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Mediwelcome Healthcare Management & Technology Inc.

麥迪衛康健康醫療管理科技股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2159)

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

The board (the “**Board**”) of directors (the “**Directors**”) of Mediwelcome Healthcare Management & Technology Inc. (麥迪衛康健康醫療管理科技股份有限公司) (the “**Company**”) is pleased to announce the audited consolidated annual results of the Company and its subsidiaries (collectively, the “**Group**”, “**we**”, “**us**” or “**our**”) for the year ended 31 December 2025 (the “**Year**”), together with the comparative figures for the year ended 31 December 2024 as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2025

	<i>Notes</i>	2025 RMB'000	2024 <i>RMB'000</i>
Revenue	3	468,019	321,558
Cost of sales		<u>(373,309)</u>	<u>(270,554)</u>
Gross profit		94,710	51,004
Other income, gains and losses	4	(977)	3,804
Selling expenses		(25,857)	(20,666)
Administrative expenses		(37,840)	(39,924)
Research and development expenses		(27,936)	(18,680)
Finance costs	5	(1,438)	(1,087)
Provision for impairment losses on trade receivables		(1,258)	(7,943)
Reversal of (provision for) impairment losses on intangible assets		9,262	(11,679)
Loss on disposal of subsidiaries		<u>(1,684)</u>	<u>–</u>
Profit/(loss) before taxation	6	6,982	(45,171)
Income tax expense	7	–	<u>(1,776)</u>
Profit/(loss) for the year		6,982	(46,947)
Other comprehensive (expense)/income, net of tax			
<i>Item that will not be reclassified to profit or loss:</i>			
Fair value change of equity investments at fair value through other comprehensive income		<u>(3,528)</u>	<u>259</u>
Total comprehensive income/(expense) for the year		<u>3,454</u>	<u>(46,688)</u>
Profit/(loss) for the year attributable to:			
— Owners of the Company		9,988	(45,245)
— Non-controlling interests		<u>(3,006)</u>	<u>(1,702)</u>
		<u>6,982</u>	<u>(46,947)</u>
Total comprehensive income/(expense) for the year attributable to:			
— Owners of the Company		6,460	(44,986)
— Non-controlling interests		<u>(3,006)</u>	<u>(1,702)</u>
		<u>3,454</u>	<u>(46,688)</u>
Earnings/(loss) per share			
— Basic and diluted earnings/(loss) per share (RMB cents)	9	<u>4.38</u>	<u>(23.63)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	<i>Notes</i>	2025 RMB'000	2024 <i>RMB'000</i>
ASSETS			
Non-current assets			
Property, plant and equipment		2,034	3,026
Right-of-use assets		6,424	8,513
Equity instruments at fair value through other comprehensive income		15,393	20,646
Intangible assets		9,262	–
Deposits		1,259	1,043
		<u>34,372</u>	<u>33,228</u>
Current assets			
Trade receivables	<i>10</i>	29,425	50,394
Contract costs		21,229	35,785
Prepayments, deposits and other receivables		6,143	3,025
Bank balances and cash		99,318	71,656
		<u>156,115</u>	<u>160,860</u>
Total assets		<u>190,487</u>	<u>194,088</u>
LIABILITIES			
Current liabilities			
Trade payables	<i>11</i>	13,148	37,602
Contract liabilities		12,113	23,153
Other payables and accruals		5,378	12,327
Lease liabilities		4,329	4,937
Borrowings		47,618	39,027
		<u>82,586</u>	<u>117,046</u>
Net current assets		<u>73,529</u>	<u>43,814</u>
Total assets less current liabilities		<u>107,901</u>	<u>77,042</u>

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Non-current liability		
Lease liabilities	<u>2,522</u>	<u>3,763</u>
Net assets	<u><u>105,379</u></u>	<u><u>73,279</u></u>
EQUITY		
Capital and reserves attributable to owners of the Company		
Share capital	2	1
Reserves	<u>111,251</u>	<u>71,138</u>
	<u>111,253</u>	<u>71,139</u>
Non-controlling interests	<u>(5,874)</u>	<u>2,140</u>
Total equity	<u><u>105,379</u></u>	<u><u>73,279</u></u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Mediwelcome Healthcare Management & Technology Inc. (the “**Company**”) was incorporated under the laws of the Cayman Islands with limited liability on 21 February 2019. The registered office is located at Floor 4, Willow House, Cricket Square, Grand Cayman KY1-9010, Cayman Islands and its principal place of business in Hong Kong is located at Unit 2408, 24/F, World-Wide House, 19 Des Voeux Road Central, Central, Hong Kong.

