Distinct Healthcare Holdings Limited
卓正醫療控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2677)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED DECEMBER 31, 2025

FINANCIAL HIGHLIGHTS

	Year ended December 31,		
	2025	2024	Year-on-year change
	RMB'000	*RMB'000*	*%*
Revenue	**1,064,529**	958,578	11.1
Gross profit	**267,040**	226,003	18.2
Gross profit margin (%)	**25.1**	23.6	
Net profit	**131,449**	80,227	63.8
Non-IFRS adjusted net profit(1)	**25,648**	10,700	139.7
Non-IFRS adjusted operating profit(2)	**40,160**	12,393	224.1
Non-IFRS adjusted EBITDA(3)	**173,088**	148,228	16.8
Earnings /(Losses) per share in RMB			
– Basic	**9.68**	6.01	
– Diluted	**0.31**	(0.83)	

Non-IFRS Measures

To supplement the consolidated financial statements of the Group presented in accordance with IFRS, the Company has presented adjusted net profit, adjusted operating profit, and adjusted EBITDA as non-IFRS measures, which are not required by or presented in accordance with IFRS. The Company believes that adjusted financial measures provide useful information to the Shareholders and potential investors to understand and evaluate the consolidated statement of profit and loss of the Group and assist the management of the Company in its decision making. The Company believes that by eliminating the effects of items that it believes are not indicative of the Group's operating performance, such adjusted financial measures assist the management of the Company and investors to evaluate the financial and operating performance of the Group for different periods on a comparable basis. However, these non-IFRS measures should not be considered independently or as a substitute for financial information prepared and presented in accordance with IFRS. Shareholders and potential investors should not independently evaluate such adjusted results or regard it as a substitute for, or comparable to, performance reported or forecasted by other companies, as they may use similar terms with different meanings. In addition, these non-IFRS measures have their limitations as analytical tools and may differ from similar measures used by other companies.

Notes:

(1) Non-IFRS adjusted net profit is calculated as net profit, excluding (i) fair value gain of convertible redeemable preference shares; (ii) share-based compensation expenses; and (iii) listing expenses.

(2) Non-IFRS adjusted operating profit is calculated as operating profit, excluding (i) share-based compensation expenses; and (ii) listing expenses.

(3) Non-IFRS adjusted EBITDA is calculated as Non-IFRS adjusted operating profit, excluding (i) depreciation of property, plant and equipment; (ii) depreciation of right-of-use assets; and (iii) amortization of intangible assets.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

China's healthcare service market is entering a new stage characterized by the deep integration of quality enhancement and digitalization. Consumer demand is rapidly evolving from one-off basic medical services towards personalized, omni-scenario, and long-cycle health management, presenting the industry with new opportunities for high-quality growth.

As a leading brand in high-quality, digitally enabled healthcare services, Distinct HealthCare continues to build on an annual fee-based family membership model grounded in evidence-based medicine and whole-person care. Leveraging an integrated online-offline ecosystem, we provide multi-specialty services that align with consumers' move from basic consultations to higher-quality care.

The year 2025 was a period of exploration for us to identify and activate new growth drivers in response to the evolving external macro-environment. Guided by our strategic focus of "Build Service Excellence," we remained firmly grounded in our core strength of providing high-quality healthcare services while intensifying our demand-side focus. We advanced our strategy through initiatives including facility upgrades, enhancing the user-centric mindset of our medical teams, building the competitiveness of our core service offerings, and developing our artificial intelligence ("**AI**") and digital capabilities. These efforts resulted in solid organic growth. Concurrently, we continued to accumulate experience and hone our team's capabilities in mergers and acquisitions integration, laying a solid foundation for our future development.

During the Year 2025, we deepened our understanding of customer needs, strengthened our customer relationship framework and converted trust into loyal membership, supporting long-term retention. Member accounts and new members grew steadily, while new-customer-to-member conversion and membership renewal rates remained high, evidencing a healthy membership ecosystem and the effectiveness of our demand-side focus. Word-of-mouth referrals remained our primary user acquisition channel. Our Net Promoter Score ("**NPS**") rose year-on-year from 86.2 to 87.3; selling and marketing expenses as a percentage of revenue were 1.5%, remaining low at industry levels. This underscores our brand strength and scalable user acquisition efficiency, providing a firm base for quality user growth.

For the year ended December 31, 2025, we delivered solid growth. Revenue was RMB1,064.5 million, up 11.1% year-on-year, of which revenue from in-person healthcare services, excluding contributions from acquisitions was RMB911.9 million, up 16.0% year-on-year organically. Gross profit was RMB267.0 million, up 18.2% year-on-year; gross margin improved from 23.6% in 2024 to 25.1%.

Profitability and cash flow also improved as we entered an initial phase of scaled profitability and recorded steady growth in operating cash flow. Adjusted operating profit (a non-IFRS measure) in 2025 was RMB40.2 million, up 224.1% year-on-year; adjusted operating profit margin increased from 1.3% in 2024 to 3.8% in 2025. Net cash generated from operating activities in 2025 was RMB211.2 million, up 23.3% year-on-year.

Network Upgrading: One-stop Healthcare Service Institution as a Mid-term Growth Driver

In 2025, through the continuous exploration and optimization of our business model, we focus on the upgrade of existing institutions and the optimization of specialty offerings as our core initiatives. We aim to unlock the mid-term growth potential of individual institutions, thereby creating new, replicable, and sustainable drivers for growth.

As of December 31, 2025, we operated 18 multi-specialty institutions in Mainland China. We classify our network into One-stop Healthcare Service Institutions and Initial Standard Institutions. We are steadily upgrading Initial Standard Institutions into One-stop Healthcare Service Institutions by expanding gross floor area and enhancing specialty service offerings to comprehensively meet families' multi-specialty healthcare needs.

Note: NPS (Net Promoter Score) is used to measure the likelihood of customers recommending a business or service to others. NPS is generated by surveys where users score our healthcare services on a rating scale of 0-10. Users' responses of nine or 10 are considered "promoters." Users' responses of six or less are considered "detractors." NPS is calculated by subtracting the percentage of respondents who are detractors from the percentage who are promoters.

Institution Types and Numbers (Mainland China)

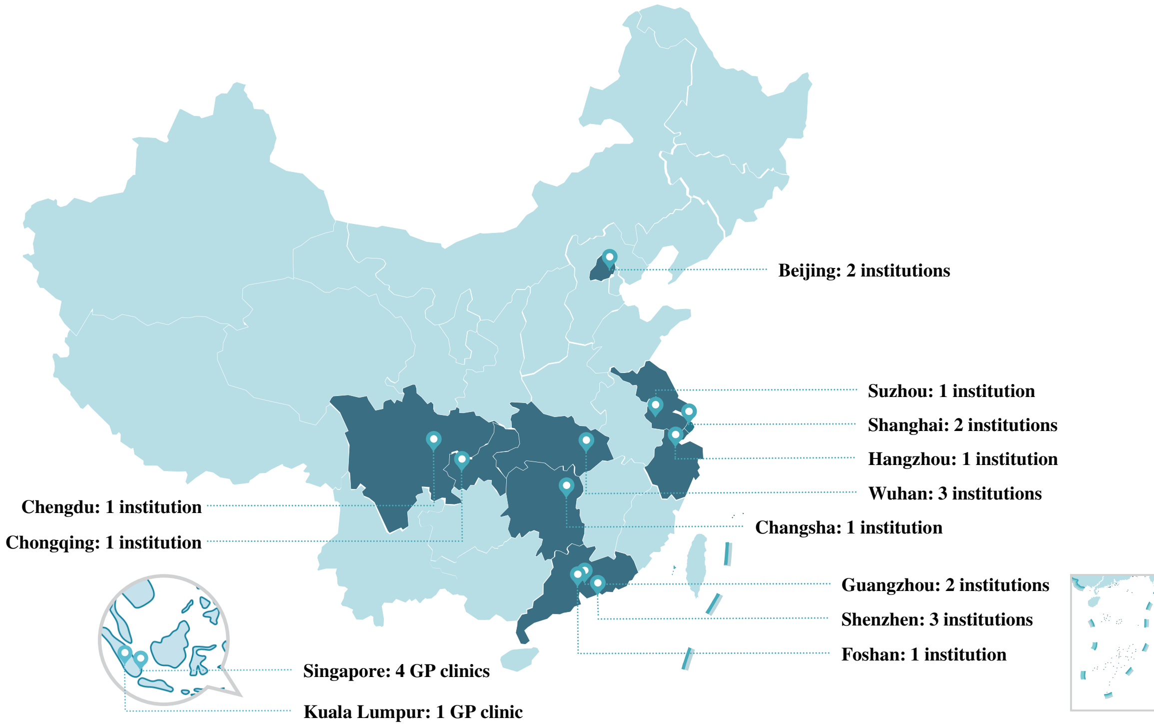
Institution Type	One-stop Healthcare Service Institution	Initial Standard Institution
GFA	~5,000 ㎡	1,000~2,000 ㎡
Scope of Services	Multi-Specialties Eye Care Dermatology ENT & General Surgery Physical Therapy Mental Health Adult Health Management and Health Check-ups Pediatrics and Well-child Check-ups Dentistry	Basic Specialties Eye Care Dermatology Pediatrics and Well-Child Check-ups Dentistry
2025	**3 institutions** (Shenzhen Bay Institution, Guangzhou Jinsui Road Institution, Chengdu High-tech Zone Institution) **18,652 ㎡**	**15 institutions** **35,917 ㎡**
2024	**2 institutions** (Shenzhen Bay Institution, Guangzhou Jinsui Road Institution) **10,396 ㎡**	**19 institutions** **42,094 ㎡**

Notes:

1. To optimize the supply of services, the Guangzhou Zhujiang New Town Institution was relocated in the second half of 2025 and merged and upgraded with the Guangzhou Jinsui Road Institution. After upgrading, the floor area of the Guangzhou Jinsui Road Institution exceeds 8,000 square meters.

