

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.



**YSB Inc.**

**藥師幫股份有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 9885)**

## **ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025**

The board (the “**Board**”) of directors (the “**Directors**”) of YSB Inc. (the “**Company**”, together with its subsidiaries and consolidated affiliated entities, the “**Group**”) hereby announces the annual results of the Group for the year ended 31 December 2025 (the “**Reporting Period**”). The consolidated financial statements of the Group for the Reporting Period have been reviewed by the audit committee of the Company (the “**Audit Committee**”) and audited by the Company’s auditor, Deloitte Touche Tohmatsu (the “**Auditor**”).

Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the prospectus dated 15 June 2023 (the “**Prospectus**”) of the Company.

### **HIGHLIGHTS**

	<b>Year ended 31 December</b>		
	<b>2025</b>	<b>2024</b>	<b>Change (%)</b>
	<i>(in RMB thousands, except specified otherwise or percentages)</i>		
Revenue	<b>20,969,650</b>	17,903,608	17.1
– Self-operation Business	<b>20,065,552</b>	16,972,895	18.2
– Online Marketplace	<b>866,025</b>	881,075	(1.7)
– Other Businesses	<b>38,073</b>	49,638	(23.3)
Gross profit	<b>2,306,982</b>	1,813,451	27.2
Profit attributable to the owners of the Company	<b>152,965</b>	30,013	409.7
Non-IFRS: Adjusted Net Profit <sup>(1)</sup>	<b>237,058</b>	156,734	51.2
Earnings per share			
– Basic (RMB)	<b>0.224</b>	0.047	376.6
– Diluted (RMB)	<b>0.220</b>	0.046	378.3
Dividend per share for the year (RMB)	<b>0.110</b>	0.075	46.7

(1) The adjusted net profit (the “**Adjusted Net Profit**”) represents profit for the year adding back (i) equity-settled share-based payment expenses; and (ii) acquisition-related expenses in relation to the acquisition of Folding Space (Cayman) Ltd and its subsidiaries (“**Yikuai Pharmaceutical**”).

## CHAIRMAN’S STATEMENT

First of all, on behalf of the Board of YSB Inc., I would like to present the operating results of the Company for 2025, and express my heartfelt gratitude to our shareholders, business partners and all sectors of the community for their consistent trust and support over these years.

In 2025, pharmaceutical and healthcare industry in China continued its transformation further under standardisation, steadily moved forward amidst pressure and breakthroughs. At the policy level, a series of measures guided by the “Healthy China” strategy have consistently driven the development of the industry towards innovation, efficiency and accessibility, further optimising the market ecosystem. From a market perspective, despite the short-term fluctuations brought by a complex and uncertain macroeconomic environment, long-term trends such as the accelerating aging of the population and the upgrading of health consumption concepts have injected strong momentum to the development of the industry. New quality productive forces such as artificial intelligence (AI) large models and smart healthcare experienced explosive growth, and the trends of industrial digitalisation and service refinement have become increasingly prominent, opening up new growth opportunities for players with technological and business model innovation capabilities. Meanwhile, industry competition has seen a new trend of “focus on value creation”, with digitalisation capabilities, supply chain efficiency and professional service levels becoming the core competitiveness of enterprises.

In this context, the Company focused on its core objectives of enhancing quality and efficiency and achieving win-win ecosystem development, and continued to upgrade its omni-channel service capabilities. We not only constantly provided stable services to hundreds of thousands of downstream terminals, but also empowered upstream and downstream partners in the industry chain to improve operational efficiency and tap into growth potential through ongoing iteration of digital solutions, jointly injecting new vitality into the prosperity of the outside-of-hospital pharmaceutical and healthcare market.

### **Consolidating the Dual Engines of Online Marketplace and Self-operation Business, Cultivating Diversified Growth Momentum**

We drove the value upgrades of the platform through “diversified ecosystem + quality supply chain infrastructure”. By leveraging demand insights to expand product matrix and through a comprehensive quality control system, we have built a triple barrier of “coverage, penetration and trust” in the outside-of-hospital pharmaceutical market. We collaborated with over 11,000 upstream sellers on the platform to create a high-quality supply ecosystem together, not only promoting the systematic upgrades of the platform in the aspects of category breadth, quality standards and service depth, but also continuously elevating the value of the platform from facilitating transactions to serving as an industry collaborative network through precise data-driven supply-and-demand matching, forward-looking category planning and innovative service model co-construction. Such collaborative ecosystem has made the platform a strategic partner for merchants to expand incremental markets and the preferred platform for downstream buyers to achieve efficient and reliable procurement and operational upgrades. We continued the iteration of refined operation and management models and optimised upstream sellers service systems, providing collaborative support such as intelligent product selection planning and dynamic pricing strategies for upstream sellers, significantly reducing

the overall operating costs of upstream sellers and achieving a dual improvement in sales reach and operational efficiency. Furthermore, by deeply integrating data intelligence and the supply chain network, the platform empowered downstream buyers with dynamic inventory optimisation and digital operations, enhancing their long-term competitiveness and operational sustainability on a systematic basis.

In terms of the Self-operation Business, based on the supply chain upgrades, supported by digital and intelligent operations, and with quality service as the core, we continuously strengthened the foundation of business development to achieve synergistic development of scale and high quality. We continued to establish full-chain strategic partnerships with leading pharmaceutical companies such as Kenvue (China) (科赴中國) and Yiling Pharmaceutical (以嶺藥業), and built a high-quality, resilient and compliant industrial-grade supply chain system through in-depth collaboration and value co-creation, further consolidating our core hub position in the supply chain of the outside-of-hospital pharmaceutical and healthcare market. With the intelligent operational hub after comprehensive iteration, our overall fulfillment efficiency and service quality have been on the rise. During the Reporting Period, the on-time delivery rate climbed steadily to 96.70%, which was attributable to our accumulated efforts in the warehouse network optimisation, logistics route planning and full-chain digital management. Relying on a full-chain digital and intelligent operational foundation, we have connected core nodes such as inventory, sales and compliance, and built a closed-loop system with data-driven decision-making, solidifying the core competitiveness of Self-operation Business through cycles with accurate market predictions and extreme operational efficiency.

Our Targeted Product Launch Business serves not only as the core engine for the high-quality development of our Self-operation Business, but also as a strategic pivot for reshaping the value distribution logic of the industry chain. It achieved a leapfrog growth throughout the year, driving the transformation of Self-operation Business towards high gross margins and high added value. During the Reporting Period, the total number of SKUs related to our own brands exceeded 1,200, with the transaction amounts achieving an explosive year-on-year growth of over 280%. By exploring the potential of exclusive strategic partnerships in-depth and iterating products of our own brands, the Company has built a solid foundation for sustainable profitability, and our Self-operation Business has embarked on a new chapter of value leap.

### **Driving Innovation with Digital Technology, Building a Virtuous Cycle of Business and Social Value**

In 2025, we deeply integrated AI technology into all scenarios of our business services, achieving a value symbiosis between technology and business. In the platform ecosystem, we have built a dynamic supply-demand balance mechanism by iterating sales forecasting models and intelligent product sourcing algorithms, which has strengthened the supply chain resilience of best-selling products. Precise replenishment and product recommendations based on user profiles have significantly optimised the procurement efficiency and experience of downstream buyers. On the Self-operation Business side, we have optimised operational processes with AI by launching intelligent services such as AI Operations Expert, AI Procurement, AI Smart Customer Service and AI Staff Training, thus achieving a full-chain digitalised closed loop across inventory turnover, procurement decisions and cost control, exploring structural cost reduction and efficiency improvement opportunities in the extremely

refined management. On the SaaS service side, we have deeply embedded AI capabilities into the Cloud Consultation SaaS (光譜雲診SaaS) system, enabling functions such as AI-assisted prescription review and AI-assisted diagnosis, promoting the widespread accessibility of high-quality medical resources and constructing new infrastructure for the smart primary healthcare through technology. AI has become a core productive force driving the efficient operation, precise services and sustainable growth of the Company. Furthermore, during the Reporting Period, we formed a strategic partnership with the robotic company Shenzhen Dobot Corp Ltd to jointly explore the application of pharmaceutical cobots in intelligent warehousing and distribution, laying a foundation for the intelligent upgrade of supply chain.

As always, we regard ESG as the cornerstone of corporate sustainable development, deeply anchoring on core issues such as industry standards, green and low-carbon practices and primary healthcare accessibility, reshaping the industry ecosystem through responsible business practices. In terms of external ecosystem building, we made contribution to the construction of a comprehensive digital regulatory ecosystem, empowering the industry's compliance process with digital benchmarks. Meanwhile, we devoted resources to developing primary healthcare capabilities and cultivating pharmaceutical talents, working with all parties to jointly build a defence line for primary healthcare. In terms of internal operations management, with green operations as our engine, we have established a full-chain low-carbon closed loop by reshaping the pharmaceutical supply chain, promoting green and lightweight packaging and optimising logistics routes, actively responding to the national "dual-carbon" strategy. Owing to our solid ESG practices and outstanding social responsibility contributions, we received several authoritative recognitions in 2025, including "Outstanding Enterprise in ESG Sustainable Development (ESG可持續發展卓越企業)" and the "2025 Product Responsibility Award (2025年產品責任獎)".