The Company is ultimately controlled by Mr. Shi Wei, Mr. Yang Weimin, Ms. Zhang Yitao and Mr. Wang Liang (collectively referred to as the “**Controlling Parties**”), who are also parties acting in concert, and as a result of contractual arrangements, collectively have the power to direct the relevant activities of the Group.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

Application of new and amendments to HKFRS Accounting Standards

In the current year, the Group has applied the following amendments to an HKFRS Accounting Standard as issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) for the first time, which are mandatorily effective for the annual periods beginning on or after 1 January 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability
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The application of the amendments to an HKFRS Accounting Standard in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

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

	Effective for annual periods beginning on or after
Amendments to HKFRS 9 and HKFRS 7	1 January 2026
Amendments to HKFRS 9 and HKFRS 7	1 January 2026
Amendments to HKFRS Accounting Standards HKFRS18	1 January 2027
Amendments to HKFRS 10 and HKAS 28	To be determined

Except for the new and amendments to HFKRS Accounting Standards mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

Amendments to HKFRS 9 and HKFRS 7 Amendments to the Classification and Measurement of Financial Instruments

The amendments to HKFRS 9 clarify the recognition and derecognition for financial asset and financial liability and add an exception which permits an entity to deem a financial liability to be discharged before the settlement date if it is settled in cash using an electronic payment system if, and only if certain conditions are met. An entity that elects to apply the derecognition option would be required to apply it to all settlements made through the same electronic payment system.

The amendments also provide guidance on the assessment of whether the contractual cash flows of a financial asset are consistent with a basic lending arrangement. The amendments specify that an entity should focus on what an entity is being compensated for rather than the compensation amount. Contractual cash flows are inconsistent with a basic lending arrangement if they are indexed to a variable that is not a basic lending risk or cost. The amendments state that, in some cases, a contingent feature may give risk to contractual cash flows that are consistent with a basic lending arrangement both before and after the change in contractual cash flows, but the nature of the contingent event itself does not relate directly to changes in basic lending risks and costs. Furthermore, the description of the term “non-recourse” is enhanced and the characteristics of “contractually linked instruments” are clarified in the amendments.

The disclosure requirements in HKFRS 7 *Financial Instruments: Disclosures* in respect of investment in equity instruments designated at fair value through other comprehensive income are amended. In particular, entities are required to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately those related to investments derecognised during the reporting period and those related to investments held at the end of the reporting period. An entity is also required to disclose any transfers of the cumulative gain or loss within equity related to the investments derecognised during the reporting period. In addition, the amendments introduce the requirements of qualitative and quantitative disclosure of contractual terms that could affect the contractual cash flow based on a contingent event not directly relating to basic lending risks and cost.

The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with early application permitted. The amendments are required to be applied retrospectively, with specific exceptions. The application of the amendments is not expected to have significant impact on the financial position and performance of the Group.

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 *Presentation and Disclosure in Financial Statements*, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 *Presentation of Financial Statements*. This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the consolidated statement of comprehensive income; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* (the title of which will be changed to *Basis of Preparation of Financial Statements* upon effective of HKFRS 18) and HKFRS 7. Minor amendments to HKAS 7 *Statement of Cash Flows* and HKAS 33 *Earnings per Share* are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. HKFRS 18 requires retrospective application with specific transition provision. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss and disclosures in the future financial statements.

2.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary and non-controlling interests (if any) are derecognised. A gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRS Accounting Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKFRS 9 *Financial Instruments* (“**HKFRS 9**”) or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

3. REVENUE AND SEGMENT INFORMATION

The chief operating decision-maker (“**CODM**”) reviews the “operating profit/(loss)” as presented below and the consolidated results when making decisions about allocating resources and assessing performance of the Group as a whole. Therefore, the Group has only one reportable segment which mainly operates its businesses in the People’s Republic of China (“**PRC**”) and earns substantially all of the revenues from external customers attributed to the PRC. As at the end of the reporting period, substantially all of the non-current assets of the Group were located in the PRC. Therefore, no geographical segments are presented. No analysis of segment assets or segment liabilities is presented as they are not used by the CODM when making decisions about allocating resources and assessing performance of the Group.

	2025 <i>RMB’000</i>	2024 <i>RMB’000</i>
The Group’s profit/(loss) before taxation	6,982	(45,171)
Add/(less): Other income, gains and losses	977	(3,804)
Add: Loss on disposal of subsidiaries	1,684	–
	<u>9,643</u>	<u>(48,975)</u>
Operating profit/(loss) presented to the CODM	<u>9,643</u>	<u>(48,975)</u>

Revenue by service type as follows:

	2025 <i>RMB’000</i>	2024 <i>RMB’000</i>
Medical conference services	116,285	158,680
Patient education and screening services	5,877	7,112
Marketing strategy and consulting services	125,137	137,118
Contract research organisation services	569	5,386
Internet hospital services	3,272	3,154
Digital marketing and sales solutions services	216,879	10,108
	<u>468,019</u>	<u>321,558</u>
Total revenue	<u>468,019</u>	<u>321,558</u>

The timing of revenue recognition for the services are as follows:

	2025	2024
	RMB'000	RMB'000
Timing of revenue recognition		
At a point in time	467,766	320,566
Over time	253	992
	<hr/>	<hr/>
Total revenue	468,019	321,558
	<hr/> <hr/>	<hr/> <hr/>

The major customers which contributed more than 10% of the total revenue for the corresponding years are listed as below:

	2025	2024
Customer A	28%	<i>Note 1</i>
Customer B	Note 2	14%
	<hr/> <hr/>	<hr/> <hr/>

Notes:

1. The customer did not generate revenue in 2024.
2. The corresponding revenue did not contribute over 10% of the total revenue of the Group.