2. The Chengdu High-tech Zone Institution completed its expansion in the fourth quarter of 2025 and was upgraded to a One-stop Healthcare Service Institution.

Geographic Distribution of Institutions



Note: Besides our network in mainland China, as of December 31, 2025, we operated four GP clinics in Singapore and one GP clinic in Kuala Lumpur, Malaysia respectively.

Our One-stop Healthcare Service Institutions, are larger facilities of approximately 5,000 sq.m. or more, equipped with commonly used family specialties. These institutions provide one-stop family care – covering pediatrics and well-child check-ups, dentistry, eye care, dermatology, adult health management and health check-ups, and physical therapy – serving multiple family members across the life cycle. The one-stop institution allows families to address multiple needs in a single visit, saving time and improving convenience. As new family healthcare needs arise, our high service quality and long-term trust with families reinforce their choice of our services, supporting higher visit frequency and long-term retention.

One-stop Healthcare Service Institutions have become a key growth driver. In 2025, revenue and visit growth at these institutions were primary contributors to growth at regional levels as potential continued to be realised.

Institution Type (Mainland China)	**Year ended December 31,** **2025**	2024
One-stop Healthcare Service Institutions		
Revenue (RMB'000)	**376,595**	162,977
Patient visits	**286,860**	108,348
Average spending per patient visit (RMB)	**1,313**	1,504
Initial Standard Institutions		
Revenue (RMB'000)	**596,913**	702,816
Patient visits	**526,700**	604,756
Average spending per patient visit (RMB)	**1,133**	1,162

Note: Guangzhou Zhujiang New Town Institution was relocated and merged with Guangzhou Jinsui Road Institution in the second half of 2025. The revenue and patient visits of One-stop Healthcare Service Institutions in 2025 included the full-year revenue and patient visits of Guangzhou Zhujiang New Town Institution.

Region	City Tier	Year ended December 31, **2025** *RMB'000*	2024 *RMB'000*
Shenzhen	Tier-One	**258,097**	231,406
Guangzhou	Tier-One	**197,751**	181,897
Beijing	Tier-One	**88,558**	67,579
Shanghai	Tier-One	**60,062**	44,719
Chengdu	New Tier-One	**99,931**	87,715
Suzhou	New Tier-One	**51,117**	40,894
Changsha	New Tier-One	**40,432**	35,940
Hangzhou	New Tier-One	**37,909**	31,090
Wuhan	New Tier-One	**102,357**	116,812
Chongqing	New Tier-One	**21,899**	18,079
Foshan	Tier-Two	**15,395**	9,662
Overseas	N/A	**6,908**	6,571
Total In-person Healthcare Services		**980,416**	872,364

Note: Wuhan Dragon World was merged into our Group since March 2024. In 2025, we carried out a comprehensive consolidation in terms of service positioning, IT-system, personnel and etc. From August 2025, Wuhan Pleiades Children's Hospital gradually suspended national medical insurance coverage.

Our Shenzhen Bay Institution is a benchmark case for the upgrade to the One-stop Healthcare Service Institution format. Since completing its upgrade in the fourth quarter of 2023, both annual revenue and patient visits have increased steadily, validating the growth potential of our upgrade model. In 2025, the Shenzhen Bay Institution recorded in-person healthcare service revenue of RMB149 million, up 28.8% year-on-year; patient visits were 102 thousand, up 25.4% year-on-year.

As we develop the One-stop Healthcare Service Institution network, we remain user-centric, aligning with the natural extension of family healthcare needs, optimising specialty mix and the care experience, and maintaining a balanced, coordinated distribution of specialties rather than relying on any single specialty or service to drive growth. In 2025, revenue and visit contributions across specialties remained broadly balanced, reflecting the stability of our integrated multi-specialty capabilities. In 2025, based on user needs, we began to scale two emerging specialties – physical therapy and mental health – systematically refining service offerings and service processes. Revenue in these two specialties increased by 146.5% and 119.8%, respectively, year-on-year.

	Year ended December 31,	
	2025	2024
Revenue (RMB'000)		
Pediatrics and Well-child Check-ups	**191,968**	203,194
Dentistry	**169,921**	148,450
Eye Care	**118,606**	83,644
Dermatology	**216,539**	190,022
ENT & General Surgery	**93,215**	88,010
Adult Health Management and Health Check-ups	**153,635**	135,773
Physical Therapy	**17,794**	7,218
Mental Health	**11,489**	5,228
Others	**7,249**	10,825
Total In-person Healthcare Services	**980,416**	872,364
Total Patient Visit		
Pediatrics and Well-child Check-ups	**245,232**	247,467
Dentistry	**153,611**	134,514
Eye Care	**132,099**	98,961
Dermatology	**63,004**	56,996
ENT & General Surgery	**66,723**	62,312
Adult Health Management and Health Check-ups	**122,144**	107,975
Physical Therapy	**16,994**	6,994
Mental Health	**9,399**	3,696
Others	**22,405**	11,376
Total	**831,611**	730,291
Average Spending Per Patient Visit (RMB)		
Pediatrics and Well-child Check-ups	**783**	821
Dentistry	**1,106**	1,104
Eye Care	**898**	845
Dermatology	**3,437**	3,334
ENT & General Surgery	**1,397**	1,412
Adult Health Management and Health Check-ups	**1,258**	1,257
Physical Therapy	**1,047**	1,032
Mental Health	**1,222**	1,415
Others	**324**	952
Total	**1,179**	1,195

As of December 31, 2025, the penetration rates of our active members in dentistry, eye care, dermatology and physical therapy (defined as the proportion of active members at year-end who had visited the relevant department at least once in the preceding 12 months) were 36.7%, 34.4%, 9.9%, and 2.5%, respectively. To drive cross-specialty member flow, we have designed signature services for each specialty to encourage cross-specialty member engagement. For example, dental cleaning and IPL (Intense Pulsed Light) treatments in dermatology have begun to demonstrate their potential as signature services. With the continued expansion of our One-stop Healthcare Service Institution network, the further refinement of our signature services, and the deepening of our cross-specialty member engagement, we believe we are well-positioned to benefit from cross-specialty flow and member lifetime value in the future.

Membership Management: Leveraging Membership Programme as a Foundation to Build a Full Life-cycle Service Model

To better serve users and strengthen long-term engagement, we launched the annual fee-based Distinct Membership Programme in December 2020. The initial annual fee is RMB299 per member account and the renewal fee is RMB169 per account. Each account covers up to six family members and offers discounts on in-person and online medical services, member-exclusive packages and dedicated concierge support.

Members remain at the centre of our model, and the membership system has become a core growth engine. As of December 31, 2025, we had 117,551 active member households, with revenue from member households accounting for 73.6% of total revenue.

In 2025, we drove new-customer conversion to membership through scenario-based service design and other approaches. The number of new member households for the year reached 36,286, with a new-customer-to-member conversion rate of approximately 79.7%. We have consistently relied on word-of-mouth referrals as our primary user acquisition channel and have diversified sources of new users through exploratory "2B2C" strategy (serving enterprise clients to drive growth in consumer members).

Membership renewal rate continued to increase, reflecting recognition and trust in our services. In 2025, the renewal rate was 67.9%, up 2.7 percentage points from 65.2% in 2024, sustaining a high level of retention.

	Year ended December 31,	
	2025	2024
Number of Members and Revenue Contribution		
Number of active member households	**117,551**	108,052
Proportion of revenue contributed by members	**73.6%**	72.5%
Number of new members	**36,286**	34,960
Conversion and Retention of Members		
New member conversion rate	**79.7%**	79.7%
Membership renewal rate	**67.9%**	65.2%

Notes:

1. Number of active members represents the number of member households in active membership period as of the end of the relevant year;

2. The number of new members represents the number of new members converted from new customers for the first visit, excluding employee welfare members and new members reactivated from existing members during the 2021 membership system reform;

3. New member conversion rate represents the proportion of new members converted from new customers for the first visit;

4. Membership renewal rate represents the number of Distinct membership accounts that were due to expire during the relevant periods and were renewed before or three months after the respective expiration dates as a percentage of the total number of Distinct membership accounts that were due to expire during the relevant periods.