In 2025, YSB consolidated its foundation and extended new growth boundaries amidst a complex environment. We continued to strengthen the dual-drive foundation of Online Marketplace and Self-operation Businesses and deepened supply chain collaboration. Even more, through forward-looking deployments in scenarios such as on-demand pharmaceutical retail, we began to broaden growth boundaries and penetrated further to reach wider and more diverse grassroots pharmaceutical terminals, achieving a strategic upgrade from an industry enabler to a new ecosystem builder. Looking ahead to 2026, YSB will remain committed to its core position in outside-of-hospital pharmaceutical and healthcare area, striving to build a more intelligent pharmaceutical supply chain management, a more precise health service assistant and a more open industry interconnection platform. Leveraging our advancing digital technology and ecosystem connectivity capabilities, we aim to provide every industry partner with more powerful digital tools and enable every downstream user to enjoy more accessible and higher-quality healthcare services.

**Buzhen Zhang**

*Chairman and Chief Executive Officer*

23 March 2026

## BUSINESS OUTLOOK AND REVIEW

As 2025 marked a crucial juncture in the in-depth implementation of the “Healthy China 2030 (健康中國2030)” strategy, the outside-of-hospital pharmaceutical and healthcare industry in China also witnessed structural opportunities of demand upgrade and growing grassroots needs. Against this backdrop, YSB firmly adhered to the driving strategy of “diversified ecosystem + digital infrastructure”, systematically improving its product category supply matrix and service fulfillment system, and deeply empowering upstream and downstream users to upgrade their digital operational capabilities. Despite market uncertainties, we have driven resilient growth in our core business through extreme efficiency and precise reach of the supply chain, further consolidating the platform competitiveness and ecosystem value of the Company in the outside-of-hospital pharmaceutical sector.

During the Reporting Period, the Company demonstrated remarkable resilience in a volatile market and achieved steady business growth, which was attributable to our continuous understanding of user needs, the development of full-scenario service capabilities, and the deep empowerment of digital tools. During the Reporting Period, we had an average number of monthly active buyers (“MAB”) of 461,000, representing a year-on-year increase of 6.5%. The average number of monthly paying buyers (“MPB”) reached 435,000, representing a year-on-year increase of 8.4%. As user loyalty has significantly increased, our paying ratio, i.e. the proportion of average number of MPB to average number of MAB, remained high at 94%, and the average number of orders per paying buyer per month was around 29.6.

### Online Marketplace

As a leading digital service platform for the outside-of-hospital pharmaceutical industry in China, we continued to strengthen the construction of our digital capabilities, optimise user experience, and solidify the platform’s service offerings, achieving synergistic improvement in customer loyalty and market competitiveness.

During the Reporting Period, we comprehensively improved the diversity of products on our platform to cover a wider range of customer needs and scenarios. Through big data analysis and users’ needs insight, our platform meticulously curated product selections, optimised and expanded categories to ensure that listed products are aligned with market demands. During the Reporting Period, the average monthly SKUs on the platform continued to increase to approximately 4,200,000. In response to the consumption upgrading trend of Traditional Chinese Medicine (“TCM”) decoction pieces, our platform has built a comprehensive digital ecosystem spanning the entire process from field breeding to downstream buyers delivery by optimising and promoting Jinfang standards, strengthening user education and coverage, and utilising digital technology innovation. Meanwhile, the Online Marketplace rigorously adheres to stringent quality control standards for TCM decoction pieces, advancing the industry transformation from “experience-based” to “data-driven”. YSB expanded its footprint in the production regions for medicinal materials to ensure quality control of raw materials from source. Simultaneously, leveraging 365 established Jinfang varieties and 898 standards, we encouraged those TCM decoction pieces upstream sellers on YSB’s platform to extend their industrial chains to TCM production regions, optimising the industrial chain traceability system and enhancing the quality control during the entire process of TCM production. During the Reporting Period, we sold approximately 40,000 tons of TCM decoction pieces to downstream buyers, representing a year-on-year increase of approximately 32.8%.

During the Reporting Period, our platform accumulated a group of upstream sellers with both high-quality supply capabilities and strong compliance awareness. Leveraging the big data-driven and category-focused strategy, we accurately identified the long-term core needs of downstream buyers, empowering upstream sellers to achieve precise supply and efficient turnover through supply chain collaboration and in-depth inventory management support. Simultaneously, the platform provided downstream terminals with plenty of big data insights, enabling them to make scientific predictions and optimise procurement strategies. This comprehensive response mechanism not only reshaped the flexibility and responsiveness of the supply chain, but also strengthened user loyalty with in-depth services. During the Reporting Period, the steady growth in the average number of both MAB and MPB is sound evidence of the platform's value as a "connector" and "amplifier" in the supply-demand relationship.

We charge upstream sellers a commission, which is based on a certain percentage of their sales on our Online Marketplace. During the Reporting Period, the average Online Marketplace commission rate we charged, which equals the commissions we receive from third-party sellers divided by the corresponding transaction amounts, was 3.3%. In return, our Online Marketplace provides subsidies in the form of coupon to our downstream buyers. Without compromising platform retention and user engagement, our Online Marketplace subsidy ratio, which equals the amount of subsidies provided to buyers and used on Online Marketplace divided by the transaction amounts from Online Marketplace, was 0.5% for 2025, representing a decrease of approximately 0.1 percentage points compared to 2024.

### **General Self-operation Business**

During the Reporting Period, we focused on comprehensive advancement in the four core dimensions of "wide selection, fast delivery, superior quality, and cost efficiency", continuously enhancing the operating capabilities of our Self-operation Business and user experience and achieving steady development in this segment.

In the dimension of "wide selection", we leveraged our supply chain integration capabilities to continuously accelerate the comprehensive coverage of our Self-operation Business across all product categories. Based on the big data of transactions on the platform and downstream demand insights, we have established a decision-making mechanism for digital procurement encompassing "demand forecasting – intelligent product selection – quality control", focusing on the introduction of SKUs with high procurement frequency and high-quality standards. Simultaneously, we expanded health consumer categories such as medical devices and tonics on a systematic basis to meet the diversified procurement needs of downstream buyers. As of 31 December 2025, the suppliers of Self-operation Business exceeded 12,000, the average monthly SKUs reached 430,000, and the variety of products and the quality of supply have improved simultaneously.

In terms of "fast delivery", by focusing on improving the efficiency of the intelligent supply chain, we continuously optimised the comprehensive smart supply chain system of "procurement – warehousing – distribution" to achieve efficient fulfillment of pharmaceutical and healthcare products. During the Reporting Period, the on-time delivery rate further improved to 96.70% in 2025. Against the backdrop of continuous business expansion, we fulfilled the promised delivery time to downstream buyers with higher standards, effectively improving the end procurement experience and driving the improvement of customer loyalty.

For “superior quality”, we upheld our bottom line on quality, establishing a solid foundation of quality through rigorous selection standards and a full-process traceability mechanism to ensure the safety and reliability of each product we delivered. We have established a comprehensive quality control system covering procurement, inspection and acceptance, warehousing, distribution and after-sales service, implementing strict supplier admission and product review mechanisms. Relying on a digital system, we ensured the traceability of the source and destination of pharmaceutical products, and the accountability, thus guaranteeing the safety and reliability of pharmaceutical and health products at source.

In the dimension of “cost efficiency”, we persisted in refined operations and full-chain cost control, unlocking higher value through optimisation for extreme efficiency. We insisted on furthering supply chain transformation under the model of “direct procurement at source + direct supply from manufacturers”, directly converting price advantages into procurement discount for downstream buyers by shortening intermediate links. During the Reporting Period, we formed strategic partnerships with premium brands such as Yiling Pharmaceutical, Guangzhou Baiyunshan Zhongyi Pharmaceutical (廣州白雲山中一藥業), and Guangzhou Baiyunshan Qixing Pharmaceutical (廣州白雲山奇星藥業), establishing a stable and cost-effective supply system. In addition, through a variety of discount policies such as free shipping for single items, subsidies on promoted brands and member-exclusive prices, we have effectively reduced the procurement costs for downstream buyers, enabling them to truly enjoy more convenient procurement, better cost control and easier operation.

### **Targeted Product Launch Business**

Leveraging the industry experience and market insights accumulated in Online Marketplace and General Self-operation Business, our Targeted Product Launch Business accurately identifies high-potential products. Through a “dual-drive approach by deep collaboration with pharmaceutical companies and proprietary brands”, it turned potential market opportunities into tangible sales performance. This creates value for our partners while providing downstream buyers with higher quality and more diverse pharmaceutical and health product options, continuously driving the Company’s business growth and profitability. During the Reporting Period, the transaction amounts of our Targeted Product Launch Business amounted to RMB2,445 million, representing a year-on-year increase of 111.2%.

During the Reporting Period, we focused the strategic layout of our Targeted Product Launch Business on expanding the coverage of products under our own brands in downstream pharmacies and primary healthcare institutions, driving the deep penetration of our brand influence. In terms of the expansion of our own brands, by upholding quality and safety and based on the actual needs of downstream pharmacies and primary healthcare institutions, we are committed to continuously identifying products with the potential to become channel bestsellers and comprehensively enhancing the product coverage of our own brands and use these measures as the key to differentiating ourselves from competition and enhancing profitability.