4. OTHER INCOME, GAINS AND LOSSES

	2025	2024
	RMB'000	RMB'000
Foreign exchange (loss)/gain, net	(2,325)	731
Loss on disposal of property, plant and equipment	(40)	(58)
Bank interest income	242	264
Gain on fair value changes of financial assets at FVTPL	492	463
Government subsidy (<i>Note</i>)	560	2,213
Value added tax refund	–	26
Others	94	165
	<hr/>	<hr/>
	(977)	3,804
	<hr/> <hr/>	<hr/> <hr/>

Note: Amount represented subsidy on the Group's business development without any specific conditions attached to the subsidy.

5. FINANCE COSTS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest expense on lease liabilities	292	546
Interest expense on borrowings	<u>1,146</u>	<u>541</u>
	<u><u>1,438</u></u>	<u><u>1,087</u></u>

6. PROFIT/(LOSS) BEFORE TAXATION

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Profit/(loss) before taxation has been carried at after charging:		
Auditor's remuneration	994	1,111
Depreciation of property, plant and equipment	990	1,608
Depreciation of right-of-use assets	3,861	8,340
Amortisation of intangible assets (included in cost of sales)	–	402
Short term lease	1,204	–
Staff costs:		
— Fee and salaries (including directors' remuneration)	47,740	51,774
— Other staff retirement benefit costs (including directors' retirement benefit scheme contributions)	4,065	5,115
— Social security costs, housing benefits and other employee benefits (including directors' social security costs, housing benefits and other benefits)	<u>10,622</u>	<u>9,956</u>
	<u><u>62,427</u></u>	<u><u>66,845</u></u>

7. INCOME TAX EXPENSE

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Deferred tax	—	1,776
	<u>—</u>	<u>1,776</u>

(a) PRC enterprise income tax (“EIT”)

EIT provision was made on the estimated assessable profits of entities within the Group incorporated in the PRC for both years calculated in accordance with the relevant regulations of the PRC after considering the available tax benefits from refunds and allowances. The EIT rate is 25% during both years.

One of the entities comprising the Group was approved to be the High and New Technology Enterprise (“HNTTE”), and the entity enjoyed the preferential tax rate of 15% for HNTTE from 2025 to 2027 (2024: 2022 to 2024). Another entity comprising the Group was approved to be the HNTTE and is eligible to enjoy the preferential tax rate for HNTTE of 15% from 2024 to 2026. The HNTTE certificate needs to be renewed every three years so as to enable to enjoy the reduced tax rate of 15%.

One of the HNTTE entities also qualified for the additional 10% incentive deduction applicable to eligible enterprises under the prevailing tax regulations.

The Group enjoyed additional 100% (2024: 100%) tax reduction based on the eligible research and development expenses for both years for those subsidiaries qualified as HNTTE.

For the year ended 31 December 2025, six (2024: nine) entities (including one of the HNTTE entities) comprising the Group qualified as small and micro-sized enterprises (“SMEs”) and were entitled to preferential tax treatment.

No provision for taxation in Hong Kong has been made as the Group’s income neither arises in, nor is derived from, Hong Kong for both years.

(b) PRC withholding tax (“WHT”)

According to the applicable PRC tax regulations, dividends distributed by a company established in the PRC to a foreign investor with respect to profits derived after 1 January 2008 are generally subject to a 10% WHT. If a foreign investor incorporated in Hong Kong meets the conditions and requirements under the double taxation treaty arrangement entered into between the PRC and Hong Kong, the relevant WHT rate will be reduced from 10% to 5%.

The Group does not have any plan to require its PRC subsidiaries to distribute their retained earnings and intends to retain them to operate and expand its business in the PRC. Accordingly, no deferred income tax liability on WHT was provided as at 31 December 2025 and 2024.

8. DIVIDEND

The directors of the Company do not recommend the payment of any dividend in respect of the year ended 31 December 2025 (2024: Nil).

9. EARNINGS/(LOSS) PER SHARE

Basic earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares in issued (excluding restricted shares units held by a designated trustee) during the year.

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Profit/(loss) attributable to owners of the Company	<u>9,988</u>	<u>(45,245)</u>
Weighted average number of ordinary shares in issue in the basic and diluted earnings/(loss) per share calculation (in thousands)	<u>228,045</u>	<u>191,442</u>

For the years ended 31 December 2025 and 2024, there were no dilutive potential ordinary shares in issue. Accordingly, the diluted earnings/(loss) per share equals the basic earnings/(loss) per share for both years.