We also monitor whether members choose us for a broader range of medical decisions over time. Since the launch of our membership program, we have built a robust membership data platform and conduct cohort analysis to assess the long-term attractiveness of our services and the persistence of member engagement.

Over the past three years, average annual spending per active member household has continued to rise. For the 2023 cohort of new members, average annual spending per household was RMB3,016 in 2023 and increased to RMB5,866 in 2025. This suggests retained members are either visiting more frequently or choosing us for more complex, trust-intensive needs, demonstrating significant potential for long-term value realisation.

Average Annual Spending per Active Member Household (RMB)	**Year ended December 31,**		
	2023	**2024**	**2025**
New member households enrolled in for 2023	3,016	4,509	5,866
New member households enrolled in for 2024		3,475	4,823
New member households enrolled in for 2025			3,813

Notes:

1. Average Annual Spending per Active Member Household represents the average annual spending per active member household, generated in each subsequent calendar year, by the cohort of members acquired in a specific year and who remain active.

AI Empowerment: Embedding AI Across the User Journey to Improve Efficiency and User Experience

In 2025, we deepened the use of AI across operations and customer touchpoints, embedding it in appointment management, customer service, post-visit follow-ups and customer relationship management to improve efficiency and enhance the user experience.

In terms of operational efficiency:

- AI-enabled appointment processing: AI assisted in reviewing 77% of bookings, with a 79% AI approval rate. Average processing time per batch was reduced from 5 minutes to 1.5 minutes, improving the booking experience and confirmation timeliness while significantly reducing manual workload for customer support.

- Intelligent customer service: We rolled out AI call-to-ticket transcription, Voice of Customer ("**VOC**") insight tools and outbound analytics for membership renewals, reducing manual time spent on audio review and note-taking and enabling management to shift from case-by-case handling to scaled insights and strategy optimisation. Our AI assistant launched in the third quarter of 2025 on our mini-program and now handles about 20% of online enquiries 24/7, easing pressure on human agents.

- AI+customer relationship management ("**CRM**"): AI automatically identifies follow-up needs arising from clinical instructions (e.g., return visits, examinations and reminders) and creates tasks in the CRM, enabling "care team + AI" collaboration. In 2025, the system covered four major scenarios – dermatology, eye care, insurance and general – and achieved full recording of clinical instructions in the system with closed-loop follow-up. During the reporting period, AI created 84% of patient recall tasks; the return-visit rate within 60 days after task creation increased from 46% to 52%. These processes are now managed in a controllable, traceable and continuously optimisable loop, reducing frontline workload and embedding AI in lean operations and long-term customer management.

In terms of user experience:

We extended high-quality care into the post-visit services through AI-enabled follow-ups, as an important driver of engagement. In November 2025, we launched AI-supported post-visit follow-ups, providing efficient, high-quality follow-up services to nearly 10,000 users per month. This enables full-cycle service coverage, strengthens engagement and brand equity, and – together with our one-stop model and membership system – forms a virtuous cycle.

Quality Assurance: Reinforcing Medical Quality and Safety as a Core Brand Strength

Medical quality and patient safety are the foundation of our services and of our sustainable growth. We consistently uphold medical quality as our baseline, focusing on three key dimensions: building our doctor team, implementing rigorous quality control, and optimizing the service experience. This approach solidifies our core safeguards for quality and safety, continuously enhancing the long-term trust of our target customer base.

Our doctor team is central to our competitiveness. During the Reporting Period, we continued to enhance doctors recruitment, development and retention. Our full-time doctors increased from 379 as of December 31, 2024 to 399 as of December 31, 2025.

We maintain high recruitment standards. On average, our doctors have about 15 years of practice after licensure, and around 73% previously served at top-tier Class III Grade A hospitals before joining us.

Most doctors graduated from leading medical schools, including Peking Union Medical College, Peking University Health Science Center, Sun Yat-sen University Zhongshan School of Medicine, Sichuan University West China School of Medicine and Tongji Medical College of Huazhong University of Science and Technology. As of December 31, 2025, approximately 89% of our full-time doctors held a master's degree or above, with an average age of 40. Supported by a structured development framework and clear career paths, we have been able to maintain a high doctor retention rate, and our full-time doctor turnover rate was 2.9% in 2025, remaining low at industry levels, underpinning the stability and consistency of care quality.

We continue to anchor our practice in evidence-based medicine and provide doctors with access to the UpToDate clinical decision support platform for real-time global evidence and best practices. At the head office level, our medical executive committee further refined the Patient Safety Alert ("**PSA**") reporting system. In 2025, through structured PSA reporting and automation (including PSA and early-warning bots), we lowered reporting thresholds and improved record completeness; through regional/specialty PSA dashboards and regular case-sharing, we strengthened reviews and the implementation of corrective measures to form a closed-loop quality management system. In-person visits increased from 730,291 in 2024 to 831,611 in 2025, up 14% year-on-year, with a PSA incidence rate of only 0.079%, and there were 3 Grade III PSA incidents, a decrease of 7 incidents from 2024, indicating overall stable quality performance.

On service experience, we continued to improve patient experience through institutionalised, refined management. In 2025, the medical executive committee provided ongoing coaching to strengthen user-centric thinking among doctors and deepened soft- and hard-skill training for medical staff, covering pain management in dentistry and gynaecology, comfort-focused treatments in dermatology, and customer-needs identification in pediatrics and well-child check-ups, internal medicine and eye care. These measures supported further NPS gains and continued to reinforce our reputation among target customers.

Organisational Development: Optimising Structure and Developing Talent for Sustainable Expansion

In 2025, aligned with our long-term strategy, we continued to optimise our organisational structure and talent pipeline, clarified accountabilities and enhanced organisational capabilities to support sustainable expansion.

We established specialty-level coordination teams at headquarter level to set specialty strategies, integrate resources, deepen competitive insights and improve internal resource allocation. We also clarified roles and responsibilities across head office, regions and operating units, establishing an efficient structure in which head office sets business strategy while regions manage teams. Concentrating core management functions at head office supports more precise and efficient decision-making and improves overall operating efficiency and effectiveness.

Note: Doctor turnover rate is calculated by dividing the number of doctors who resigned during the relevant period by the sum of the number of doctors who left us during the relevant period plus the number of doctors at the end of that period.

On talent, we developed and rolled out the "Distinct Leadership Model", assessing and selecting talent across six dimensions – self-motivation, user-centricity, cognitive diversity, execution effectiveness, cross-team collaboration and team development. Through talent mapping, we strengthened team-development mindsets among the core management team and launched company-wide high-potential programmes and routine coaching for future leaders. This ensures a strong pipeline of management talent for frontline expansion and meets staffing needs as we open new operating units and grow the business.

Future Development and Strategies

We will focus on the following priorities to drive sustainable, high-quality growth:

Accelerating the Expansion of One-Stop Healthcare Service Institution Network to Unlock Multi-Specialty Care Advantages

We will accelerate upgrades of Initial Standard Institutions into One-stop Healthcare Service Institutions, with a focus on Suzhou, Changsha, Shenzhen, Wuhan and Beijing in 2026.

At the specialty level, we will continue to refine signature service offerings and enrich high-frequency service portfolios. Each specialty will develop high-quality, cost-effective signature services to drive cross-specialty flow among members and acquire new users. We will also deepen membership management through product optimisation, on-site experience design and end-to-end customer follow-up to further improve cross-specialty flow among members.

We will enhance capabilities around user needs:

- For Children: strengthen subspecialties and build multidisciplinary team (MDT) capabilities in four areas – allergy, growth and development, developmental and behavioural paediatrics, and child psychology.

- For Adults: target the grey hair cohort aged 45-55 and build integrated health management across five modules – health check-ups and chronic disease management; psychology and sleep; anti-aging and perimenopause management; nutrition and weight control; and sports and rehabilitation – to innovate care models and build a reputation for distinctive services.

Pilot Subscription-based Health Services to Broaden Our User Base

We will launch two categories of subscription-based health services: "innovative drugs + medical services" and "nutritional supplements + health data monitoring". For "innovative drugs + medical services", based on innovative medications, we will provide an integrated solution combining in-person consultations, online consultations, CRM management and AI empowerment, initially focusing on weight management, sleep and allergy, with subsequent expansion to blood lipids and gout management. In parallel, we plan to offer personalised nutritional supplement subscriptions based on users' dietary habits and health data monitoring, targeted for launch in the fourth quarter of 2026.

Build a Personalised AI Health Assistant to Transform the Healthcare Experience

We will leverage the trend toward scenario-based AI adoption in healthcare to automatically consolidate and generate long-horizon, cross-age and cross-specialty health records for all family members. This will help families monitor health trends, key milestones and potential risks, establish a data-driven, comprehensive view of health, and provide evidence-based, proactive intervention suggestions – delivering a new AI + healthcare experience:

- AI + 360-degree health data assessment: integrate our records with user-uploaded external medical records and apply advanced AI analytics for continuous updates and longitudinal tracking to identify early risk trends and generate personalised insights and interventions;

- Family care scheduling: generate an intelligent health calendar that integrates return-visit reminders, well-child checks, dental reviews and other items, with personalised suggestions based on each family member's health stage;

- AI + personalised health advice: draw on users' health data and AI long-term memory to deliver more precise, tailored advice when users seek guidance through the AI interface.

