group's gearing ratio was 17.43% (December 31, 2024: 21.89%).

Exposure to Fluctuation in Exchange Rates and Other Risks

As at December 31, 2025, the Group had no significant operation transaction agreements denominated in foreign currencies, nor did it have any bank borrowings in foreign currencies, resulting in an overall limited foreign exchange risk exposure. During the Reporting Period, the Group did not use any derivative financial instruments to hedge against currency risks. The management manages such risks by continuously monitoring foreign exchange rate movements and will prudently consider adopting appropriate hedging arrangements when actual business needs arise or significant foreign exchange risk exposure emerges.

The Group is exposed to currency risk primarily through intra-group transactions which give rise to intra-group loans that are denominated in USD. Based on the risk exposure of the intra-group loans, the Group adopts forward exchange contracts with the notional amounts equal to the balances of the intercompany loans to offset the currency risk. Therefore, the Group's exposure to foreign currency risk is not significant during the Reporting Period.

The Group is also exposed to a variety of other financial risks, including credit risk, liquidity risk and interest rate risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

(a) Credit risk

The Group's credit risk primarily arises from cash and cash equivalents, time deposits and trade and other receivables. The Group recognizes relevant impairment allowances under the expected credit loss model.

To effectively control such risks, the Group has formulated corresponding credit management policies and continuously monitors the relevant risk exposures. Cash and cash equivalents and time deposits are mainly placed with state-owned financial institutions in the PRC and reputable international financial institutions outside the PRC and Taiwan-invested banks. The management believes that the credit risk associated with these financial institutions is relatively low and there have been no recent history of default relating to such institutions.

(b) Liquidity risk

Liquidity risk refers to the risk that the Group may encounter insufficient funds in meeting its financial obligations as they fall due. The Group manages liquidity risk by continuously and continuously monitoring its overall financial position and cash flow situation, aiming to maintain a sufficient level of cash and cash equivalents to meet the funding needs of daily operations and capital expenditures.

The management also prudently plans the sources and timing of fund utilization in light of business development plans and capital expenditure arrangements and ensures that the Group maintains sufficient liquidity and financing flexibility through cash flow forecast, centralized fund management and bank financing arrangements.

(c) Interest rate risk

The Group's interest rate risk primarily arises from interest-bearing bank borrowings. Borrowings at fixed interest rates expose the Group to fair value interest rate risk and borrowings at floating interest rates expose the Group to cash flow interest rate risk. As of December 31, 2025, the Group did not use any interest rate swap contracts or other financial instruments to hedge against interest rate risk. The management will continue to monitor changes in the interest rate market and, based on a prudent assessment of cost-effectiveness and risk exposure, will consider adopting appropriate hedging measures when necessary to mitigate the potential impact of interest rate fluctuations on the Group's financial position and operating results.

In terms of operational risks, the Group continuously strengthens its medical quality management system and internal control mechanisms, improving operational efficiency and service quality by enhancing medical quality monitoring, optimizing service processes and strengthening cost management. Meanwhile, the management will continue to monitor changes in industry policies and uncertainties in the operating environment, and adjust business strategies in a timely manner to mitigate the impact of external environmental changes on the Group's operations.

Contingent Liabilities

As at December 31, 2025, the Group did not have any contingent liabilities or guarantees that would have a material impact on the financial position or operations of the Group (December 31, 2024: nil）.

Pledge of Assets

As of December 31, 2025, the Group did not have any material pledge of assets (December 31, 2024: nil）.

SUBSEQUENT EVENT(S)

The Directors are not aware of any significant event requiring disclosure that had taken place subsequent to December 31, 2025 and up to the date of this announcement.

SIGNIFICANT INVESTMENTS

For the year ended December 31, 2025, the Group had no significant investments.

ACQUISITIONS AND DISPOSALS OF SUBSIDIARY(IES), ASSOCIATE(S) AND JOINT VENTURE(S)

For the year ended December 31, 2025, the Group had no material acquisitions and disposals of subsidiary, associate and joint venture.

FUTURE PLANS FOR MATERIAL INVESTMENT OR CAPITAL ASSETS

The Group did not have other future plans for major investments or acquisition for major capital assets at the date of this announcement, save as disclosed in the Prospectus.

USE OF NET PROCEEDS FROM THE LISTING

With the shares of the Company (the "**Shares**") listed on the Stock Exchange on December 22, 2025, the net proceeds from the Listing (after deducting underwriting commissions, fees and estimated expenses payable by us in connection with the Listing) were approximately HK$554.5 million, which will be utilized for the purposes as set out in the prospectus of the Company dated December 12, 2025 (the "**Prospectus**"). As of the date of this announcement, there was no change in the intended use of net proceeds as previously disclosed in the section headed "Future Plans and Use of Proceeds" in the Prospectus. To the extent that net proceeds are not immediately used for the intended use and to the extent permitted by the relevant law and regulations, the Company has placed the net proceeds into short-term interest-bearing accounts at licensed commercial banks and/or authorized financial institutions as defined under the Securities and Futures Ordinance or the applicable laws in the relevant jurisdiction for non-Hong Kong based deposits.