10. TRADE RECEIVABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Receivables from third parties	42,628	70,724
Less: allowance for credit losses	<u>(13,203)</u>	<u>(20,330)</u>
	<u>29,425</u>	<u>50,394</u>

As at 1 January 2024, trade receivables from contracts with customers, net of allowance for credit losses, amounted to approximately RMB56,864,000.

Note:

The Group normally allows a credit period of 90 days to its customers.

An aging analysis of trade receivables (after allowance for credit losses) based on invoice date is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 90 days	25,312	47,365
91 days to 180 days	4,113	3,029
	<u>29,425</u>	<u>50,394</u>

An aging analysis of trade receivables (after allowance for credit losses) based on due date is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Not past due	25,312	47,365
0-90 days past due	4,113	3,029
	<u>29,425</u>	<u>50,394</u>

Trade receivables are classified as financial assets measured at amortised cost, their carrying amounts approximated their fair values due to their short maturities.

11. TRADE PAYABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Payables to third parties	13,148	37,602

Trade payables and their aging analysis based on invoice date are as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Up to 90 days	6,743	27,411
91 days to 180 days	3,504	3,165
181 days to 360 days	691	1,868
Over 360 days	2,210	5,158
	<u>13,148</u>	<u>37,602</u>

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

In 2025, the Chinese economy continued to demonstrate remarkable resilience amid a complex and volatile external environment. The healthcare industry is undergoing a profound transformation from rapid growth to high-quality development. As industry-related norms and standards are constantly being improved, unprecedented demands are being placed on the professionalism, precision, and innovation of healthcare services. In the face of this trend, the Company has steadfastly pushed forward the strategic upgrade from digitalisation to intelligentisation, maintaining steady business operations in a challenging market environment.

In the process of applying cutting-edge technologies to empower healthcare services, the Group has gained a keen insight into two major pain points faced by the industry: on the one hand, there is a general lack of professional depth in the large generative models commonly used in the current market when dealing with complex healthcare verticals; on the other hand, in the high-value application of healthcare data, privacy protection, data authentication and data security constitute extremely high barriers to industry compliance.

Based on this, the Group fully upgraded its technology exploration and strategic focus to “AI Agents” in 2025. We are actively exploring and applying AI disease-specific mini-models and blockchain technologies in the healthcare vertical, aiming to break the limitations of general models and data silos through the underlying architecture of “AI mini-models + blockchain”, so as to utilise the value of the data in a legal and compliant manner, and to build up a strong moat of “digital trust”. During the Year, the Group’s AI agent technology achieved initial validation and milestones in medical knowledge and doctor-patient interactions in certain specialty areas, which laid a solid cognitive and technological foundation for the Group’s transformation from a “healthcare market solution provider” to an intelligent technology-driven platform.

In 2025, the various main businesses of the Company have also achieved steady development with the empowerment of the Group’s underlying technologies. By integrating intelligent technology into the business landscape, the “Giraffe Digital and Intelligent Integrated Platform” not only enhances the service response speed to NGOs, medical institutions and pharmaceutical clients, but also provides a more convenient and professional intelligent service experience for doctors and patients, further consolidating its market position in the field of academic promotion and digitalisation services.

Data and Performance of Core businesses

As of 31 December 2025, the number of registered doctor users of the Group's overall platform has exceeded 817,728. The number of online education events continued to rise, with 100,586 online doctor education events, 30,273 online patient education events, 89,809 online live broadcasts, 156,250 videos, and 21,447,746 views in total.

As of 31 December 2025, the number of registered doctor users of the Group's internet hospital platform reached 57,987, representing an increase of 7.5% as compared to 31 December 2024; the number of patient users reached 359,202, representing an increase of 12.0% as compared to 31 December 2024; and the number of online consultations reached 512,439, representing an increase of 19.4% as compared to 31 December 2024. These results demonstrate the Group's proactive efforts in continuing to expand in the internet healthcare sector and the remarkable results it has achieved.

Recent Activities in Capital Market

To support the Group's long-term development strategy, the Company successfully completed two placings of 40 million new shares each in June and July 2025 under the general mandate (the "**June 2025 Placing**" and the "**July 2025 Placing**", respectively), with aggregate net proceeds of approximately HK\$36.86 million. The success of the placings fully reflects the capital market's high recognition of the Group's business model, development potential and future value. The proceeds will be utilised as general working capital of the Group, providing solid financial protection for the continuous business expansion and strategic implementation, and helping to consolidate the Group's leading position in the digital healthcare sector.

The following table summarises the allocation of the net proceeds from the June 2025 Placing and the July 2025 Placing and their respective utilisation as at 31 December 2025:

Fundraising activities	Net proceeds at completion of the placing (HK\$ million)	Amounts utilised during the Year (HK\$ million)	Unutilised net proceeds at 31 December 2025 (HK\$ million)	Expected timetable for utilising the unutilised net proceeds
June 2025 Placing	15.52	1.09	14.43	Within 6 to 12 months
July 2025 Placing	21.34	0	21.34	Within 6 to 12 months
Total	36.86	1.09	35.77	

The net proceeds have been and will be utilised in accordance with the purposes set out in the relevant announcements of the Company.