In AI research and development, we have partnered with a top university to design and build a multi-agent architecture, now in testing and optimisation. Using "AI-empowered Follow-ups" as the pilot scenario, we have begun single-blind physician trials to validate effectiveness. The project addresses key challenges in multi-agent design, patient health record retrieval, trusted external knowledge sourcing and medical knowledge graph construction. It will be applied to AI follow-up scenarios to materially improve the accuracy and completeness of AI responses and the handling of complex issues, laying the groundwork for truly conversational AI interactions with customers.

We plan to roll out a next-generation, co-developed electronic medical record (EMR) system in 2026 through a transformation programme structure. The new system will standardise and integrate care process management, with an AI-native, data-driven core architecture, will support flexible configuration and AI-enabled workflows across diagnosis, treatment, follow-up and operations. By leveraging a highly customisable platform to tailor to diverse, personalised clinical and management scenarios, we aim to continuously enhance care quality and operating efficiency, providing a robust digital foundation for the Group's long-term development.

Principal Risks and Uncertainties

The Company's business, operating performance and the implementation of its strategies may be affected by various risks and uncertainties. The management focused on, among others: (i) changes in regulatory policies and compliance requirements in the healthcare services industry; (ii) risks relating to medical quality and patient safety incidents; (iii) recruitment and retention of key physicians and management talent; (iv) the impact of shifts in the consumption environment on demand for certain self-pay medical services; (v) the ramp-up progress of newly upgraded institutions and emerging specialties; and (vi) market acceptance, regulatory parameters and execution risks associated with new businesses in subscription-based health services.

FINANCIAL REVIEW

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Revenue	**1,064,529**	958,578
Cost of revenue	**(797,489)**	(732,575)
Gross profit	**267,040**	226,003
Selling expenses	**(16,105)**	(15,956)
Administrative expenses	**(218,044)**	(264,452)
R&D expenses	**(3,996)**	–
Net impairment losses on financial assets	**(1,932)**	(1,282)
Other income	**1,463**	1,282
Other (losses)/gains-net	**(647)**	7,528
Finance costs-net	**(10,034)**	(8,023)
Fair value gain of convertible redeemable preference shares	**118,182**	128,797
Fair value gain on remeasurement of previously held equity interest in subsidiaries at the acquisition date	**–**	5,990
Share of results of associates	**–**	(143)
Income tax (expense)/benefit	**(4,478)**	483
Profit for the year	**131,449**	80,227

1. Revenue

The Group's revenue was primarily derived from in-person healthcare services, tele-healthcare services, membership programs, and off-network healthcare services. The Group's revenue increased by 11.1% from RMB958.6 million in 2024 to RMB1,064.5 million in 2025, which was attributable to the growth in revenue from in-person healthcare services, primarily driven by both organic growth and external expansion.

In terms of organic growth, the refined multi-specialty operations of the healthcare service institutions have driven steady growth in member households and paid patient visits, which contributed to a 16.0% increase in the revenue from in-person healthcare services in 2025. With regard to external expansion, in line with the Group's overall business model and strategic choices, Wuhan Pleiades Children's Hospital gradually suspended national medical insurance coverage from August 2025 and formally withdrew from "national medical insurance designated healthcare institutions" in January 2026. Such strategic adjustment resulted in a decrease in revenue during the Reporting Period. Meanwhile, the Group is advancing the business integration between Wuhan Zhuojian Clinic and Wuhan Pleiades Children's Hospital. The gross floor area of a single site will be expanded from 5,754 square meters to 6,855 square meters, with completion expected in August 2026 to enhance the capability to provide one-stop healthcare services.

The following table sets forth the breakdown of our revenue by business segments for the Reporting Period.

	Year ended December 31,			
	2025		2024	
	Revenue	**Percentage of revenue**	Revenue	Percentage of revenue
	RMB'000	***%***	*RMB'000*	*%*
Healthcare services				
– In-person healthcare services[1]	**980,416**	**92.1**	872,364	91.1
– Tele-healthcare services[2]	**22,225**	**2.1**	22,960	2.4
– Membership programs[3]	**22,365**	**2.1**	22,372	2.3
– Off-network healthcare services[4]	**30,786**	**2.9**	32,830	3.4
Subtotal	***1,055,792***	***99.2***	*950,526*	*99.2*
Others[5]	**8,737**	**0.8**	8,052	0.8
Total	**1,064,529**	**100.0**	958,578	100.0

Notes:

(1) Representing revenue generated from our healthcare service institutions.

(2) Representing revenue generated from our tele-healthcare service platform.

(3) Representing revenue generated from annual membership fees.

(4) Representing revenue generated from on-campus and corporate healthcare management services and medical concierge and escort services.

(5) Primarily comprising the sales of healthcare products. The healthcare products we offer primarily include (i) skincare items, (ii) oral health products, (iii) nutritional supplements, and (iv) eye and nose care products.

2. Cost of Revenue

The cost of revenue of the Group primarily consisted of employee salary and benefit expenses, depreciation and amortization, pharmaceuticals, medical consumables, and other costs. It increased by 8.9% from RMB732.6 million in 2024 to RMB797.5 million in 2025. The growth in cost of revenue was mainly attributable to the corresponding increases in employee salaries and benefits expenses, as well as costs of pharmaceuticals and medical consumables, which were consistent with the expansion of the Group's business scale.

3. Gross Profit and Gross Profit Margin

	Year ended December 31,			
	2025		2024	
	Gross profit	**Gross profit margin**	Gross profit	Gross profit margin
	RMB'000	***%***	*RMB'000*	*%*
Healthcare services				
– In-person healthcare services	**230,287**	**23.5**	190,927	21.9
– Tele-healthcare services	**5,735**	**25.8**	4,974	21.7
– Membership programs	**20,878**	**93.4**	20,922	93.5
– Off-network healthcare services	**5,038**	**16.4**	4,835	14.7
Subtotal	***261,938***	***24.8***	221,658	23.3
Others	**5,102**	**58.4**	4,345	54.0
Total	**267,040**	**25.1**	226,003	23.6

The Group's gross profit increased by 18.2% from RMB226.0 million in 2024 to RMB267.0 million in 2025. The overall gross profit margin increased by 1.5 percentage points from 23.6% in 2024 to 25.1% in 2025. The increase was primarily due to the improved gross profit margin of in-person healthcare services, which was mainly attributable to our enhanced operating efficiency and greater economies of scale we enjoyed due to the increased number of patient visits.

4. Selling Expenses

The Group's selling expenses consisted of employee salary and benefit expenses, promotion and marketing expenses, and other expenses. It remained relatively stable at RMB16.0 million in 2024 and RMB16.1 million in 2025.

5. Administrative Expenses

The Group's administrative expenses consisted of employee salary and benefit expenses, depreciation and amortization, listing expenses, consulting fees, and other expenses. It decreased by 17.5% from RMB264.5 million in 2024 to RMB218.0 million in 2025, mainly due to: (i) a decrease of RMB38.4 million in share-based compensation expenses; and (ii) a decrease of RMB8.5 million in listing expenses in connection with the Global Offering.

6. R&D Expenses

The Group's R&D expenses mainly consisted of employee salary and benefit expenses for the R&D team as well as third-party cooperation fees. The Group has implemented separate project-based accounting, with total R&D expenses of approximately RMB4.0 million in 2025. These expenses mainly related to the Group's ongoing integration of AI into appointment management, customer service, post-visit follow-ups and CRM, so as to enhance operational efficiency and user experience.

7. Net Impairment Losses on Financial Assets

The Group's net impairment losses on financial assets primarily consisted of the impairment losses on trade and other receivables. It increased from RMB1.3 million in 2024 to RMB1.9 million in 2025, mainly due to an increase in trade receivables, which was in line with the increase in revenue derived from direct billing settlement.

8. Other Income

The Group's other income primarily consisted of government subsidies and individual income tax handling fee refunds. It remained relatively stable at RMB1.3 million in 2024 and RMB1.5 million in 2025.

9. Other (Losses)/Gains – Net

The Group's other (losses)/gains primarily consisted of (i) fair value gains from bank financial products, representing short-term investments in certain financial instruments issued by commercial banks; (ii) fair value losses from investment in a listed equity security; (iii) net gains on modification and early termination of leases, representing the disposal gains or losses resulting from the termination of certain leases as a result of our relocation or closure of certain healthcare service institutions as recognized in accordance with the relevant accounting policies; (iv) net losses on disposal of property, plant and equipment and intangible assets; (v) forfeiture of deposits and compensation from early termination of certain leases as a result of our relocation or closure of certain healthcare service institutions; and (vi) exchange gains.