As of the end of the period, we have successfully established a portfolio of own brands including Leyaoshi (樂藥師), Yuandian (元典), Huitai (回泰), Antaibang (安泰邦), Futai (輔太), Bowei (博為), Peitong (培彤), Shizhenling (時珍令) and Xinglintai (杏林泰). These brands span multiple high-potential categories such as Chinese patent medicines, gynecological medications, medical devices and consumables, and wellness Chinese herbs, with more than 1,200 SKUs. They extensively reach the full spectrum of customer types, including monomer pharmacies, chain pharmacies, and primary healthcare institutions. What's more important, owing to their significantly higher gross margin compared to the General Self-operation Business, own brands have effectively contributed to an increase in the overall gross margin of our Self-operation Business. They have become a core engine for the Company's profit growth and a key element in the differentiation competition. During the Reporting Period, the transaction amounts of our own brands reached RMB1,937 million, representing a year-on-year increase of approximately 282.8%.

During the Reporting Period, YSB efficiently advanced the integration of its acquisition of Yikuai Pharmaceutical. The reuse of resources and channel synergies have been translated into tangible operational results. In 2025, both the year-on-year growth rate of revenue and its net profit of core business of Yikuai Pharmaceutical met the annual performance targets set at the time of acquisition, demonstrating robust growth potential. This is also an adequate proof of the significant synergistic value of the strategic acquisition in terms of expanding market share, optimising supply chain costs, and enhancing service capabilities.

## **Other Businesses**

### ***ClouMinihouse (光譜小屋)***

During the Reporting Period, the Company seized opportunities in digital healthcare by continuously refining the comprehensive solutions for “ClouMinihouse (光譜小屋)” primary smart healthcare system. Through “FutureClou (未來光譜)” series products, the point-of-care testing and monitoring devices, “Cloud Consultation SaaS (光譜雲診SaaS)”, a digital primary healthcare institution management system, and “ClouWiseDoctor (光譜智醫)”, a smart AI doctors-aid system, the Company comprehensively empowered primary healthcare institutions.

Leveraging our platform's vast user base and extensive market data, we have accurately identified potential demands within critical scenarios in primary healthcare, such as disease prevention, acute disease treatment, chronic disease rehabilitation, as well as epidemic monitoring. We strategically launched three “FutureClou” series point-of-care testing devices: Clou Immuno Cube (光譜免疫小方盒), Clou Chronic Disease Analyzer (光譜慢病檢測儀), and Clou Micro Hematology Analyzer (光譜微型血球儀). With core advantages of “immediate testing, multi-parameter coverage, compact and portability, and ease of operation”, these product series deeply empower primary healthcare institutions. From chronic disease monitoring to acute infection diagnosis, from respiratory pathogen detection to epidemic warning, these devices effectively enhance diagnostic efficiency and service accessibility for primary healthcare institutions, facilitating physicians for precise prescribed medication use. As of 31 December 2025, these devices covered more than 22,000 end users with sales exceeding 33,000 units.

We also continued to upgrade the “Cloud Consultation” SaaS service for primary healthcare institutions. In 2025, we deeply integrated AI technology to introduce auxiliary consultation, intelligent prescription review, and voice-enabled medical record functions, reduce workload and enhance efficiency for primary care doctors through technology while comprehensively improving diagnostic accuracy and prescription safety. As of 31 December 2025, the number of paying users of “Cloud Consultation” exceeded 2,800. During the Reporting Period, we continued to advance the integration with medical insurance and health administration platforms. As of 31 December 2025, medical insurance functions covered over 100 cities. In addition, for downstream customers such as chain primary healthcare institutions with deep operational needs, we further launched the Professional Edition of Cloud Consultation, focusing on refined marketing and intelligent management for primary healthcare institutions, empowering users to achieve the transition from informatisation to intelligentisation.

### *Other SaaS solutions*

During the Reporting Period, we remained focused on the core objective of enhancing operational efficiency of the upstream and downstream participants in the outside-of-hospital pharmaceutical industry chain. Leveraging digital empowerment and innovative services, we continued to strengthen the synergy effect of the outside-of-hospital pharmaceutical ecosystem.

We continuously upgraded the “CloudComm (雲商通)” SaaS service for upstream sellers to digitally upgrade their inventory management, order processing, market analysis, etc., significantly improving operational efficiency and market responsiveness. Leveraging accurate data insights and the support of smart supply chain, we helped our upstream partners reduce their operating costs and expand market coverage. As of 31 December 2025, we provided the service to over 9,600 sellers, with approximately 1,200 new sellers during the Reporting Period.

We continuously refined our “ePalm (掌店易)” SaaS service for downstream buyers, providing pharmacies and primary healthcare institutions with one-stop purchasing, inventory management, sales analysis and other tools to facilitate their efficient operations and accurate decision-making. As of 31 December 2025, “ePalm” provided the service to over 73,000 buyers, with more than 13,000 new buyers during the Reporting Period. Meanwhile, we assisted buyers from 243 cities in connecting with medical insurance departments. In addition, the “PHDS Pharmacy Health Diagnosis System (PHDS藥房健康診斷系統)”, which was specially designed for chain pharmacies, leverages data and algorithms to accurately target and identify issues through efficient multi-dimensional analysis and gives optimisation suggestions based on analysis reports, effectively improving the operational efficiency and effectiveness of chain pharmacies. As of the end of 2025, the system served approximately 850 chain headquarters users.

## **YSB eLearn**

During the Reporting Period, we continued to further the development of the professional pharmacist service ecosystem. We strengthened the professional knowledge reserves and practical skills of pharmacists through a systematic curriculum system, effectively enhancing the professional service capabilities of end users. As of 31 December 2025, we provided online trainings to approximately 327,000 pharmacists and prospective pharmacists.

## **Supply Chain Management**

Our self-developed smart supply chain management system is an integral key player in the continuous expansion of business scale. Relying on advanced algorithm technology and the profound insights accumulated from extensive transacting on our Self-operation Business and Online Marketplace, we have successfully realised the in-depth integration and comprehensive consolidation of the front and back ends of the supply chain, which covers the whole process of procurement, warehousing and payment, driving the intelligent upgrading and substantial enhancement of the efficiency throughout the supply chain system. During the Reporting Period, order processing and dispatch were completed in approximately 4 hours on average, well ahead of the industry average. During the Reporting Period, by leveraging the refined operations of smart supply chain management, we maintained payable turnover days at around 69.6 days, inventory turnover days at around 32.6 days and receivable turnover days at only around 1.9 days. Accordingly, our cash conversion cycle was around -35.0 days, and the operating cash flow remained net inflow. This quick turnover business model not only significantly improves our cash management efficiency, but also brings considerable idle cash to the platform, which greatly improves our liquidity and provides a solid guarantee for us to safely and quickly scale up our business. Meanwhile, the availability of idle cash also brings us extra revenue streams in addition to higher gross profit, further improving the overall profitability and driving the sustainable development of our business.

In terms of payment, we use advanced digital technology for efficient integration of business, logistics, information flow, and capital, forming a full-chain supply chain financial ecosystem linking up upstream and downstream enterprises. With the use of platform transaction data, we partnered with third-party financial institutions to tailor financing products for downstream buyers, ensuring that credit facilities are restricted to purchases within our platform, enhancing capital utilisation efficiency and achieving value co-creation in the supply chain. During the Reporting Period, the number of downstream active users for order financing products was over 12,000; the cumulative lending amount was approximately RMB9,110 million, representing a year-on-year increase of 10.1%, of which the cumulative lending amount of order financing products from downstream chain pharmacy buyers was approximately RMB7,283 million, representing a year-on-year increase of 15.3%. The supply chain financial business significantly relieved the pressure on capital turnover of downstream buyers by optimising their capital flow management, while boosting the willingness of chain pharmacies in purchasing on our platform. During the Reporting Period, the average number of MPB from chain headquarters users was over 5,000, representing approximately 75.0% of the total number of chain headquarters users nationwide.

## **Business Development**

Leveraging our profound accumulation in the outside-of-hospital pharmaceutical sector, we have established our core capabilities in precise market insights, efficient resource deployment, and excellent customer service. Based on such core capabilities, we have tailored our business expansion strategies in line with our own development and market needs. We have been closely monitoring the immense potential and opportunities in the market, while keeping track on regulatory policy changes to continuously optimise our strategic layout, in order to comply with the dual guidance of policy and market. This strategy drove a dual leap in organisational efficiency and market coverage. As of 31 December 2025, we had approximately 2,700 business development team members (excluding the team from Yikuai Pharmaceutical). Through refining the expansion strategies, the staff efficiency of our business development team further improved as compared to the previous year. Each member can manage approximately 200 pharmacies on average. Our efficient offline promotion capabilities enabled us to reach 376,000 primary healthcare institution users, with approximately 50,000 new users during the year. Moreover, our registered buyers covered 98.9% of counties and 91.5% of towns in China.