	Approximate percentage of the net proceeds	Proceeds to be used for related purpose *(HK$' million)*	Utilized proceeds during the Reporting Period *(HK$' million)*	Unutilized proceeds as of the end of the Reporting Period *(HK$' million)*	Expected timetable for the full utilization of unutilized proceeds (Note)
Expansion and upgrade of our existing hospitals	**74.3%**	**411.9**	**–**	**411.9**	**By end of December 2028**
Second-phase construction plan and the procurement of advanced medical equipment for Nanjing BenQ Hospital	26.4%	146.2	–	146.2	By end of December 2027
– retainage for the construction of specialty disciplines buildings (專科樓)	*7.2%*	*39.9*	–	*39.9*	*By end of December 2026*
– procurement of advanced medical equipment	*19.2%*	*106.3*	–	*106.3*	*By end of December 2027*
Third-phase and fourth-phase construction plans and the procurement of advanced medical equipment for Suzhou BenQ Hospital	47.9%	265.7	–	265.7	By end of December 2028
– construction and establishment of a maternity and child center (婦幼中心)	*30.4%*	*168.3*	–	*168.3*	*By end of December 2028*
– procurement of advanced medical equipment	*17.6%*	*97.4*	–	*97.4*	*By end of December 2028*
Potential investment and mergers and acquisitions opportunities	**16.0%**	**88.6**	**–**	**88.6**	**By end of December 2026**
Upgrade of our "Smart Hospital"	**8.0%**	**44.3**	**–**	**44.3**	**By end of December 2026**
Working capital and other general corporate purposes	**1.8%**	**9.7**	**–**	**9.7**	**By end of December 2028**
Total	**100.0%**	**554.5**		**554.5**	

Note: The expected timetable for the full utilization of unutilized proceeds was based on the estimate of the Group, which is subject to the current and future development of the market conditions.

The net proceeds have not yet been utilized as planned for the year ended December 31, 2025 as disclosed in the Prospectus, mainly because more time is required for the utilization arrangement of the relevant net proceeds given that the net proceeds were only available for the Group's use after the date on which the Listing takes place, i.e., December 22, 2025 (the "**Listing Date**"). The Group confirms that the unutilized net proceeds for the year ended December 31, 2025 are currently planned to be utilized in full during the year ending December 31, 2026, in accordance with their intended purpose as disclosed in the Prospectus. Save as the above, there is no other change to the planned use of the net proceeds and the expected implementation timetable of the net proceeds as disclosed in the Prospectus.

EMPLOYEES AND REMUNERATION POLICY

As at December 31, 2025, the Group had a total of 3,795 full-time employees, representing an increase of 77 employees from 3,718 employees as at December 31, 2024. The overall employee size remained relatively stable. Among them, there were 774 administrative staff (2024: 769) and 3,021 medical staff (2024: 2,949). The Group's employee structure is primarily composed of medical staff, which aligns with the employment characteristics of a medical services business requiring professional and technical personnel.

During the Reporting Period, the Group's employee costs (excluding Directors' remuneration) amounted to approximately RMB959.2 million, representing an increase of approximately RMB52.6 million, or approximately 5.8%, from approximately RMB906.5 million in the Previous Period. The increase in employee costs was primarily related to a slight growth in the number of medical staff, adjustments to the remuneration structure for medical staff, and the ongoing operation of the medical services business.

The Group has established a remuneration management system based on fairness, equity and market orientation. The Group is committed to providing employees with competitive remuneration and benefits packages, premised on ensuring the Group's stable operations.

In terms of remuneration determination, the Group formulates unified remuneration management and salary-setting standards by taking into comprehensive consideration factors such as the Group's overall profitability, the remuneration level in the medical services industry, changes in the market environment, and individual employee work performance. The remuneration level for employees is primarily determined based on their educational background, work experience, professional skills and job responsibilities, and is dynamically adjusted based on performance appraisal results.

The Group adopted the pre-IPO share option plan (the "**Pre-IPO Share Option Plan**") which first became effective in November 2018 and was amended and adopted by the Company on March 22, 2024. According to the terms of the Pre-IPO Share Option Plan, fifty per cent (50%) of the options have been vested on the Listing Date. During the year ended December 31, 2025, the Group had not issued any new Shares as a result of the exercise of the vested options.

The Group also offered other employee welfare benefits which primarily include employee health protection and life care related arrangements, such as regular health checkups, medical and accident insurance coverage, as well as preferential medical treatment for employees and their family members. Concurrently, the Group also fosters a sense of belonging and cohesion among employees by providing meal subsidies, annual team-building activities, and employee care allowances.

In accordance with applicable PRC regulations, the Group has made contributions to social security insurance funds (including pension insurance, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance) and housing funds for its employees. As of December 31, 2025, the Group complied with all statutory social insurance and housing fund obligations applicable to the Group under the PRC laws in all material respects.