The Group's net other losses in 2025 primarily consisted of: (i) a gain of RMB8.5 million from bank wealth management products; (ii) a loss of RMB4.2 million from investments in listed equity securities; (iii) a net loss of RMB5.2 million arising from the termination of leases, disposal of unamortized renovations, forfeiture of lease deposits and compensation due to the relocation, expansion or closure of operations of one clinic each in Wuhan, Beijing and Guangzhou; and (iv) an exchange gain of RMB0.4 million resulting from foreign exchange fluctuations.

10. Finance Costs – Net

The Group's finance income primarily included interest income from bank deposits, while the finance costs mainly consisted of interest expenses on lease liabilities and interest expenses on loans from non-controlling shareholders of subsidiaries. The net finance costs increased by 25.1% from RMB8.0 million in 2024 to RMB10.0 million in 2025, mainly due to the combined effects of the following factors: (i) a decrease of RMB6.1 million in interest income from bank deposits, primarily due to a shift of funds into higher-yielding bank wealth management products during the Reporting Period, which reduced the balance of bank deposits; (ii) a decrease of RMB3.8 million in interest expenses on lease liabilities, benefiting from the decline in real estate rental costs; and (iii) the interest expenses on shareholder loans provided by non-controlling shareholders of subsidiaries were fully settled in October 2024.

11. Fair Value Gain of Convertible Redeemable Preference Shares

The Group's fair value gain of convertible redeemable preference shares decreased from RMB128.8 million in 2024 to RMB118.2 million in 2025. The decrease was primarily due to the changes in the Company's credit risk and equity value, the probability of liquidation and redemption. The convertible redeemable preference shares were automatically converted into ordinary Shares upon the Listing and accounted for as an increase in share capital and share premium.

12. Income Tax (Expense)/Benefit

The Group's income tax (expense)/benefit consisted of current income tax and deferred income tax. For the year ended December 31, 2025, the income tax expense was RMB4.5 million, compared to the income tax benefit of RMB0.5 million for the year ended December 31, 2024. The increase in income tax expense was primarily due to the improved operational profitability, leading to higher taxable income.

13. Profit for the Year

As a result of the foregoing, the Group's net profit increased by 63.8% from RMB80.2 million in 2024 to RMB131.4 million in 2025.

14. Non-IFRS Measures

To supplement the consolidated financial statements of the Group presented in accordance with IFRS, the Company has presented adjusted net profit, adjusted operating profit, and adjusted EBITDA as non-IFRS measures, which are not required by or presented in accordance with IFRS. The Company believes that adjusted financial measures provide useful information to the Shareholders and potential investors to understand and evaluate the consolidated statement of profit and loss of the Group and assist the management of the Company in its decision making. The Company believes that by eliminating the effects of items that it believes are not indicative of the Group's operating performance, such adjusted financial measures assist the management of the Company and investors to evaluate the financial and operating performance of the Group for different periods on a comparable basis. However, these non-IFRS measures should not be considered independently or as a substitute for financial information prepared and presented in accordance with IFRS. Shareholders and potential investors should not independently evaluate such adjusted results or regard it as a substitute for, or comparable to, performance reported or forecasted by other companies, as they may use similar terms with different meanings. In addition, these non-IFRS measures have their limitations as analytical tools and may differ from similar measures used by other companies.

The table below sets forth the reconciliation of our non-IFRS measures presented in accordance with IFRS for the years indicated:

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Net profit	**131,449**	80,227
Adjustments:		
Fair value gain of convertible redeemable preference shares	**(118,182)**	(128,797)
Share-based compensation expenses	**–**	38,362
Listing expenses	**12,381**	20,908
Non-IFRS adjusted net profit	**25,648**	10,700
Operating profit/(loss)	**27,779**	(46,877)
Adjustments:		
Share-based compensation expenses	**–**	38,362
Listing expenses	**12,381**	20,908
Non-IFRS adjusted operating profit	**40,160**	12,393
Non-IFRS adjusted operating profit	**40,160**	12,393
Adjustments:		
Depreciation of property, plant and equipment	**60,415**	59,794
Depreciation of right-of-use assets	**71,545**	74,040
Amortization of intangible assets	**968**	2,001
Non-IFRS adjusted EBITDA	**173,088**	148,228

15. Liquidity and Capital Resources

The Group's principal use of cash was for upgrading and expansion of our healthcare service network, establishment and acquisition of healthcare service institutions, as well as other working capital needs. As of December 31, 2025, the total amount of cash and cash-like items reached RMB535.1 million, representing an increase of RMB53.2 million compared to RMB481.9 million in the same period in 2024. In particular , the Group's cash and cash equivalents and time deposits with an initial term over three months were RMB324.8 million and RMB10.9 million, respectively. In addition, the Group also held financial assets at fair value through profit or loss of RMB199.4 million.

16. Cash Flows

The table below sets forth specific figures from the Group's consolidated cash flow statements for the years indicated.

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Net cash generated from operating activities	**211,248**	171,338
Net cash (used in)/generated from investing activities	**(80,396)**	85,982
Net cash used in financing activities	**(111,891)**	(150,253)
Cash and cash equivalents at the beginning of the year	**307,970**	198,327
Exchange (losses)/gains on cash and cash equivalents	**(2,085)**	2,576
Cash and cash equivalents at the end of the year	**324,846**	307,970

17. *Gearing Ratio*

The gearing ratio is calculated by dividing the total bank loans and other borrowings by the total equity as at the end of the year. As of December 31, 2024 and December 31, 2025, the Group's total cash and cash equivalents and time deposits with initial terms of over three months are greater than other interest-bearing liabilities and gearing ratio is therefore not applicable.

18. Indebtedness

As at December 31, 2025, lease liabilities decreased by RMB50.3 million to RMB289.0 million, mainly due to the lease payments we made.

As at December 31, 2025, convertible redeemable preference shares decreased by RMB149.8 million to RMB2,261.3 million, mainly due to the fair value change of convertible redeemable preference shares caused by a change in the Company's equity value.

19. Significant Investments, Material Acquisitions and Disposals

The Group did not have significant investment, material acquisitions or disposals of subsidiaries, associates and joint ventures for the year ended December 31, 2025.

Save as disclosed in the section headed "Future Plans and Use of Proceeds" of the Company's Prospectus, the Group has no other future plans for any other material investment and capital assets.

20. Contingent Liabilities

As at December 31, 2025, the Group did not have any material contingent liabilities.

21. Capital Commitments

As at December 31, 2025, the Group had capital commitments contracted but not yet provided for of RMB2.9 million, which were primarily related to the purchase of property, plant and equipment.

22. Pledge of Assets

As at December 31, 2025, the Group has not pledged or charged any assets.

23. Foreign Exchange Exposure

During the Reporting Period, the Group mainly operated in Mainland China and the majority of its transactions were settled in Renminbi, the functional currency of the Company's primary subsidiaries. The Group is exposed to foreign currency risk as a result of certain monetary assets and liabilities being denominated in non-functional currencies. The Group currently does not have a foreign currency hedging policy. However, our management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

24. Employees

As at December 31, 2025, the Group had 1,724 full-time employees in total, including 399 full-time doctors, and 675 other medical professionals. In strict compliance with the relevant labour laws, the Group enters into individual employment contracts with its employees covering matters such as terms, wages, bonuses, employee benefits, workplace safety, confidentiality obligations and grounds for termination.

To remain competitive in the labour market, the Group provides various incentives and benefits to its employees. The Group invests in continuing education and training programs, including internal and external training, for its management staff and other employees to upgrade their skills and knowledge. The Group also provides employees with competitive salaries and opportunities to participate in share incentive schemes. We believe our benefits, working environment and development opportunities for our employees have contributed to good employee relations and employee retention.

25. Significant Events After the Reporting Period

On January 12, 2026, the Company entered into a shareholder resolution, pursuant to which one of the redemption events of the convertible redeemable preference shares was updated to the occurrence of the Company's failure to consummate a qualified IPO prior to March 31, 2027 and as a result, the convertible redeemable preference shares will not have cash flow impact to the Group for at least the next twelve months from December 31, 2025. On February 6, 2026, the Company completed its listing on Main Board of the Stock Exchange of Hong Kong Limited. Upon the Listing, all preference shares have been automatically converted into ordinary shares.

Save for the above, there were no material subsequent events that took place after December 31, 2025.

FINAL DIVIDEND

The Board has resolved not to declare any final dividend for the year ended December 31, 2025.

ANNUAL GENERAL MEETING

The AGM will be held on Wednesday, June 24, 2026. Notice of the AGM and all other relevant documents will be published and despatched to the Shareholders (if requested) in the manner required by the Listing Rules in due course.

CLOSURE OF REGISTER OF MEMBERS

In order to determine the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Thursday, June 18, 2026 to Wednesday, June 24, 2026, both days inclusive, during which period no transfer of Shares will be registered. In order to be eligible as Shareholders to attend and vote at the AGM, all transfer documents accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Wednesday, June 17, 2026.

CORPORATE GOVERNANCE PRACTICES

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the CG Code as its own code to govern its corporate governance practices.