## **Public Welfare and Social Responsibility**

We have always incorporated the concept of sustainable development into our corporate DNA, and been active in fulfilling corporate social responsibility and committed to creating long-term value for society. During the Reporting Period, we continued to devote efforts across multiple areas including community and primary healthcare welfare, as well as public welfare donations, giving back to society with concrete actions.

In terms of community and primary healthcare welfare, we donated “Leyaoshi Compound Cold and Flu Granules (樂藥師複方感冒靈)”, “Leyaoshi Huoxiang Zhengqi Kou Fu Ye (樂藥師藿香正氣口服液)”, and heatstroke prevention supplies to various sub-districts in Guangzhou and frontline social workers, safeguarding the health of city guardians and community residents.

In terms of public welfare donations, we donated funds to support rural revitalisation initiatives, continuously exploring diverse assistance methods. We actively participated in public welfare programmes for agricultural support through charitable purchasing, contributing concrete efforts to rural revitalisation. Meanwhile, we actively responded to the public welfare project “Gather the power of love and carry on the spirit of Lei Feng” jointly launched by the China Medical Supplies Association and the Lei Feng Foundation, and actively donated funds to support charitable cause, interpreting the spirit of Lei Feng in the new era through practical actions. Furthermore, we make quarterly donations to the Green & Shine Foundation as a support for the improvement of rural education environments. In terms of disaster relief, we donated medical supplies including disinfectants and heatstroke prevention medicines to flood-affected areas such as Sangzhi, Huaiji, and Rongjiang, helping disaster-stricken communities overcome difficulties.

## Outlook

As a leader in the digital ecosystem of the outside-of-hospital pharmaceutical industry, we will navigate amidst the waves of digital transformation of outside-of-hospital pharmaceutical by virtue of our profound industry accumulation as well as our cutting-edge technological capability. We will further deepen the full-chain collaboration to comprehensively empower industry chain partners in efficiency improvement and revenue growth. We will drive industrial upgrade with digital and intelligent engines to make quality pharmaceutical resources accessible to all.

In terms of Online Marketplace, we will pursue the core strategy of “Empowering Partners, Leading Standards”, dedicating ourselves to becoming the digital growth engine and supply chain hub for upstream sellers. On one hand, we will further refine our comprehensive digital operation system, empowering upstream sellers to enhance operational efficiency and achieve healthy growth through accurate market trend analysis, intelligent inventory management system, and customised marketing strategies. On the other hand, we will continue to further develop a high-quality supply chain, optimise our product matrix, expand category boundaries, and integrate quality pharmaceutical resources and healthcare services to achieve precise reach and instant fulfilment of user needs.

In terms of General Self-operation Business, we will fully unlock the core potential of our smart supply chain management system, continue to iterate our warehousing network and logistics distribution system to build a “digital infrastructure” for efficient fulfilment. On the upstream procurement side, we will deepen strategic collaboration with leading pharmaceutical companies for not only enriching our product matrix but also enhancing supply chain resilience and partnership value through direct procurement at source and value co-creation. On the downstream service side, we will leverage data intelligence to precisely match terminal demand, keep on optimising the procurement, fulfilment experience, and after-sales support, in a bid to establish our General Self-operation Business as the “first-choice, trusted” pharmaceutical and healthcare supply chain partner for downstream buyers.

In terms of the Targeted Product Launch Business, we will firmly deepen the “Go Upstream (向上走)” strategy, anchored by “supply chain value co-creation” and “own-brand ecosystem development”. In terms of category coverage, we will build a full-scenario product matrix covering common diseases, chronic disease management, and health wellness, forming a complete closed loop from basic treatment to health prevention. In brand building, we will deeply capture user mindshare through differentiated positioning and refined operations, establishing a brand perception of “superior quality at competitive prices”. At the market penetration level, leveraging our digital full-chain collaboration capabilities, we will precisely reach and deeply cultivate grassroots pharmaceutical terminals, continuously tapping into incremental markets with high conversion efficiency, and steadily increasing the market share of our own brands in grassroots healthcare.

In terms of technology innovation, we will continue to deepen the full-scenario application of AI technology in the outside-of-hospital pharmaceutical and healthcare industry, driving platform value towards intelligent and collaborative development in depth. By iterating our digital and intelligent dynamic supply chain system, we will inject technological momentum into cost reduction and efficiency enhancement across the entire supply chain. In terms of business innovation, we will continue to focus on exploring optimal fulfilment models for business models such as on-demand pharmaceutical retail, achieving the ultimate balance between cost and efficiency through refined operations, and building an intelligent fulfilment network available anytime, anywhere.

Looking further ahead, we will adhere to the investment strategy of “strategic prudence + proactive advancement”, breaking business boundaries and activating new growth momentum through industrial chain investments and merger and acquisition planning, while maintaining healthy financial conditions. Ultimately, we aim to build a new pharmaceutical and healthcare industry ecosystem with comprehensive synergy and self-evolving ability.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **Revenue**

For the year ended 31 December 2025, the Group recorded a revenue of RMB20,969.7 million, representing an increase of 17.1% as compared with RMB17,903.6 million for the year ended 31 December 2024. The increase in revenue was mainly attributable to (i) the continued development of the Self-operation Business during the Reporting Period; and (ii) our acquisition has injected new impetus into the Group’s revenue growth.

The Group’s revenue from the Self-operation Business increased from RMB16,972.9 million for the year ended 31 December 2024 to RMB20,065.6 million for the year ended 31 December 2025, primarily attributable to (i) enlarged buyer base and the continuous optimization of buyers’ experience such as logistics and customer services; (ii) the number of MPB of our Self-operation Business recorded a continuous and stable increase as compared with the same period of last year; and (iii) our acquisition has injected new impetus into the Group’s revenue growth.

The Group’s revenue from the Online Marketplace decreased slightly from RMB881.1 million for the year ended 31 December 2024 to RMB866.0 million for the year ended 31 December 2025, primarily attributable to the downturn in the pharmaceutical retail market has exerted a relatively significant impact on the industry, with third-party sellers being affected accordingly. During the Reporting Period, the commission rate applied to third-party sellers remained stable.

The Group’s revenue from the other businesses decreased by 23.3% from RMB49.6 million for the year ended 31 December 2024 to RMB38.1 million for the year ended 31 December 2025, mainly attributable to the adjustment of the operation/service model of ClouDiagnos.

## **Cost of sales**

The Group's cost of sales increased by 16.0% from RMB16,090.2 million for the year ended 31 December 2024 to RMB18,662.7 million for the year ended 31 December 2025, primarily due to the increase in sales of our Self-operation Business.

The cost of sales of the Group's Self-operation Business increased by 16.3% from RMB15,929.1 million for the year ended 31 December 2024 to RMB18,519.4 million for the year ended 31 December 2025. The increase in cost of sales for the year ended 31 December 2025 was primarily due to the growth of purchase demand from buyers, as a result of which we increased the procurement of pharmaceutical products accordingly.

The cost of sales of the Group's Online Marketplace slightly decreased by 2.3% from RMB146.0 million for the year ended 31 December 2024 to RMB142.7 million for the year ended 31 December 2025, mainly due to a lower average overall transaction processing fee rate.

The cost of sales of the Group's other businesses decreased significantly by 96.0% from RMB15.1 million for the year ended 31 December 2024 to RMB0.6 million for the year ended 31 December 2025, mainly due to the decrease in costs in relation to ClouDiagnos.

## **Gross profit and gross profit margin**

As a result of the foregoing, the Group's gross profit increased significantly by 27.2% from RMB1,813.5 million for the year ended 31 December 2024 to RMB2,307.0 million for the year ended 31 December 2025. The Group's gross profit margin increased from 10.1% for the year ended 31 December 2024 to 11.0% for the year ended 31 December 2025, mainly due to the downstream demand for the Group's own-branded products has remained strong, and the scale of this high-gross-margin business has continued to expand, thereby continuously improving the Group's gross profit margin.

The gross profit margin for the Group's Self-operation Business recorded an increase from 6.2% for the year ended 31 December 2024 to 7.7% for the year ended 31 December 2025, primarily due to the implementation of the "Go Upstream" strategy by gradually increasing the percentages of our own brand in our product pipeline, which has much higher gross profit margin than other products.

The gross profit margin for the Group's Online Marketplace increased slightly from 83.4% for the year ended 31 December 2024 to 83.5% for the year ended 31 December 2025.

The gross profit margin for the Group's other businesses increased significantly from 69.6% for the year ended 31 December 2024 to 98.5% for the year ended 31 December 2025, mainly due to (i) the year-on-year growth of revenue of our SaaS solution, which has a higher gross profit margin, and the corresponding increase of its proportion of revenue; and (ii) the adjustment of the operation/service model of ClouDiagnos.

## **Selling and marketing expenses**

The Group's selling and marketing expenses increased by 19.3% from RMB1,461.2 million for the year ended 31 December 2024 to RMB1,743.3 million for the year ended 31 December 2025, mainly due to (i) our acquisition of Yikuai Pharmaceutical, which has led to an increase in overall expenses; and (ii) we continued to expand our business operations. Fulfillment expenses increased by 12.8% from RMB312.3 million for the year ended 31 December 2024 to RMB352.3 million for the year ended 31 December 2025, among which logistics expenses increased from RMB232.7 million for the year ended 31 December 2024 to RMB269.6 million for the year ended 31 December 2025. Although the Group's selling and marketing expenses had increased during the Reporting Period, due to the corresponding growth in the Group's overall revenue, the selling and marketing expenses as a percentage of the Group's revenue remained largely stable.