Please refer to the announcements of the Company dated 13 June 2025, 8 July 2025, 14 July 2025 and 28 July 2025 for details of the June 2025 Placing and the July 2025 Placing.

Outlook

Plans for the Group's development in 2026

1. Focusing on AI mini-model empowerment to comprehensively expand business coverage

The Group will continue to deepen its AI disease-specific mini-model technology with strong specialty expertise and high scenario adaptability, and comprehensively expand its business layout of smart healthcare and digitalisation services in the healthcare market. We will strive to enter into in-depth cooperation with more customers to further expand our business scale. At the same time, by leveraging this technology to break down information barriers and promote interconnection and interoperability among doctors, patients, medical institutions and pharmaceutical companies, we will not only provide more accurate and intelligent medical market solutions for the industry, but are also committed to promoting the standardisation and normalisation of medical science education and home health management to patients.

Relying on the Group's core digital service carrier, the "Giraffe Digital and Intelligent Integrated Platform", we will further integrate the functions of doctor education, patient management and live streaming of academic conferences, making it a key hub for carrying AI agents and digital asset trading in the future; the platform will be progressively upgraded to integrate the core modules of "AI mini-models", "doctor co-creation ecosystems" and "digital asset trading". Meanwhile, with the accumulation of medical data resources and the continuous enhancement of AI structured processing capabilities, the Group's business landscape will break through the boundaries of traditional academic promotion and gradually penetrate into high-value areas such as Post-market Surveillance (PMS) and Real World Study (RWS). By exploring the mode of collecting and analysing real clinical feedback data (e.g. adverse drug reaction monitoring and patient adherence analysis) in a compliant manner, we expect to be able to provide solid underlying data support to pharmaceutical companies in their new drug research and development decisions in the future, and to realise the strategic upgrade from "marketing" to "medical research", thereby further broadening the Group's diversified sources of income.

2. *Strengthening the “AI+Blockchain” foundation and exploring the construction of a full process intelligent closed loop*

In terms of building the technological foundation, the Group is currently at the stage of active experimentation and exploration, and plans to gradually introduce and integrate “AI mini-model + blockchain” technology. We are trying to build a set of innovative business closed loop covering “automated needs analysis, intelligent content production, precise service execution and real-time data feedback”, with a view to empowering medical institutions, pharmacy chains, scientific research institutes, digital health innovation enterprises and other healthcare industry stakeholders in the future; breaking down the original service boundaries by rapidly expanding the mature AI mini-model technology from areas of strength such as cardiovascular and cerebrovascular diseases (e.g. stroke) to specialties with broader populations and high incidence rates such as oncology, respiratory diseases, and weight loss, so as to build a whole life-cycle service system from pre-hospital screening, in-hospital diagnostic and treatment assistance, to post-hospital rehabilitation and management.

Leveraging on the “AI+Blockchain” foundation, the Group’s data annotation and content production are centered on generating high-quality medical content focused on specific diseases and is committed to forming more valuable medical copyright resources. In the future, the Group plans to rely on blockchain and other technologies to explore the construction of a secure and transparent “medical copyright digital asset trading ecosystem”. Through this innovative business closed loop, we expect to establish a reliable mechanism for the authentication of rights and transfer of value regarding the circulation and application of high-value medical content, thereby continuously creating new business models and growth opportunities for the medical industry.

3. *Embracing cutting-edge intelligent technology to comprehensively enhance internal operational and production efficiencies*

The Group will embrace cutting-edge intelligent technology to comprehensively deepen its internal intelligent transformation. Through the introduction of more AI agent tools and business assistance systems, we will thoroughly restructure existing workflows. On the one hand, this will optimise our workforce structure to reduce labour costs and management burdens; on the other hand, it will enable our core business teams to devote more time and efforts to high-value healthcare market solutions. This reshaping of internal productivity will not only significantly shorten the project delivery cycle, but also provide the Group with a more agile response capability to meet market demands with a better cost structure and higher execution efficiency.

Looking ahead to 2026, the Company will seize the opportunities presented by the era of the intelligent transformation in healthcare and continue to broaden our business boundaries and optimise our internal efficiencies through the dual-wheel drive of “medical professional services + digital technology” with technological innovation as the engine. We will strive to further explore from being a solution provider in the healthcare market to becoming a professional service provider of medical AI mini models with deep competitive barriers, creating long-term and sustainable incremental value for the industry and shareholders.

Financial Review

Revenue

During the Year, the Group primarily generated revenue from its integrated healthcare marketing solutions, consisting of (i) medical conference services; (ii) patient education and screening services; (iii) marketing strategy and consulting services; and (iv) digital marketing and sales solutions services. In addition, the Group developed and generated revenue from contract research organisation (“CRO”) services and internet hospital services.