The CG Code was not applicable to the Company for the Reporting Period, as the Company had not been listed on the Stock Exchange as at December 31, 2025. Since the Listing Date and up to the date of this announcement, the Company has complied with all the applicable code provisions set out in Part 2 of the CG Code, other than disclosed below:

Under code provision C.2.1 of Part 2 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. WANG Zhiyuan ("**Mr. Wang**") is the chairman of the Board and the chief executive officer of the Company. With extensive experience in the financial industry and having served in the Company since its founding, Mr. Wang is in charge of making key corporate decisions and overall management of the Group. The Board considers that vesting the roles of the chairman of the Board and the chief executive officer of the Company in the same person is beneficial to the management of the Group. The balance of power and authority is ensured by the operation of the Board and the Group's senior management, which comprises experienced and diverse individuals. The Board currently comprises two executive Directors, five non-executive Directors and four independent non-executive Directors, and therefore has a strong independence element in its composition.

Save as disclosed above, in the opinion of the Board, the Company has complied with the relevant code provisions contained in the CG Code during the Reporting Period.

The Board will continue to review and monitor the corporate governance practices of the Company with an aim of maintaining a high standard of corporate governance.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its own code of conduct regarding dealings in the securities of the Company by the Directors and the relevant employees of the Company, who are likely to possess inside information in relation to the Company's securities.

The Model Code was not applicable to the Company for the Reporting Period, as the Company had not been listed on the Stock Exchange as at December 31, 2025. Upon specific enquiries, all Directors confirmed that they have complied with the Model Code since the Listing Date and up to the date of this announcement. No incident of non-compliance with the Company's relevant employees had been noted since the Listing Date and up to the date of this announcement.

SUFFICIENCY OF PUBLIC FLOAT

According to the information that is publicly available to the Company and within the knowledge of the Board, as at the date of this announcement, the Company has maintained the public float as required under the Listing Rules.

AUDIT COMMITTEE AND REVIEW OF FINANCIAL INFORMATION

The Board has established the Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the CG Code. As of the date of this announcement, the Audit Committee comprises two independent non-executive Directors and one non-executive Director, namely Dr. GAO Pingyang (Chairperson), Ms. CHEN Rui and Mr. CAO Shaoshan. Dr. GAO Pingyang, being the chairman of the Audit Committee, holds the appropriate professional qualifications as required under Rules 3.10(2) and 3.21 of the Listing Rules. The primary duties of the Audit Committee are to review and supervise the Company's financial reporting process and internal controls.

The Audit Committee has reviewed the Group's consolidated financial statements for the year ended December 31, 2025. The Audit Committee has also discussed matters with respect to the accounting policies and practices adopted by the Company with senior management members and the Auditor, and discussed matters with respect to internal controls with senior management members. Based on this review and discussions with the management and the Auditor, the Audit Committee was satisfied that the Group's consolidated financial statements were prepared in accordance with applicable accounting standards and fairly present the Group's financial position and results for the year ended December 31, 2025.

SCOPE OF WORK OF PRICEWATERHOUSECOOPERS

The figures in respect of our 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 December 31, 2025 as set out in the preliminary announcement have been agreed by our Group's Auditor, PricewaterhouseCoopers, to the amounts set out in the audited consolidated financial statements of our Group. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by PricewaterhouseCoopers on the preliminary announcement.

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

Neither the Company nor any of its subsidiaries have purchased, sold or redeemed any of the Company's listed securities (including sale of treasury Shares) during the Reporting Period and up to the date of this announcement.

The Company did not hold any treasury Shares (as defined under Listing Rules) as at December 31, 2025.

USE OF PROCEEDS FROM GLOBAL OFFERING

The Company was listed on the Main Board of the Stock Exchange on February 6, 2026, and on March 5, 2026, the over-allotment option was partially exercised. The net proceeds received by the Group from the Global Offering and the exercise of the over-allotment option, after deducting underwriting fee and relevant expenses, amounted to approximately HK$220.1 million.

The Group will apply such net proceeds in a manner consistent with the intended use of proceeds as set out in the Prospectus. Since the Listing Date, the net proceeds which have not been utilized have been deposited into current deposits or short-term demand deposits with licensed banks and financial institutions as defined under the Securities and Futures Ordinance or the applicable laws in relevant jurisdiction for non-Hong Kong based deposits.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and the Company's website (www.distinctclinic.com). The annual report of the Company for the year ended December 31, 2025 containing all the information required by the Listing Rules will be dispatched to the Shareholders (if requested) and published on the above websites in due course.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Note	**Year ended December 31, 2025** *RMB'000*	2024 *RMB'000*
Revenue	3	**1,064,529**	958,578
Cost of revenue		**(797,489)**	(732,575)
Gross profit		**267,040**	226,003
Selling expenses		**(16,105)**	(15,956)
Administrative expenses		**(218,044)**	(264,452)
Research and development expenses		**(3,996)**	–
Net impairment losses on financial assets		**(1,932)**	(1,282)
Other income	4	**1,463**	1,282
Other (losses)/gains – net	5	**(647)**	7,528
Operating profit/(loss)		**27,779**	(46,877)
Finance income	6	**2,483**	8,619
Finance costs	6	**(12,517)**	(16,642)
Finance costs – net	6	**(10,034)**	(8,023)
Fair value gain of convertible redeemable preference shares	14	**118,182**	128,797
Fair value gain on remeasurement of previously held equity interest in subsidiaries at the acquisition date		**–**	5,990
Share of results of associates		**–**	(143)
Profit before income tax		**135,927**	79,744
Income tax (expense)/benefit	7	**(4,478)**	483
Profit for the year		**131,449**	80,227
Attributable to:			
– Owners of the Company		**135,064**	83,805
– Non-controlling interests		**(3,615)**	(3,578)
Earnings/(losses) per share for profit attributable to owners of the Company (expressed in RMB per share)			
– Basic earnings per share	8	**9.68**	6.01
– Diluted earnings/(losses) per share	8	**0.31**	(0.83)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Profit for the year	**131,449**	80,227
Other comprehensive income/(loss):		
Items that will not be reclassified to profit or loss		
Currency translation differences	**25,306**	(17,718)
Fair value change of convertible redeemable preference shares due to own credit risk	**(20,842)**	(61,822)
Items that may be subsequently reclassified to profit or loss		
Currency translation differences	**22,459**	(15,630)
	26,923	(95,170)
Total comprehensive income/(loss) for the year	**158,372**	(14,943)
Attributable to:		
– Owners of the Company	**161,987**	(11,365)
– Non-controlling interests	**(3,615)**	(3,578)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	**As at December 31,** **2025** ***RMB'000***	2024 *RMB'000*
Assets			
Non-current assets			
Property, plant and equipment		**184,957**	205,584
Right-of-use assets		**252,942**	302,612
Intangible assets		**142,904**	135,977
Prepayments, deposits and other receivables	10	**42,079**	30,429
Deferred income tax assets		**50,696**	45,591
Term deposits with initial term of over three months		**–**	10,553
Total non-current assets		**673,578**	730,746
Current assets			
Financial assets at fair value through profit or loss		**199,366**	162,862
Inventories		**33,880**	31,947
Trade receivables	9	**69,537**	52,154
Prepayments, deposits and other receivables	10	**24,339**	28,595
Term deposits with initial term of over three months	11	**10,883**	11,049
Cash and cash equivalents	11	**324,846**	307,970
Total current assets		**662,851**	594,577
Total assets		**1,336,429**	1,325,323
Equity			
Equity attributable to owners of the Company			
Share capital		**85**	85
Reserves		**(69,794)**	(96,717)
Accumulated losses		**(1,566,284)**	(1,701,348)
		(1,635,993)	(1,797,980)
Non-controlling interests		**34,940**	38,555
Total deficit		**(1,601,053)**	(1,759,425)

	Note	As at December 31, 2025 RMB'000	2024 RMB'000
Liabilities			
Non-current liabilities			
Contract liabilities		**4,610**	1,762
Lease liabilities		**221,110**	257,791
Deferred income		**18,820**	9,410
Deferred income tax liabilities		**25**	6
Total non-current liabilities		**244,565**	268,969
Current liabilities			
Trade payables	12	**10,528**	9,705
Accruals and other payables	13	**170,587**	180,571
Contract liabilities		**171,087**	130,552
Current income tax liabilities		**11,557**	2,379
Lease liabilities		**67,842**	81,478
Convertible redeemable preference shares	14	**2,261,316**	2,411,094
Total current liabilities		**2,692,917**	2,815,779
Net current liabilities		**(2,030,066)**	(2,221,202)
Total liabilities		**2,937,482**	3,084,748
Total deficit and liabilities		**1,336,429**	1,325,323

NOTES TO FINANCIAL STATEMENTS

1 GENERAL INFORMATION

Distinct Healthcare Holdings Limited (the "Company") is an investment holding company. The Company and its subsidiaries (together the "Group") are principally engaged in provision of healthcare services through healthcare service institutions and tele-healthcare service platform mainly in the People's Republic of China (the "PRC").