## **General and administrative expenses**

The Group's administrative expenses increased by 14.3% from RMB354.0 million for the year ended 31 December 2024 to RMB404.5 million for the year ended 31 December 2025, mainly due to our acquisition of Yikuai Pharmaceutical, which has led to an increase in overall expenses. Although general and administrative expenses had increased during the Reporting Period, the ratio to the Group's revenue decreased slightly.

## **Research and development expenses**

The Group's research and development expenses increased by 1.6% from RMB94.2 million for the year ended 31 December 2024 to RMB95.7 million for the year ended 31 December 2025, primarily attributable to an increase in salaries and welfare benefits expenses resulting from the acquisition of Yikuai Pharmaceutical.

## **Other income**

The Group's other income decreased from RMB91.2 million for the year ended 31 December 2024 to RMB73.3 million for the year ended 31 December 2025. The decrease was primarily attributable to (i) a decrease in both interest income from bank deposits and investment income from financial assets at fair value through profit or loss as a result of the decline in interest rates; and (ii) a decrease in government grants.

## **Other gains and losses**

The Group recorded net other gains of RMB18.5 million for the year ended 31 December 2025 as compared to net other gains of RMB30.2 million for the year ended 31 December 2024. The difference was primarily due to (i) the fair value change of contingent consideration payables; and (ii) the impact of exchange rate fluctuations.

## **Finance costs**

Finance costs increased by 5.3% from RMB11.3 million for the year ended 31 December 2024 to RMB11.9 million for the year ended 31 December 2025 due to the increase in interest expense on discounted note receivables.

## **Profit for the year**

As a result of the foregoing, the Group's profit for the year increased significantly from RMB15.1 million for the year ended 31 December 2024 to RMB146.0 million for the year ended 31 December 2025.

## **Non-IFRS Measure**

In evaluating our business, we consider and use (i) Adjusted Net Profit; and (ii) Adjusted Net Profit margin as supplemental measures to review and assess our operating performance. The presentation of these non-IFRS financial measures is not intended to be considered in isolation or as substitutes for the financial information prepared and presented in accordance with IFRS. We define Adjusted Net Profit as profit for the year adding back (i) equity-settled share-based payment expenses; and (ii) acquisition-related expenses in relation to the acquisition of Yikuai Pharmaceutical. We define Adjusted Net Profit margin as Adjusted Net Profit divided by revenue. We present these non-IFRS financial measures because they are used by our management to evaluate our operating performance and formulate business plans. Accordingly, we believe that the use of these non-IFRS financial measures provide useful information to investors and others in understanding and evaluating our operating results in the same manner as our management and Board. These non-IFRS financial measures are not defined under IFRS and are not presented in accordance with IFRS. These non-IFRS financial measures have limitations as an analytical tool. Further, these non-IFRS measures may differ from the non-IFRS information used by other companies, including peer companies, and therefore its comparability may be limited. These non-IFRS financial measures should not be considered in isolation or construed as alternatives to profit/loss or any other measure of performance. Investors are encouraged to review our historical non-IFRS financial measures in light of the most directly comparable IFRS measures, as shown below. The non-IFRS financial measures presented here may not be comparable to similarly titled measures presented by other companies. Other companies may calculate similarly titled measures differently, limiting the usefulness of such measures when analysing our data comparatively. We encourage you to review our financial information in its entirety and not rely on a single financial measure.

The Adjusted Net Profit, which is unaudited, represents profit for the year adding back (i) equity-settled share-based payment expenses; and (ii) acquisition-related expenses in relation to the acquisition of Yikuai Pharmaceutical. The Adjusted Net Profit of the Group increased significantly from RMB156.7 million for the year ended 31 December 2024 to RMB237.1 million for the year ended 31 December 2025, representing a year-on-year growth of 51.2%.

The following table reconciles our Adjusted Net Profit from the most directly comparable financial measure calculated and presented in accordance with IFRS (profit for the year).

	<b>Year ended 31 December</b>	
	<b>2025</b>	2024
	<i>(RMB'000)</i>	<i>(RMB'000)</i>
Profit for the year	<b>145,982</b>	15,081
Add back:		
Equity-settled shared-based payment expenses	<b>64,128</b>	137,692
Acquisition-related expenses in relation to the acquisition of Yikuai Pharmaceutical	<b>26,948</b>	3,961
Adjusted Net Profit, a non-IFRS measure	<b>237,058</b>	156,734
Adjusted Net Profit margin, a non-IFRS measure	<b>1.1%</b>	0.9%

Adjusted Net Profit is not a measure of performance under IFRS. The use of the Adjusted Net Profit has material limitations as an analytical tool, as it does not include all items that impact our profit for the relevant period.

### **Liquidity and source of funding and borrowing**

The Group financed its operating and investing activities mainly through cash generated from capital contribution from shareholders and operating activities. Our cash and cash equivalents are represented by cash and bank balances and time deposits with original maturity of three months or less.

As at 31 December 2025, the Group's cash and cash equivalents decreased by 31.8% from RMB1,041.2 million as at 31 December 2024 to RMB710.0 million. The decrease in cash and cash equivalents for the year ended 31 December 2025 was mainly due to the Group's increased placement in restricted bank deposits, time deposits, other financial assets at amortised cost and financial assets at fair value through profit or loss, which resulted in the increase of cash used in investing activities. Among these, restricted bank deposits are mainly used to issue notes payable for upstream procurement settlements and maintain adequate liquidity for business operations.

The following table sets forth our cash flows for the year indicated:

	<b>Year ended 31 December</b>	
	<b>2025</b>	<b>2024</b>
	<b>(RMB'000)</b>	<b>(RMB'000)</b>
Net cash generated from operating activities	<b>637,700</b>	655,858
Net cash used in investing activities	<b>(896,275)</b>	(253,579)
Net cash used in financing activities	<b>(70,967)</b>	(109,805)
Net (decrease)/increase in cash and cash equivalents	<b>(329,542)</b>	292,474
Cash and cash equivalents at the beginning of the year	<b>1,041,228</b>	745,693
Effect of foreign exchange rate changes	<b>(1,727)</b>	3,061
Cash and cash equivalents at the end of the year	<b>709,959</b>	1,041,228

The Group adopts a prudent financial management approach for its cash management policy to ensure that the Group's liquidity structure, comprising assets, liabilities and other commitments, is able to always meet its capital requirements. Going forward, we believe our liquidity requirements will be satisfied by using funds from a combination of cash generated from operating activities, external borrowings, net proceeds from the Global Offering and other funds raised from the capital markets from time to time.

#### **Net cash generated from operating activities**

For the year ended 31 December 2025, net cash generated from operating activities was RMB637.7 million, mainly attributable to our profit before tax of RMB137.0 million for the year, as adjusted by (i) non-cash and non-operating items, which primarily comprised equity-settled share-based payment expenses of RMB64.1 million; and (ii) changes in working capital, which were mainly due to the increase of RMB929.8 million in trade and other payables, but offset by increase in trade and other receivables of RMB167.1 million and the increase in inventories of RMB414.0 million.

#### **Net cash used in investing activities**

For the year ended 31 December 2025, net cash used in investing activities was RMB896.3 million. It was mainly due to (i) the net outflow of RMB502.0 million from the placement of restricted bank deposits; (ii) the net outflow of RMB231.9 million from the placement of the time deposits; and (iii) the purchase of other financial assets at amortised cost of RMB150.0 million.

#### **Net cash used in financing activities**

For the year ended 31 December 2025, net cash used in financing activities was RMB71.0 million, which was mainly attributable to (i) share repurchase; and (ii) dividends paid.

## **Significant Investments**

The Group did not make or hold any significant investments (including any investment in an investee company with a value of 5% or more of the Group's total assets as at 31 December 2025) for the year ended 31 December 2025.

## **Material acquisitions and disposals**

For the year ended 31 December 2025, the Group did not have any material acquisitions or disposals of subsidiaries, consolidated affiliated entities or associated companies.

## **Pledge of assets**

As at 31 December 2025, the Group's interest-bearing deposits of RMB2,225.1 million (2024: RMB1,490.2 million) were used as pledge for the issuance of bank acceptance notes.

## **Future plans for material investments and capital assets**

The Group did not have detailed future plans for material investments or capital assets as at 31 December 2025.

## **Gearing ratio**

The Group's gearing ratio is calculated as total interest-bearing borrowings divided by total equity. As of 31 December 2025, as the Group had bank borrowings arising from discounted notes, its gearing ratio was 6.4% (as of 31 December 2024: 0.9%).

## **Significant events after the Reporting Period**

Save as disclosed in this announcement and/or other announcements of the Company, there are no other significant events that might affect the Group since the end of the Reporting Period and up to the date of this announcement.