The Group’s revenue increased by approximately 45.5% from approximately RMB321.6 million for the year ended 31 December 2024 to approximately RMB468.0 million for the Year. The following table sets forth a breakdown of the Group’s revenue by service type for the years indicated:

	For the year ended 31 December			
	2025		2024	
	(RMB'000)		(RMB'000)	
Medical conference services	116,285	24.9%	158,680	49.4%
Marketing strategy and consulting services	125,137	26.7%	137,118	42.6%
Digital marketing and sales solutions services	216,879	46.4%	10,108	3.1%
Patient education and screening services	5,877	1.2%	7,112	2.2%
CRO services	569	0.1%	5,386	1.7%
Internet hospital services	3,272	0.7%	3,154	1.0%
Total	<u>468,019</u>	<u>100%</u>	<u>321,558</u>	<u>100%</u>

Cost of sales

The Group's cost of sales, which mainly represent speaker fee paid to physicians, venue costs and staff costs, increased by approximately 38.0% from approximately RMB270.6 million for the year ended 31 December 2024 to approximately RMB373.3 million for the Year, primarily attributable to the increase in the Group's revenue.

Gross profit and gross profit margin

As a result of the foregoing, the Group's overall gross profit increased by approximately RMB43.7 million from approximately RMB51.0 million for the year ended 31 December 2024 to approximately RMB94.7 million for the Year. The Group's overall gross profit margin increased from 15.9% for the year ended 31 December 2024 to 20.2% for the Year, primarily due to the Group's business strategy of downscaling projects with lower profit margins during the Year.

Other income, gains and losses

Other income, gains and losses mainly consist of foreign exchange gains, net gains on fair value changes of financial assets at fair value through profit or loss ("FVTPL"), government subsidy, bank interest income and value-added tax refund. The Group's other income, gains and losses have changed from net gains of approximately RMB3.8 million for the year ended 31 December 2024 to net loss of approximately RMB1.0 million for the Year, due to the net effects of (i) a reduction in government subsidy by approximately RMB1.7 million; and (ii) increase in net losses on exchange differences of RMB3.1 million.

Selling expenses

Selling expenses mainly consist of transportation expenses, salaries, share-based compensation expenses, performance bonuses and employee benefits expenses, and sales and marketing and business development expenses. The Group's selling expenses increased by approximately 24.6% from approximately RMB20.7 million for the year ended 31 December 2024 to approximately RMB25.8 million for the Year, primarily due to (i) the increase in the Group's revenue during the Year; and (ii) an increase in the cost of enhancing customer networks and promoting the Group's services during the Year.

Administrative expenses

Administrative expenses mainly represent the salaries and benefits of the administrative and management staff, professional consulting fees, share-based compensation expenses, depreciation and other miscellaneous administrative expenses. The Group's administrative expenses decreased by approximately 5.3% from approximately RMB39.9 million for the year ended 31 December 2024 to approximately RMB37.8 million for the Year, primarily due to the decrease in staff cost and professional fee as a result of the cost saving strategy of the Group during the Year.

Research and development expenses

The Group's research and development expenses increased by approximately 49.2% from approximately RMB18.7 million for the year ended 31 December 2024 to approximately RMB27.9 million for the Year, mainly due to increase in the Group's research and development expenses to carry out the research and development projects, including digital marketing solutions, digital medical solutions, and development of an artificial intelligent online platform during the Year.

Impairment loss or reversal of impairment of intangible assets

Intangible assets mainly refer to: (i) AI models, software and systems used for medical conference services, patient education and screening services and internet hospital services; and (ii) customer contracts relating to the installation of software and equipment for internet hospital services.

During the Year, the operation of the intangible asset of "AI models, software and systems used for medical conference services, patient education and screening services and internet hospital services" has led to significant growth in revenue arises from digital marketing and sales solutions services and improvement in gross profit margin of the Group, and will continue to generate stable cash flow for the Group in the foreseeable future. Based on the above reasons, there are indications that the impairment loss recognised for the intangible asset in prior years may no longer exist or may have decreased significantly. The significant uncertainties that previously led to the impairment of the asset have improved materially and the economic performance of the asset is significantly better than originally expected. As a result, the Company re-estimated its recoverable amount and reversed the previously recognised impairment loss. This reversal is limited to the amount that would have been the net carrying amount of the asset at the date of revaluation, net of accumulated amortisation, had no impairment loss been recognised. The Group performed a reversal test for intangible assets for which there was an indication of a reversal of impairment and made a reversal of impairment of approximately RMB9.3 million. The Group's reversal of impairment of intangible assets has been included in the Group's consolidated net profit for the Year. The Board is of the view that the reversal of impairment of intangible assets fairly and accurately reflects the position of the Group's assets and is in line with the accounting policies adopted by the Group.

Finance costs

Finance costs mainly represent the interest expense on bank loans and interest expense on lease liabilities. The Group's finance costs increased by approximately 27.3% from approximately RMB1.1 million for the year ended 31 December 2024 to approximately RMB1.4 million for the Year, mainly due to the combined effects of (i) the increase in interest expense on the Group's bank loans driven by the increase in average balance of outstanding bank loans during the Year as compared to the year ended 31 December 2024; and (ii) the decrease in interest expense on lease liabilities due to decrease in balances of lease liabilities during the Year as compared to the year ended 31 December 2024.