The Company was incorporated in the Cayman Islands on February 13, 2014 as an exempted company with limited liability under the Companies Law (Cap. 22, Law 3 of 1961 as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is at Floor 4, Willow House, Cricket Square, Grand Cayman KY1-9010, Cayman Islands.

The Company completed its listing on Main Board of the Stock Exchange of Hong Kong Limited on February 6, 2026.

These consolidated financial statements are presented in Renminbi ("RMB") and all amounts are rounded to the nearest thousand yuan, unless otherwise stated.

2 BASIS OF PREPARATION

2.1 Compliance with IFRS Accounting Standards and HKCO

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (the "IFRS Accounting Standards") and requirements of the Hong Kong Companies Ordinance.

2.2 Historical cost convention

The consolidated financial statements has been prepared under historical cost convention except for certain financial assets and liabilities measured at fair value.

2.3 New and amended standards and interpretations adopted by the Group

The Group has applied the following standards, amendments and interpretation for the first time for its annual reporting period commencing January 1, 2025:

		Effective for annual periods beginning on or after
Amendments to HKAS 21	Lack of Exchangeability	January 1, 2025

The amendments listed above did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2.4 New standards and interpretations not yet been adopted

Certain new accounting standards and amendments to accounting standards have been published that are not mandatory for December 31, 2025 reporting periods and have not been early adopted by the Group. The Group's assessment of the impact of these new standards and amendments is set out below.

		Effective for annual periods beginning on or after
Annual Improvements to IFRS Accounting Standards – Volume 11	IFRS 1 First-time Adoption of International Financial Reporting Standards; IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7; IFRS 9 Financial Instruments; IFRS 10 Consolidated Financial Statements; and IAS 7 Statement of Cash Flows	January 1, 2026
Amendments to IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	January 1, 2026
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity	January 1, 2026
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	January 1, 2027
IAS 21	Translation to a Hyperinflationary Presentation Currency	January 1, 2027
Amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37	Disclosures about Uncertainties in the Financial Statements	January 1, 2027
Amendments to IFRS 10 and IAS 28	Consolidated financial statements and investments in associates and joint venture	To be determined

Except for new IFRS 18 mentioned below, the Group is commencing an assessment of the impact of these new or amended standards and interpretations, certain of which are relevant to the Group's operations. According to the preliminary assessment made by the Group, no material impact on the financial performance and position of the Group in the current or future reporting period and on foreseeable future transactions is expected when they become effective.

IFRS 18 "Presentation and Disclosure in Financial Statements"

IFRS 18 sets out requirements on presentation and disclosures in financial statements and it will replace IAS 1 Presentation of Financial Statements. The new standard introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; 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. Minor amendments to IAS 7 Statement of Cash Flows are also made. IFRS 18 will be effective for annual periods beginning on or after January 1, 2027, with early application permitted. The Group does not plan to early adopt IFRS 18. IFRS 18 will impact the presentation of financial statements, and is not expected to have significant impact on the financial performance and position of the Group.

3 REVENUE AND SEGMENT REPORTING

(a) The Group is principally engaged in provision of healthcare services through healthcare service institutions and tele-healthcare service platform.

The chief operating decision maker ("CODM") has been identified as the executive directors, who reviews the Group's internal reporting in order to assess performance and allocate resources. The CODM assesses the performance of the Group's business activities as a whole on a regular basis and the directors of the Company consider that the Group has only one reportable segment. Accordingly, no segment information is presented.

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Healthcare services		
– In-person healthcare services	**980,416**	872,364
– Tele-healthcare services	**22,225**	22,960
– Membership program	**22,365**	22,372
– Off-network healthcare services	**30,786**	32,830
	1,055,792	950,526
Others	**8,737**	8,052
	1,064,529	958,578

The Group derives revenue from providing healthcare service and others at a point in time and over time as follows:

	Year ended December 31,	
	2025	*2024*
	RMB'000	*RMB'000*
Healthcare services		
– In-person healthcare services	**943,967**	841,724
– Tele-healthcare services	**22,225**	22,960
– Off-network healthcare services	**17,549**	16,791
	983,741	881,475
Others	**8,737**	8,052
At a point in time	**992,482**	889,527
Healthcare services		
– In-person healthcare services	**36,449**	30,640
– Membership program	**22,365**	22,372
– Off-network healthcare services	**13,237**	16,039
Over time	**72,051**	69,051
	1,064,529	958,578

(b) Geographical information

The Company is domiciled in the Cayman Islands while the Group operates its business mainly in Chinese Mainland and earns substantially all of the revenue from external customers in Chinese Mainland. Substantially all of the Group's identifiable assets and liabilities were located in Chinese Mainland. No geographical information is presented in accordance with IFRS 8 "Operating Segments".

(c) Information about major customers

Since none of the Group's provision of services to a single customer amounting to 10% or more of the Group's total revenue for the years ended December 31, 2025 and 2024, no major customer information is presented in accordance with IFRS 8 "Operating Segments".

4 OTHER INCOME

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Government subsidies	**1,463**	1,282
	1,463	1,282

5 OTHER (LOSSES)/GAINS – NET

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Fair value gains from bank financial products	**8,510**	5,387
Fair value losses from a listed equity security	**(4,226)**	(2,701)
Net gains on modification and early termination of leases	**683**	3,226
Net losses on disposal of property, plant and equipment and intangible assets	**(5,111)**	(3,244)
Forfeiture of deposits and compensation from early termination of lease contracts	**(800)**	(717)
Exchange gains	**406**	5,232
Others	**(109)**	345
	(647)	7,528

6 FINANCE COSTS – NET

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Finance income:		
– Interest income from bank deposits	**(2,483)**	(8,619)
Finance costs:		
– Interest expense on lease liabilities	**12,517**	16,332
– Interest expense on loan from a non-controlling shareholder of a subsidiary	**–**	310
	12,517	16,642
	10,034	8,023

7 INCOME TAX (EXPENSE)/BENEFIT

	Year ended December 31,	
	2025	*2024*
	RMB'000	*RMB'000*
Current income tax		
– Current tax on profits for the year	**9,564**	2,097
Deferred income tax	**(5,086)**	(2,580)
	4,478	(483)

The taxation on the Group's profit before income tax differs from the theoretical amount that would arise using the taxation rate of the PRC, the principal place of the Group's operations, as follows:

	Year ended December 31,	
	2025	*2024*
	RMB'000	*RMB'000*
Profit before income tax	**135,927**	79,744
Tax calculated at a tax rate of 25%	**33,982**	19,936
Tax effects of:		
Effect of different tax rates	**(27,872)**	(27,760)
Expenses not deductible for tax purposes	**799**	9,248
Tax losses for which no deferred income tax asset was recognized	**7,930**	6,150
Utilization of tax losses not recognized as deferred income tax assets in previous years	**(10,389)**	(8,498)
Temporary differences for which no deferred income tax asset was recognized	**28**	441
	4,478	(483)

(a) Cayman Islands and BVI income tax

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Act of the Cayman Islands and is not subject to the Cayman Islands income tax pursuant to the current laws of the Cayman Islands. The group entity incorporated or registered under the Business Companies Act of BVI are exempted from BVI income tax pursuant to the current laws of the BVI.

(b) Hong Kong Income Tax

The Hong Kong profits tax rate of the subsidiary of the Group incorporated in Hong Kong is 16.5%.

(c) Singapore Income Tax

The statutory tax rates applicable to the subsidiary of the Group incorporated in Singapore is 17%.

(d) Malaysia Income Tax

The statutory tax rates applicable to the subsidiary of the Group incorporated in Malaysia is 24%.

(e) PRC Enterprise Income Tax ("EIT")

The income tax provision of the Group in respect of its operations in PRC was subject to statutory tax rate of 25% on the assessable profits for the years ended December 31, 2025 and 2024 based on the existing legislation, interpretation and practices in respect thereof.

For the Group's PRC subsidiaries qualified as Small and Micro Enterprise ("SME") by the relevant government authorities, they are subject to a 75% deduction of the assessable profits as well as a preferential tax rate of 20%, effective during the reporting period.

8 EARNINGS/(LOSSES) PER SHARE

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the years ended December 31, 2025 and 2024.

	Year ended December 31,	
	2025	2024
Profit attributable to owners of the Company (RMB'000)	**135,064**	83,805
Weighted average number of ordinary shares outstanding (thousand)	**13,950**	13,950
Basic earnings per share (in RMB)	**9.68**	6.01

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company;
- by the weighted average number of ordinary shares outstanding during the financial year.

(b) Diluted earnings/(losses) per share

Diluted earnings/(losses) per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. For the years ended December 31, 2025 and 2024, the Company has series of convertible redeemable preference shares (Note 14) and the share options and restricted share units (the "RSU") granted to employees.

For the year ended December 31, 2024, diluted losses per share was calculated by considering the convertible redeemable preference shares could be converted into ordinary shares at the option of the holders any time. The RSU granted to employees were excluded from the diluted weighted average number of ordinary shares calculation as their inclusion would be anti-dilutive.