## Employees and Remuneration

As at 31 December 2025, the Group had 6,950 employees. The following table sets forth the total number of employees by function as at 31 December 2025:

<b>Function</b>	<b>Number of employees</b>
General and Administrative	1,018
Selling and Marketing	3,299
Operations	2,292
Research and Development	341
<b>Total</b>	<b>6,950</b>

The Group believes in the importance of attraction, recruitment and retention of quality employees in achieving the Group's success. Employees' remuneration is determined in accordance with prevailing industry practice and employees' educational backgrounds, experience and performance. The remuneration policy and package of the Group's employees are periodically reviewed.

The remuneration of the employees of the Group comprises competitive salaries, performance-based sales commissions, performance-based cash bonuses and certain other incentives. In accordance with applicable PRC regulations, the Group has made contributions to housing fund and various employee social security plans that are organised by applicable local municipal and provincial governments, including housing, pension, medical, maternity, work-related injury and unemployment benefit plans, at specified percentages of the salaries of our employees. Bonuses and sales commissions are generally discretionary and based in part on employee performance and in part on the overall performance of our business.

The Company also has adopted two share incentive plans, the 2019 Share Incentive Plan and the 2023 Share Incentive Plan to provide incentives for the Group's employees. Please refer to the section headed "Statutory and General Information — Share Incentive Plans" in Appendix IV to the Prospectus for further details of the share incentive plans.

The total remuneration cost incurred by the Group for the year ended 31 December 2025 was RMB1,321.4 million, as compared to RMB1,120.4 million for the year ended 31 December 2024.

For the year ended 31 December 2025, the Group did not experience any significant labour disputes or any difficulty in recruiting employees.

## **Foreign exchange exposure**

For the year ended 31 December 2025, the Group mainly operated in China and the majority of the transactions were settled in RMB, the Company's primary consolidated affiliated entities' functional currency. We are exposed to foreign exchange risk arising mainly from bank balances and financial assets at fair value through profit or loss denominated in foreign currency of certain entities of the Group. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group will monitor its foreign currency exposure and foreign exchange risk management strategies closely and will consider hedging significant foreign currency exposure should the need arises to minimise its foreign exchange risk.

## **Contingent liabilities**

The Group had no material contingent liabilities as at 31 December 2025 (2024: Nil).

## **CORPORATE GOVERNANCE**

The Board is committed to achieving high corporate governance standards. The Board believes that high corporate governance standards are essential in providing a framework for the Group to safeguard the interests of shareholders and to enhance corporate value and accountability.

### **Compliance with the Corporate Governance Code**

Save as disclosed below, we have complied with the applicable code provisions set out in the Corporate Governance Code (the “CG Code”) contained in Part 2 of Appendix C1 to the Listing Rules during the Reporting Period.

Code provision C.2.1 of the CG Code recommends, but does not require the roles of chairperson and chief executive to be separate and not to be performed by the same person. Our Company deviates from this provision as Mr. Buzhen Zhang performs both the roles of chairman of our Board and the chief executive officer of our Company. Mr. Zhang is the founder of the Company and a substantial shareholder, and has extensive experience in the business operations and management of our Group. Our Board believes that vesting the roles of both chairman and chief executive officer to Mr. Zhang has the benefit of ensuring consistent leadership within our Group and enables more effective and efficient overall strategic planning. This structure will enable our Company to make and implement decisions promptly and effectively. Our Board considers that the balance of power and authority will not be impaired due to this arrangement. In addition, all major decisions are made in consultation with members of our Board, including the relevant board committees, and our three independent non-executive Directors. Our Board will reassess the division of the roles of chairman and the chief executive officer from time-to-time, and may recommend dividing the two roles between different people in the future, taking into account the circumstances of our Group as a whole.

Code provision C.3.2 of the CG Code recommends, but does not require, that the functions reserved to the board and those delegated to management should be formalised. These arrangements should also be reviewed periodically to ensure that they remain appropriate to the issuer's needs. The Company did not review periodically the arrangement regarding the functions reserved to the Board and those delegated to management. However, when a matter arises that requires decision, the Board will determine whether it should be reserved for the Board or delegate to the management to deal with.

The Company will continue to regularly review and monitor its corporate governance practices to ensure compliance with the CG Code, and maintain a high standard of corporate governance practices of the Company.

### **Compliance with the Model Code for Securities Transactions by Directors of Listed Issuers**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its own securities dealing code to regulate all dealings by Directors and relevant employees of securities in the Company and other matters covered by the Model Code.

Specific enquiry has been made of all the Directors and they have confirmed that they have complied with the Model Code during the Reporting Period. No incident of non-compliance of the Model Code by the relevant employees has been noted by the Company during the Reporting Period.

### **Audit Committee**

The Company has established the Audit Committee, in compliance with Rule 3.21 of the Listing Rules and the CG Code, comprising of three members, being Ms. Rong Shao, Mr. Sam Hanhui Sun and Mr. Hongqiang Zhao, with Mr. Hongqiang Zhao (being the Company's independent non-executive Director with the appropriate professional qualifications) as chairman of the Audit Committee, among other things, to review and supervise the financial reporting process and internal controls system of our Group, review and approve connected transactions and provide advice and comments to the Board.

The Audit Committee has reviewed the audited consolidated financial statements of the Group for the year ended 31 December 2025 and has met with the independent Auditor, Deloitte Touche Tohmatsu. The Audit Committee has also discussed matters with respect to the accounting policies and practices adopted by the Company and internal control with senior management members of the Company.

## SCOPE OF WORK OF THE COMPANY’S AUDITOR

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in the preliminary announcement have been agreed by the Group’s auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the Board of Directors on 23 March 2026. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

## OTHER INFORMATION

### 2023 Share Incentive Plan

Pursuant to the rules of the 2023 Share Incentive Plan, the Company has entered into the trust arrangement with the trust institution (the “Trustee”) for the purposes of, among others, implementing and administering the 2023 Share Incentive Plan.

During the Reporting Period, the Trustee has purchased a total of 2,310,000 ordinary shares of the Company (“Share(s)”) on the Stock Exchange.

### Purchase, sale or redemption of the Company’s listed securities

During the Reporting Period, the Company repurchased a total of 7,435,000 Shares on the Stock Exchange at an aggregate consideration of HK\$59,686,444.24. Details of the Shares repurchased are as follows:

Month of repurchase	No. of Shares aggregate repurchased	Price paid per Share		Aggregate consideration (HKD)
		Highest (HKD)	Lowest (HKD)	
May	5,175,000	8.36	6.98	39,702,308.24
June	460,000	10.34	9.55	4,595,876.00
August	100,000	10.27	10.21	1,023,110.00
October	400,000	11.21	9.72	4,260,620.00
November	1,300,000	8.20	6.95	10,104,530.00
<b>Total</b>	<b>7,435,000</b>			<b>59,686,444.24</b>

Save as disclosed above, neither the Company nor any of its subsidiaries or Consolidated Affiliated Entities purchased, sold or redeemed any of the Company's securities listed on the Stock Exchange (including sale of treasury Shares) (as defined under the Listing Rules) during the Reporting Period. Among the total number of 7,435,000 repurchased Shares, 5,635,000 repurchased Shares were cancelled on 4 July 2025 and the remaining 1,800,000 repurchased Shares will be cancelled in due course. As at 31 December 2025, the Company did not hold any treasury Shares.

### **Material litigation**

The Company was not involved in any material litigation or arbitration for the year ended 31 December 2025. The Directors are also not aware of any material litigation or claims that are pending or threatened against the Group during the Reporting Period and up to the date of this announcement.

### **Use of proceeds from Global Offering**

The Shares were listed on the Stock Exchange on 28 June 2023. The net proceeds raised from the Global Offering were approximately HK\$242.2 million, which includes the additional proceeds received following the partial exercise of the Over-allotment Option as defined in the Prospectus.

As of 31 December 2025, all of the net proceeds had been fully utilised in the manner consistent with that disclosed in the Prospectus under the section headed "Future Plans and Use of Proceeds" and the announcement of the Company dated 15 October 2024.

### **Final dividend**

The Board recommended the payment of a final dividend of RMB0.110 (equivalent to HK\$0.125, which is based on the rate of HK\$1 to RMB0.87946, being the average of central parity rates of Hong Kong dollars against RMB announced by the China Foreign Exchange Trade System under the authorisation of the People's Bank of China on 18 March, 19 March and 20 March 2026) per share for the year ended 31 December 2025. The final dividend is subject to the approval of the shareholders at the forthcoming annual general meeting of the Company (the "AGM") to be held on 21 May 2026 and the final dividend will be paid in Hong Kong dollars at HK\$0.125 per share. The final dividend will be paid on or around 24 June 2026 to the shareholders whose names appear on the register of members of the Company on 2 June 2026. It is expected that the Company will adopt a long-term stable cash dividend policy in case of sustained profitability in the future.

## **Annual General Meeting and closure of register of members**

The AGM is scheduled to be held on 21 May 2026. A notice convening the AGM will be published and dispatched to our shareholders in accordance with the requirements of the Listing Rules in due course.

The register of members of the Company will be closed for the purpose of determining the identity of members who are entitled to attend and vote at the AGM from 18 May 2026 to 21 May 2026, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the AGM, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong Branch Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration, no later than 4:30 p.m. on 15 May 2026.