Results for the year

The Group recorded a profit of approximately RMB7.0 million for the Year as compared to a loss of approximately RMB46.9 million for the year ended 31 December 2024, due to the combined effects of (i) the continuous growth in the performance of the core principal business; and (ii) the Group's focus on projects with higher gross profit margins, which drove up the overall gross profit.

Other comprehensive expense/(income)

The Group recorded other comprehensive expense of approximately RMB3.5 million for the Year, as compared with other comprehensive income of approximately RMB0.3 million for the year ended 31 December 2024, primarily due to decrease in the fair value of the Group's equity interest in Shanghai Bohuikang Biological Technology Co., Ltd. (“**Shanghai Bohuikang**”) by RMB3.8 million.

LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

Bank Balances and Cash

The Group's bank balances and cash mainly consist of (i) bank deposits denominated in Renminbi and Hong Kong Dollar and carried the relevant benchmark interest rates throughout the Year; and (ii) cash on hand.

As at 31 December 2025, the Group had bank balances and cash of approximately RMB99.3 million, representing an increase of approximately 38.5% from approximately RMB71.7 million as at 31 December 2024. The Group's bank balances and cash were denominated in Renminbi and Hong Kong dollars. The Group's principal sources of liquidity and capital resources are cash from operating activities. The Group monitors cash flows and cash balance on a regular basis and strive to maintain an optimal liquidity that can meet its working capital needs while supporting a healthy level of business scale and expansion.

Indebtedness

As at 31 December 2025, the Group, as a lessee, had outstanding current and non-current lease liabilities of approximately RMB6.9 million as compared with approximately RMB8.7 million as at 31 December 2024. The lease liabilities represent payment for the right to use underlying assets, which is unsecured and unguaranteed.

As at 31 December 2025, the Group had outstanding bank borrowings of approximately RMB47.6 million (31 December 2024: RMB39.0 million), which was unsecured, guaranteed and repayable within 12 months. All borrowings are charged with reference to the fixed interest rate of Loan Prime Rate of the PRC determined at the time of drawn down of the borrowings and denominated in Renminbi.

As at 31 December 2025, the Group had available unutilised banking facilities of approximately RMB5.0 million (31 December 2024: RMB6.5 million).

The Group's gearing ratio (calculated as total bank borrowings divided by total equity) as at 31 December 2025 was 45.2% (31 December 2024: 53.3%).

Securities in Issued

On 8 July 2025, the Company allotted and issued 40,000,000 ordinary shares to not less than 6 places under the June 2025 Placing. On 28 July 2025, the Company allotted and issued 40,000,000 ordinary shares to not less than 6 places under the July 2025 Placing. Upon completion of these two placings, the number of issued shares of the Company increased from 200,000,000 to 280,000,000 shares and the Company did not hold any treasury shares. As at 31 December 2025, the total issued share capital of the Company was HK\$2,800 divided into 280,000,000 ordinary shares of HK\$0.00001 each.

Foreign Exchange Risk

Foreign exchange risk arises when future commercial transactions or recognised assets and liabilities are denominated in a currency that is not the functional currencies of the respective entities of the Group. The Group manages its foreign exchange risk by performing regular reviews of its net foreign exchange exposures. The Group did not hedge against any fluctuation in foreign currencies during the Year.

The Group operates mainly in the PRC with most of the transactions settled in Renminbi. Management of the Group considers that the Group's business is not exposed to any significant foreign exchange risk as there are no significant financial assets or liabilities that are denominated in the currencies other than the respective functional currencies of the Group's entities.

Contingent Liabilities and Pledge of Assets

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

Human Resources

The Group had 165 employees as at 31 December 2025 (31 December 2024: 311 employees). Due to changes in the organisational structure of the Group in order to streamline its operations, the Group divested its former subsidiaries, Beijing Haice Culture Co., Ltd. ("**Beijing Haice**") and Shanghai Xuanmai Public Relationship Consulting Co., Ltd., from the Group in August and September 2025 respectively. Meanwhile, in 2025, the Group also made appropriate staff reductions under the objective of cost reduction and efficiency enhancement, and at the same time gave incentives to some employees who made positive contributions to the Company. The above were the main reasons for the decrease in the number of employees. During the Year, the Group has recognised staff costs of approximately RMB62.4 million as expenses, representing a decrease of approximately 6.6% as compared to that of approximately RMB66.8 million for the year ended 31 December 2024.

SIGNIFICANT INVESTMENT, MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Equity Interests in Shanghai Bohuikang

As at 31 December 2025, the Group holds 19.41% equity interest in Shanghai Bohuikang (a precision biotechnology company with two proprietary platforms: BM-qPCR nucleic acid testing and immunofluorescence molecular protein testing) (31 December 2024: 19.41%), the fair value of which was approximately RMB11.2 million as at 31 December 2025 (31 December 2024: approximately RMB15.1 million), accounting for approximately 5.9% (31 December 2024: approximately 7.8%) of the total assets of the Group of approximately RMB190.5 million as at 31 December 2025 (31 December 2024: approximately RMB194.1 million).