The Group places emphasis on employee training and professional growth. The Group has established a systematic employee education and training system and formulated annual training plans. Through continuous investment in education and training resources, the Group aims to enhance employees' professional competence, compliance awareness and management level, thereby supporting the sustained improvement of the Group's medical service quality and operation and management capabilities.

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended December 31, 2025 (2024: nil).

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the "**Model Code**") as the code of conduct regarding securities transactions by the Directors.

Upon specific enquiry to all Directors, all Directors have confirmed that they have complied with the requirements set out in the Model Code during the period from the Listing Date to the date of this announcement.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company (including sale of treasury shares as defined in the Listing Rules (if any)) during the period from the Listing Date to the date of this announcement.

For the year ended December 31, 2025, there were no treasury shares (as defined in the Listing Rules) held by the Company.

CORPORATE GOVERNANCE

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of the Company's Shareholders ("**Shareholders**") and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the "**Corporate Governance Code**") as set out in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

From the date of the Company's listing on the Stock Exchange on December 22, 2025 (the "**Listing Date**") to the date of this announcement, the Company complied with all code provisions set out in the Corporate Governance Code, except for the deviations as explained below. The Company will continue to review and monitor its corporate governance practices to ensure compliance with the Corporate Governance Code.

Under code provision C.5.1 of Part 2 of the Corporate Governance Code, Board meetings should be held at least four times a year at approximately quarterly intervals with active participation of the majority of the Directors, either in person or through electronic means of communication. As the Company was only listed on the Stock Exchange on December 22, 2025, no meeting was held by the Board during the period from the Listing Date and up to December 31, 2025. The Company expects to continue to convene at least four regular meetings in each financial year at approximately quarterly intervals in accordance with code provision C.5.1 of Part 2 of the Corporate Governance Code.

Under code provision D3.3 of Part 2 of the Corporate Governance Code, members of the audit committee should liaise with the Board and senior management and the Audit Committee must meet, at least twice a year, with the auditors. As the Company was only listed on the Stock Exchange on December 22, 2025, no meeting was held by the audit committee during the period from the Listing Date and up to December 31, 2025. The Company expects to continue to convene at least two regular meetings in each financial year at approximately semi-annually intervals in accordance with code provision D.3.3 of Part 2 of the Corporate Governance Code.

Appointment of members of Nomination Committee

Under code provision B.3.5 of Part 2 of the Corporate Governance Code, the Company should appoint at least one director of a different gender to the nomination committee, and with regard to the actual circumstances of the Company, on March 9, 2026, Dr. WANG Liming (a non-executive Director) and Mr. WANG Wen-Tsung (an independent non-executive Director) have been appointed as members of the nomination committee of the Company, with effect from March 9, 2026. For further details, please refer to the announcement of the Company dated March 9, 2026.

REVIEW OF ANNUAL RESULTS BY THE AUDIT COMMITTEE

The Company has established an audit committee with terms of reference in compliance with Rule 3.21 of the Listing Rules, code provision C.4 and code provision D.3 of Part 2 of the Corporate Governance Code. The audit committee consists of Mr. WANG Wen-Tsung, Dr. CHOW Hsing-Yi and Ms. HUNG Chiu-Chin, with Mr. WANG Wen-Tsung being the chairman of the committee.

The consolidated annual results of the Group for the Reporting Period have been reviewed by the audit committee of the Company.

SCOPE OF WORK OF THE COMPANY'S AUDITOR

The Group's auditor, KPMG, has agreed the financial data in respect of the consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income and the related notes thereto for the year ended December 31, 2025 as set out in this announcement to the amounts set out in the Group's audited consolidated financial statements for the year.

The work performed by the auditor in this respect did not constitute an assurance engagement under Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants, and consequently no assurance opinion has been expressed by the auditor on this announcement.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained a sufficient public float of the issued Shares (i.e. at least 25% of the issued Shares has been held in public hands) as required under the Listing Rules from the Listing Date and up to the date of this announcement.

ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS

The annual general meeting will be held on June 5, 2026 by the Company. The Company will publish the notice of the annual general meeting on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.benqmedicalcenter.com) in due course.

The register of members of the Company will be closed from May 29, 2026 to June 5, 2026, both days inclusive and during which period no share transfer will be effected, for the purpose of determining Shareholders' entitlement to attend and vote at the annual general meeting. The record date is May 28, 2026. In order to be qualified for attending and voting at the annual general meeting, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on May 28, 2026 for registration.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This annual results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.benqmedicalcenter.com). The annual report of the Group for the Reporting Period will be published on the above websites in accordance with the Listing Rules in due course.

Hong Kong, March 9, 2026

By order of the Board
BenQ BM Holding Cayman Corp.
HSIAO Tze-Jung
Executive Director

As of the date of this announcement, the Board of the Company comprise: (i) Mr. HSIAO Tze-Jung as an executive Director; (ii) Mr. CHEN Chi-Hong, Ms. HUNG Chiu-Chin and Dr. WANG Liming as non-executive Directors; and (iii) Dr. CHOW Hsing-Yi, Mr. WANG Wen-Tsung and Mr. CHEN Ray-Jade as independent non-executive Directors.