The register of members of the Company will also be closed from 28 May 2026 to 2 June 2026, both days inclusive, in order to determine the entitlement of the shareholders to receive the final dividend (subject to approval by the shareholders at the AGM), during which period no share transfers will be registered. To qualify for the final dividend, all duly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong Branch Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on 27 May 2026.

## FINANCIAL INFORMATION

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	Year ended 31 December	
		2025	2024
		<i>RMB'000</i>	<i>RMB'000</i>
<b>Revenue</b>	4	<b>20,969,650</b>	17,903,608
Cost of sales		<b>(18,662,668)</b>	(16,090,157)
<b>Gross profit</b>		<b>2,306,982</b>	1,813,451
Other income	5	<b>73,265</b>	91,182
Other gains and losses	6	<b>18,534</b>	30,232
Impairment losses (recognised) reversed under expected credit loss model, net		<b>(348)</b>	265
Selling and marketing expenses		<b>(1,743,324)</b>	(1,461,240)
Research and development expenses		<b>(95,663)</b>	(94,195)
General and administrative expenses		<b>(404,514)</b>	(353,989)
Share of result of an associate		<b>(5,960)</b>	–
Finance costs	7	<b>(11,927)</b>	(11,338)
<b>Profit before tax</b>		<b>137,045</b>	14,368
Income tax credit	8	<b>8,937</b>	713
Profit for the year	9	<b>145,982</b>	15,081
Other comprehensive income for the year		<b>–</b>	–
<b>Profit and total comprehensive income for the year</b>		<b>145,982</b>	15,081
Profit (loss) and total comprehensive income (expense) for the year attributable to:			
Owners of the Company		<b>152,965</b>	30,013
Non-controlling interests		<b>(6,983)</b>	(14,932)
		<b>145,982</b>	15,081
<b>Earnings per share</b>			
Basic (RMB)	11	<b>0.224</b>	0.047
Diluted (RMB)	11	<b>0.220</b>	0.046

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2025**

		<b>As at 31 December</b>	
		<b>2025</b>	<b>2024</b>
	Notes	<i>RMB'000</i>	<i>RMB'000</i>
<b>Non-current assets</b>			
Property, plant and equipment, net		<b>48,119</b>	66,852
Right-of-use assets		<b>166,525</b>	201,970
Intangible assets		<b>483,198</b>	526,498
Interest in an associate		<b>19,040</b>	–
Financial assets at fair value through profit or loss (“FVTPL”)		<b>6,000</b>	–
Goodwill		<b>273,290</b>	273,290
Deferred tax assets		<b>4,809</b>	4,066
Time deposits		<b>408,000</b>	254,000
Other financial assets at amortised cost		<b>152,351</b>	–
		<b>1,561,332</b>	1,326,676
<b>Current assets</b>			
Inventories		<b>1,873,196</b>	1,464,548
Trade and other receivables	12	<b>736,307</b>	582,657
Financial assets at FVTPL		<b>708,160</b>	695,949
Amount due from an associate		<b>9,617</b>	–
Time deposits		<b>330,429</b>	281,574
Restricted bank deposits		<b>1,636,628</b>	1,134,621
Bank balances and cash		<b>706,874</b>	1,009,082
		<b>6,001,211</b>	5,168,431
<b>Current liabilities</b>			
Trade and other payables	13	<b>(4,647,365)</b>	(3,739,673)
Contract liabilities		<b>(25,174)</b>	(29,608)
Lease liabilities		<b>(80,106)</b>	(82,271)
Bank borrowings		<b>(151,653)</b>	(21,207)
		<b>(4,904,298)</b>	(3,872,759)
Net current assets		<b>1,096,913</b>	1,295,672
Total assets less current liabilities		<b>2,658,245</b>	2,622,348

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION – continued**  
**AS AT 31 DECEMBER 2025**

	<b>As at 31 December</b>	
	<b>2025</b>	2024
	<i><b>RMB'000</b></i>	<i>RMB'000</i>
<b>Non-current liabilities</b>		
Lease liabilities	<b>(95,694)</b>	(130,036)
Deferred tax liabilities	<b>(106,783)</b>	(114,977)
Contingent consideration payables	<b>(69,575)</b>	(108,691)
	<u><b>(272,052)</b></u>	<u>(353,704)</u>
 Net assets	 <u><b>2,386,193</b></u>	 <u>2,268,644</u>
 <b>Capital and reserves</b>		
Share capital	<b>12</b>	12
Reserves	<b>2,443,306</b>	2,319,051
	<u><b>2,443,318</b></u>	<u>2,319,063</u>
<b>Equities attributable to owners of the Company</b>	<b>2,443,318</b>	2,319,063
Non-controlling interests	<b>(57,125)</b>	(50,419)
	<u><b>2,386,193</b></u>	<u>2,268,644</u>
<b>Total equities</b>	<u><b>2,386,193</b></u>	<u>2,268,644</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

## 1. GENERAL

The Company was incorporated as an exempted company in the Cayman Islands with limited liability on 27 August 2018 under the Company laws of the Cayman Islands. Its immediate holding company is MIYT Holdings Limited, a company incorporated in the British Virgin Islands (the “**BVI**”). The shares of the Company had been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 28 June 2023 (the “**Listing**”).

The Company is an investment holding company. The Group mainly operates online platform that provide wholesale and retail of pharmaceutical and healthcare products and online marketplace service to the pharmaceutical and healthcare manufacturers. The Group’s principal operations and geographic markets are in the People’s Republic of China (the “**PRC**”).

The consolidated financial statements are presented in Renminbi (“**RMB**”), which is also the functional currency of the Company.

## 2. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the IASB. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”) and by the Hong Kong Companies Ordinance.

## 3. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS

### **Amendments to an IFRS Accounting Standard that are mandatorily effective for the current year**

In the current year, the Group has applied the following amendments to an IFRS Accounting Standard as issued by the International Accounting Standards Board (“**IASB**”) for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2025 for the preparation of the consolidated financial statements:

Amendments to IAS 21

Lack of Exchangeability

The application of the amendments to an IFRS Accounting Standard in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

## New and amendments to IFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to IFRS Accounting Standards that have been issued but are not yet effective:

Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency <sup>3</sup>
Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments <sup>2</sup>
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity <sup>2</sup>
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>1</sup>
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards- Volume 11 <sup>2</sup>
IFRS 18	Presentation and Disclosure in Financial Statements <sup>3</sup>

<sup>1</sup> Effective for annual periods beginning on or after a date to be determined.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2026.

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2027.

## 4. REVENUE AND SEGMENT INFORMATION

The Group is mainly engaged in i) wholesale of pharmaceutical and healthcare products offline or online through its online platform; ii) retail of pharmaceutical and healthcare products through its retail shops; iii) operating online platform that enable the pharmaceutical distributors and vendors to sell their own pharmaceutical and healthcare products using the Group's online platform; iv) providing SaaS solution to downstream pharmacies and primary healthcare institutions to a) streamline their inventory management, or b) improve the patient management efficiency; and v) providing system technologies and operational support services to primary healthcare institutions through a smart healthcare system integrated advanced point-of-care testing and monitoring devices, digital management system and smart AI doctors-aid system.

### (a) Disaggregation of revenue from contracts with customers

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
<i>Type of goods or services:</i>		
Self-operation business (Note (i))	20,065,552	16,972,895
Online marketplace services (Note (ii))	866,025	881,075
Others (Note (iii))	38,073	49,638
Total	<u>20,969,650</u>	<u>17,903,608</u>
<i>Timing of revenue recognition:</i>		
At a point in time	20,944,194	17,885,843
Over-time	25,456	17,765
Total	<u>20,969,650</u>	<u>17,903,608</u>

*Notes:*

- (i) The Group sells pharmaceutical and healthcare products mainly to pharmacies and primary healthcare institutions.
- (ii) The marketplace services revenue represents the commission received by the Group from distributors and vendors using the Group's online platform, which is recognised upon end customers' acceptance and is charged based on a certain percentage of sales, net of discounts and return allowances made by the distributors and vendors through the Group's online platform.
- (iii) Others mainly includes
  - (1) The Group collects usage fee and service fee for providing SaaS solutions to downstream pharmacies and primary healthcare institutions to a) streamline their inventory management, or b) improve the patient management efficiency.
  - (2) The Group provides system technologies and operational support services to primary healthcare institutions through a smart healthcare system integrated advanced point-of-care testing and monitoring devices, digital management system and smart AI doctors-aid system.

**(b) Transaction price allocated to the remaining performance obligation for contracts with customers**

All contracts with customers are for period of one year or less. As permitted by IFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

**(c) Segment information**

Information is reported to the executive directors of the Company, being the chief operating decision maker ("CODM"), for the purposes of resource allocation and performance assessment. The accounting policies are the same as the Group's accounting policies. No other analysis of the Group's results nor assets and liabilities is regularly provided to the CODM for review and the CODM reviews the overall results and financial position of the Group as a whole. Accordingly, the CODM has identified one operating segment and only entity-wide disclosures are presented in accordance with IFRS 8 *Operating Segments*.

**(d) Geographic information**

The Group principally operates in the PRC, which is also the place of domicile. The Group's revenue is all derived from operations in the PRC for both years and the Group's non-current assets are all located in the PRC.

**(e) Information about major customers**

There was no revenue derived from transactions with a single external customer which amounted to 10% or more of the Group's revenue for both years.