During the Year, the change in fair value of the equity interests in Shanghai Bohuikang of approximately RMB3.8 million was debited to other comprehensive expense (31 December 2024: the change in fair value of approximately RMB0.8 million was credited to other comprehensive income). No dividend income was received from the equity interests in Shanghai Bohuikang during the Year (31 December 2024: Nil).

The Group remains susceptible to the risk of fair value change of its equity investments designated at fair value through other comprehensive income, and may record a fair value loss on the equity investments in the future, which would lead to a decrease in the total assets as well as net assets.

DISCLOSEABLE TRANSACTION — CAPITAL REDUCTION ARRANGEMENT OF BEIJING HAICE

On 13 June 2025, one of the Group’s operating entities in China, Beijing Medi Healthcare Management Consulting Co., Ltd. (“**Beijing Medi Healthcare**”) completed a capital reduction by reducing the registered capital of Beijing Haice by approximately RMB3.1 million/approximately 51% for a total consideration of RMB7.0 million. After the capital reduction, Beijing Medi Healthcare no longer owns any interest in Beijing Haice, and the financial results of Beijing Haice are no longer consolidated into the consolidated financial statements of the Company.

Please refer to the announcement dated 13 June 2025 published by the Company for details.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company during the Year.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR ACQUISITIONS OF CAPITAL ASSETS

As at 31 December 2025, the Group has no future plans for significant investments or acquisition of capital assets.

EVENTS AFTER THE REPORTING PERIOD

A subsidiary of the Company entered into a non-legally binding memorandum of understanding with potential vendors in relation to the possible acquisition of 100% equity interest in MediAI Technology Development Limited (together with its subsidiaries, the “**Target Group**”) on 20 January 2026. The Target Group is principally engaged in the provision of artificial intelligence technology to innovate smart solutions for pharmaceutical research and physician training, and utilises its core blockchain technology to ensure data authenticity and traceability. Please refer to the announcement published by the Company on 20 January 2026 for further details.

As of the date of this announcement, the parties have not yet reached a binding agreement in respect of the above potential acquisition. Further transaction information will be announced by the Company in a timely manner as and when required.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Group is committed to achieving high standards of corporate governance with a view to safeguarding the interests of its shareholders (the “**Shareholders**”) as a whole. Throughout the Year, the Company has applied the principles of good corporate governance and complied with the code provisions as set out in Part 2 of the Corporate Governance Code (the “**Corporate Governance Code**”) as contained in Appendix C1 to the Listing Rules in force during the Year.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as contained in Appendix C3 to the Listing Rules in force during the Year as its own code of conduct regarding securities transactions of the Directors. Relevant employees who are likely to be in possession of unpublished inside information of the Group are also subject to compliance with written guidelines on no less exacting terms than the Model Code.

Having made specific enquiry to all Directors, all Directors confirmed that they have complied with the Model Code throughout the Year.

FINAL DIVIDEND

The Board did not recommend the payment of any final dividend in respect of the Year (2024: Nil).

AUDIT COMMITTEE

As at the date of this announcement, the audit committee of the Company (the “**Audit Committee**”) comprised three independent non-executive Directors, namely Mr. Chen Huilin (chairman), Mr. Song Ruilin and Mr. David Zheng Wang. The Audit Committee has reviewed the annual results of the Group for the Year. The Audit Committee and the Company’s management have also reviewed the accounting principles and practices adopted by the Group and discussed matters in relation to risk management, internal control and financial reporting.

SCOPE OF WORK OF RONGCHENG (HONG KONG) CPA LIMITED

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of comprehensive income and the related notes thereto for the Year as set out in this announcement have been agreed by the Group’s auditor, Rongcheng (Hong Kong) CPA Limited, to the amounts set out in the audited consolidated financial statements of the Group for the Year as approved by the Board on 23 March 2026. The work performed by Rongcheng (Hong Kong) CPA Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance has been expressed by Rongcheng (Hong Kong) CPA Limited on this announcement.

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.mediwelcome.com). The annual report of the Company for the year ended 31 December 2025 containing all the information required by the Listing Rules will be and made available on the same websites and despatched to the shareholders of the Company who request a hard copy in due course.

By order of the Board
Mediwelcome Healthcare Management & Technology Inc.
Shi Wei

Chairman and Executive Director

Hong Kong, 23 March 2026

As at the date of this announcement, the Board comprises Mr. Shi Wei, Mr. Yang Weimin, Mr. Wang Liang and Ms. Deng Chengying as executive Directors; Mr. Liu Xia as non-executive Director; and Mr. Song Ruilin, Mr. David Zheng Wang and Mr. Chen Huilin as independent non-executive Directors.