For the year ended December 31, 2025, diluted earnings per share was calculated by considering the convertible redeemable preference shares could be converted into ordinary shares at the option of the holders any time.

	Year ended December 31,	
	2025	2024
Profit attributable to owners of the Company (RMB'000)	**135,064**	83,805
Adjustments for the dilution effect of convertible redeemable preference shares (RMB'000)	**(118,182)**	(128,797)
Diluted profit/(loss) attributable to owners of the Company (RMB'000)	**16,882**	(44,992)
Weighted average number of ordinary shares outstanding (thousand)	**13,950**	13,950
Adjustments for convertible redeemable preference shares (thousand)	**40,684**	40,244
Weighted average number of shares for calculating diluted earnings/(losses) per share (thousand)	**54,634**	54,194
Diluted earnings/(losses) per share (in RMB)	**0.31**	(0.83)

9 TRADE RECEIVABLES

	As at December 31,	
	2025	2024
	RMB'000	*RMB'000*
Trade receivables	**72,070**	53,195
Less: allowance for impairment of trade receivables	**(2,533)**	(1,041)
	69,537	52,154

As at December 31, 2025 and 2024, the aging analysis of the trade receivables were as follows:

	As at December 31,	
	2025	2024
	RMB'000	*RMB'000*
Up to 60 days	**39,583**	32,743
61 days to 1 year	**27,740**	18,781
1 to 2 years	**4,125**	1,548
Over 2 years	**622**	123
	72,070	53,195

10 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	As at December 31,	
	2025	2024
	RMB'000	*RMB'000*
Included in current assets		
Deposits and other receivables		
– Rental and other deposit	**2,374**	913
– Staff advances	**2,713**	2,996
– Amounts due from a non-controlling shareholder of a subsidiary	**–**	9,500
– Others	**340**	542
	5,427	13,951
Less: provision for impairment of deposits and other receivables	**(92)**	(143)
	5,335	13,808
Prepayments for		
– Purchase of goods	**2,633**	2,951
– Prepaid expenses	**13,012**	8,910
– Listing expenses	**3,359**	2,926
	19,004	14,787
	24,339	28,595
Included in non-current assets		
Deposits and other receivables		
– Rental and other deposit	**26,661**	27,714
	26,661	27,714
Less: provision for impairment of deposits and other receivables	**(219)**	(234)
	26,442	27,480
Prepayments for		
– Purchase of equipment and leasehold improvement	**6,973**	2,576
– Purchase of computer software	**8,664**	373
	15,637	2,949
	42,079	30,429

11 CASH AND CASH EQUIVALENTS

	As at December 31, **2025** *RMB'000*	2024 *RMB'000*
Cash and bank deposits	**335,729**	329,572
Less: Term deposits with initial term of over three months	**(10,883)**	(21,602)
Cash and cash equivalents	**324,846**	307,970
Denominated in:		
RMB	**206,135**	191,131
USD	**126,499**	136,419
SGD	**1,642**	1,050
HKD	**1,103**	972
MYR	**349**	–
GBP	**1**	–
	335,729	329,572

12 TRADE PAYABLES

	As at December 31, **2025** *RMB'000*	2024 *RMB'000*
Up to 1 year	**10,164**	8,981
Over 1 year	**364**	724
	10,528	9,705

13 ACCRUALS AND OTHER PAYABLES

	As at December 31, **2025** *RMB'000*	2024 *RMB'000*
Employee benefits	**115,790**	98,697
Stored-value in membership accounts	**35,384**	34,441
Other taxes payable	**3,064**	4,322
Other payables for guaranteed deposits	**3,649**	4,163
Payable for repurchase shares of a subsidiary	**–**	27,000
Accrued listing expense payable	**4,859**	5,240
Others	**7,841**	6,708
	170,587	180,571

14 CONVERTIBLE REDEEMABLE PREFERENCE SHARES

	RMB'000
At January 1, 2024	2,337,245
Addition	107,006
Fair value change of convertible redeemable preference shares due to own credit risk included in other comprehensive income	61,822
Fair value change of convertible redeemable preference shares included in profit or loss	(128,797)
Currency translation difference	33,818
At December 31, 2024	2,411,094
Total change in fair value for the year	(66,975)
At January 1, 2025	**2,411,094**
Fair value change of convertible redeemable preference shares due to own credit risk included in other comprehensive income	**20,842**
Fair value change of convertible redeemable preference shares included in profit or loss	**(118,182)**
Currency translation difference	**(52,438)**
At December 31, 2025	**2,261,316**
Total change in fair value for the year	**(97,340)**

On January 12, 2026, the Company entered into a shareholder resolution, pursuant to which one of the redemption events of the convertible redeemable preference shares was updated to the occurrence of the Company's failure to consummate a qualified IPO prior to March 31, 2027 and as a result, the convertible redeemable preference shares will not have cash flow impact to the Group for at least the next twelve months from December 31, 2025. On February 6, 2026, the Company completed its listing on Main Board of the Stock Exchange of Hong Kong Limited. Upon the Listing, all preference shares have been automatically converted into ordinary shares.

15 DIVIDENDS

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

DEFINITIONS

In this annual results announcement, unless the context otherwise requires, the following expressions shall have the following meanings.

"AGM"	the annual general meeting of the Company to be held on Wednesday, June 24, 2026
"Audit Committee"	the audit committee of the Board
"Auditor"	PricewaterhouseCoopers, Certified Public Accountants, the auditor of the Company
"Board"	the board of Directors of the Company
"CG Code"	the "Corporate Governance Code" as contained in Appendix C1 to the Listing Rules
"China" or "PRC"	the People's Republic of China, which, for the purpose of this annual results announcement and for geographical reference only, excludes Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan
"Company", "the Company" or "our Company"	Distinct Healthcare Holdings Limited (卓正醫療控股有限公司), an exempted company with limited liability incorporated under the laws of the Cayman Islands, the shares of which are listed on the main board of the Stock Exchange (stock code: 2677)
"Director(s)"	the director(s) of the Company
"Distinct membership programme"	the annual fee-based membership programme launched by the Group in December 2020, offering members priority booking, discounted prices for and exclusive packages of certain healthcare services and products, and a fixed number of complimentary nurse counselling sessions
"Global Offering"	the global offering of the Shares, in connection with the listing of the Shares on the Main Board of the Stock Exchange on February 6, 2026
"Group", "our Group", "our", "we", or "us"	the Company and all of its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong dollars" or "HK dollars" or "HK$"	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong

"IFRSs"	International Financial Reporting Standards, as issued from time to time by the International Accounting Standards Board
"Independent Third Party" or "Independent Third Parties"	a person or entity who is not a connected person of the Company under the Listing Rules
"Listing Date"	February 6, 2026, the date of listing of the Shares on the Main Board of the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended, supplemented or otherwise modified from time to time)
"Model Code"	the "Model Code for Securities Transactions by Directors of Listed Issuers" set out in Appendix C3 to the Listing Rules
"Patient Return Rate"	the number of returning patients (being patients who received healthcare services through the Group's healthcare service institutions in mainland China during the relevant period and had at least one prior visit to the Group's healthcare service institutions before their most recent visit during the relevant period) divided by the total number of patients who received services in the Group's healthcare service institutions in mainland China during the relevant period
"Prospectus"	the prospectus of the Company dated January 29, 2026
"Reporting Period"	the year ended December 31, 2025
"R&D"	research and development
"RMB"	Renminbi, the lawful currency of the PRC
"RSU(s)"	restricted share unit(s), being a conditional right when an award under the 2024 RSU Scheme vests whereby the grantee shall be entitled to obtain either Shares or an equivalent value in cash with reference to the market value of the Shares on or about the date of vesting
"Share(s)"	ordinary share(s) in the share capital of our Company with a par value of USD0.001 each
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"United States" or "U.S."	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"US$"	United States dollars, the lawful currency of the U.S.

"Wuhan Dragon World"	Wuhan Shenlong Tianxia Medical Management Co., Ltd. (武漢神龍天下醫療管理有限公司), a company established in the PRC on March 14, 2014 which was acquired by our Company and became a subsidiary of our Company on March 28, 2024
"2024 RSU Scheme"	the equity incentive plan of the Company approved and adopted by the Company on January 23, 2024, details and principal terms of which are set out in the paragraph headed "Statutory and General Information – D. RSU Scheme in Appendix IV of the Prospectus
"%"	per cent

By order of the Board
Distinct Healthcare Holdings Limited
卓正醫療控股有限公司
WANG Zhiyuan
Chairman and Executive Director

Hong Kong, March 25, 2026

As at the date of this announcement, the Board comprises Mr. WANG Zhiyuan and Mr. SHI Yi as executive Directors; Mr. CAO Shaoshan, Mr. ZHANG Xiangdong, Mr. WEI Guoxing, Ms. CHEN Xiaohong and Mr. HAO Rui as non-executive Directors; and Ms. CHEN Rui, Mr. WANG Yonggang, Mr. WANG Gaofei and Dr. GAO Pingyang as independent non-executive Directors.