## 5. OTHER INCOME

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Government grants ( <i>Note</i> )	6,401	12,143
Interest income	46,927	52,763
Investment income from financial assets at FVTPL	15,946	21,596
Others	3,991	4,680
	<u>73,265</u>	<u>91,182</u>

*Note:* It represented cash received from unconditional grants by the local government to encourage the business operations in the PRC. Government grants are recognised in profit and loss when received.

## 6. OTHER GAINS AND LOSSES

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Losses on disposal of property, plant and equipment	(1,528)	(2,295)
Gain on disposal of subsidiaries	2,422	–
Donations	(1,670)	(1,439)
Net foreign exchange (losses) gains	(1,727)	3,061
Gains from changes in fair value of financial assets at FVTPL	23,149	24,983
(Losses) gains from changes in fair value of contingent consideration payables	(2,112)	5,922
	<u>18,534</u>	<u>30,232</u>

## 7. FINANCE COSTS

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Interest expense on lease liabilities	8,976	8,889
Interest expense on discounted note receivables	2,951	2,449
	<u>11,927</u>	<u>11,338</u>

## 8. INCOME TAX CREDIT

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
PRC Enterprise Income Tax (“EIT”):		
Current tax	–	–
Deferred tax	(8,937)	(713)
	<u>(8,937)</u>	<u>(713)</u>

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and is exempted from the Cayman Islands income tax.

No provision for Hong Kong Profits Tax has been made in the consolidated financial statements as the Group had no assessable profit subject to Hong Kong Profits Tax for both years.

Under the Law of the PRC on EIT (the “**EIT Law**”) and Implementation Regulation of the EIT Law, the PRC EIT rate of subsidiaries of the Group operating in the PRC was 25% for both years.

Certain PRC subsidiaries of the Group that are subject to “small and thin-profit enterprises” will benefit from a preferential tax rate of 20% under the EIT Law. For both years, the qualifying group entities enjoyed 75% reduction on annual taxable income on first RMB3,000,000. As a result, such PRC subsidiaries were eligible for a preferential enterprise EIT for their respective tax holiday.

Certified high and new technology enterprises (“**HNTE**”) are entitled to a preferential tax rate of 15%. Guangzhou Sudaoyi Information Technology Co., Ltd. (“**Guangzhou Sudaoyi**”) and Hunan Folding Space Internet Technology Co., Ltd. (“**Folding Space Internet**”) has been qualified as a HNTE and enjoyed a preferential income tax rate of 15%, which is subjected to review and renewal every three years. The HNTE Certificate of Guangzhou Sudaoyi remains valid for 3 years since 2021, and has been renewed for next three years in 2024. The HNTE Certificate of Folding Space Internet remains valid for 3 years since 2022, and has been renewed for next three years in 2025. In addition, Guangzhou Sudaoyi Information Technology Co., Ltd., Guangzhou Sudaoyi, Guangzhou Yaobang Information Technology Co., Ltd., Guangzhou Xiaoweicang Smart Drug Store Technology Co., Ltd., Guangzhou Spectrum Health Technology Co., Ltd., Hunan Yizheng Biotechnology R&D Co., Ltd. and Folding Space Internet enjoyed super deduction of 200% of qualifying research and development expenses as tax deductible expenses for both years, pursuant to the relevant laws and regulations promulgated by the State Administration of Taxation of the PRC. And Guangzhou Leyao Technology Co., Ltd. enjoyed super deduction of 200% of qualifying research and development expenses as tax deductible expenses since the year of 2025.

## 9. PROFIT FOR THE YEAR

Profit for the year has been arrived at after charging:

	<b>Year ended 31 December</b>	
	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
Cost of inventories recognised as an expense	<b>18,515,021</b>	15,926,813
Depreciation of property, plant and equipment	<b>28,019</b>	34,542
Depreciation of right-of-use assets	<b>80,316</b>	77,843
Amortisation of intangible assets	<b>44,385</b>	16,201
Write down for obsolete inventories	<b>4,410</b>	2,243
Auditors' remunerations	<b>4,950</b>	4,280
Staff costs:		
Directors' emoluments	<b>9,508</b>	11,190
Other staff costs		
– Salaries and other allowances	<b>1,185,768</b>	921,830
– Contributions to retirement benefits scheme	<b>64,914</b>	55,820
– Equity-settled share-based payment expenses	<b>61,168</b>	131,545
	<hr/>	<hr/>
Total staff costs	<b>1,321,358</b>	1,120,385

## 10. DIVIDENDS

During the current year, a final dividend of RMB0.075 (equivalent to HK\$0.081) per ordinary share in respect of the year ended 31 December 2025 (2024: nil) was declared and paid to owners of the Company. The aggregate amount of the final dividend declared and paid in the current year amounted to RMB50,786,000 (equivalent to HK\$54,608,000) (2024: nil).

Subsequent to the end of the reporting period, a final dividend in respect of the year ended 31 December 2025 of RMB0.110 (2024: RMB0.075) per ordinary share has been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming general meeting.

## 11. EARNINGS PER SHARE

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Profit for the year attributable to the owners of the Company for the purpose of calculating basic and diluted earnings per share	<b>152,965</b>	30,013
	<b>No. of shares</b>	
	<b>2025</b>	2024
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	<b>682,753,553</b>	645,209,615
Effect of dilutive potential ordinary shares: Share options and restricted share units	<b>12,120,082</b>	12,137,852
Weighted average number of ordinary shares for the purpose of calculating diluted earnings per share	<b>694,873,635</b>	657,347,467
Basic earnings per share attributable to owners of the Company (RMB per share)	<b>0.224</b>	0.047
Diluted earnings per share attributable to owners of the Company (RMB per share)	<b>0.220</b>	0.046

## 12. TRADE AND OTHER RECEIVABLES

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
Trade receivables	95,560	34,952
Less: allowance for credit losses	(1,142)	(794)
	<u>94,418</u>	<u>34,158</u>
Note receivables	40,219	52,111
	<u>40,219</u>	<u>52,111</u>
Total trade and note receivables	<u>134,637</u>	<u>86,269</u>
Advance to suppliers	350,669	287,698
Other tax recoverable	2,190	1,911
Prepaid expense	28,233	16,912
Receivables in custodian ( <i>Note</i> )	92,320	74,760
Other receivables	128,237	115,099
Receivables from exercise of share options	21	8
	<u>21</u>	<u>8</u>
Total trade and other receivables	<u>736,307</u>	<u>582,657</u>

*Note:* The amounts represented the payments received from online customers of Self-operation business which would deposit in escrow account and subsequently withdraw by the Group upon the customers' acceptance of product delivery.

### Trade receivables

As at 1 January 2024, trade and note receivables from contracts with customers amounted to approximately RMB39,068,000.

The Group requires full payment in advance for its online product sales, certain offline product sales and retail sales. For other customers, the Group primarily allows a credit period of 30 days. Trade receivables are settled in accordance with the terms of the respective contracts. Aging analysis of trade receivables, net of allowance for credit losses, based on invoice date is as follows:

	As at 31 December	
	2025	2024
	RMB'000	RMB'000
Within 3 months	72,055	26,856
3 to 6 months	10,173	1,895
6 to 12 months	9,816	3,125
Over 12 months	3,516	3,076
	<u>95,560</u>	<u>34,952</u>
Less: allowance for credit losses	(1,142)	(794)
	<u>94,418</u>	<u>34,158</u>

### 13. TRADE AND OTHER PAYABLES

	As at 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Trade payables	<b>1,515,914</b>	1,456,784
Note payables	<b>2,439,232</b>	1,702,051
Salary and welfare payables	<b>225,507</b>	155,931
Other tax payables	<b>22,114</b>	27,571
Consideration payable on acquisition of subsidiaries	<b>30,708</b>	42,721
Other payables	<b>412,864</b>	353,767
Deposits received	<b>1,026</b>	848
	<b><u>4,647,365</u></b>	<b><u>3,739,673</u></b>

#### Trade payables

The credit period of trade payables is ranging from 30 to 90 days. An ageing analysis of the trade payables based on the invoice date at the end of each reporting period is as follows:

	As at 31 December	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
0-30 days	<b>1,133,594</b>	1,050,288
31-90 days	<b>298,641</b>	334,464
Over 90 days	<b>83,679</b>	72,032
	<b><u>1,515,914</u></b>	<b><u>1,456,784</u></b>

#### Note payables

All note payables issued by the Group are with a maturity period of less than six months.

## **PUBLICATION OF THE ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT**

This annual results announcement is published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.ysbang.cn](http://www.ysbang.cn)). The annual report for the year ended 31 December 2025 will be published on the aforesaid websites of the Stock Exchange and the Company in due course.

By order of the Board  
**YSB Inc.**  
**Mr. Buzhen Zhang**  
*Chairman and executive Director*

Hong Kong, 23 March 2026

*As at the date of this announcement, the Board comprises Mr. Buzhen Zhang and Mr. Fei Chen as executive Directors, Mr. Ziyang Zhu as non-executive Director, and Ms. Rong Shao, Mr. Sam Hanhui Sun and Mr. Hongqiang Zhao as independent non-executive Directors.*