Xunfei Healthcare Technology Co., Ltd.
訊飛醫療科技股份有限公司
(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 2506)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED DECEMBER 31, 2025

The board (the "**Board** ") of directors (the "**Director(s)**") of Xunfei Healthcare Technology Co., Ltd. (the "**Company**" or "**Xunfei Healthcare**", together with its subsidiaries, collectively the "**Group**") hereby announces the audited consolidated results of the Group for the year ended December 31, 2025 (the "**Reporting Period**"). This announcement complies with the requirements of the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") in relation to the information to be included in the preliminary announcement of annual results. These annual results have been reviewed by the audit committee of the Company (the "**Audit Committee**").

FINANCIAL HIGHLIGHTS

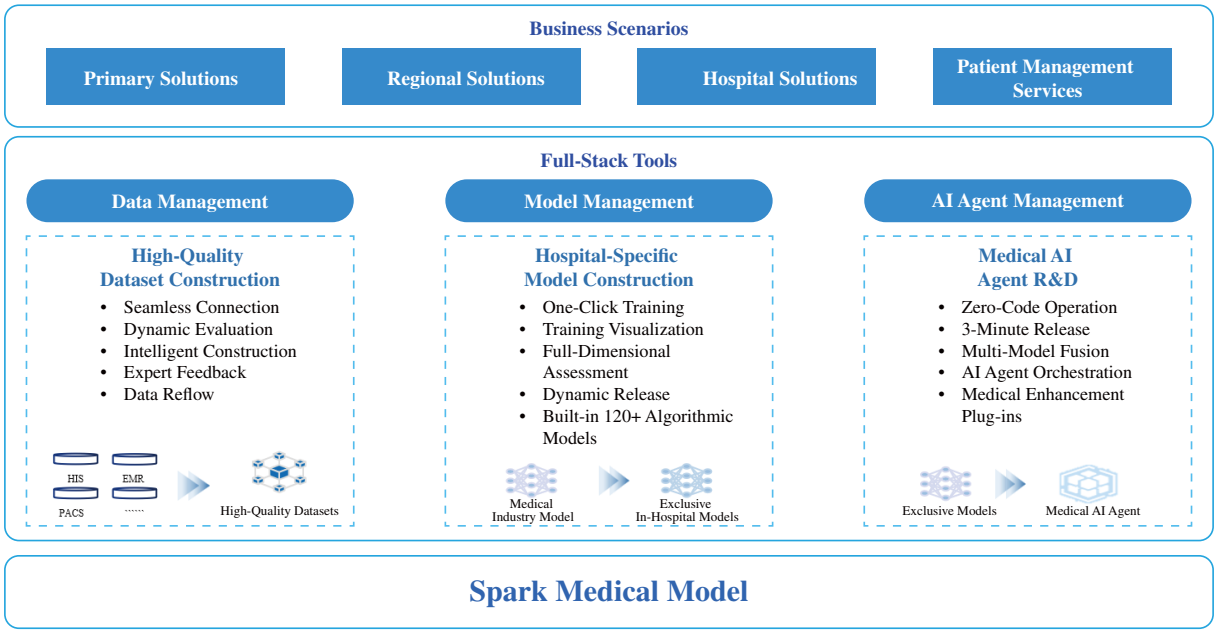
	For the year ended December 31,		
	2025	2024	**Year-on-year change**
	(RMB'000)		
Revenue	**914,993**	733,984	24.7%
Gross profit	**461,644**	404,084	14.2%
Loss before tax	**(95,985)**	(172,016)	(44.2%)
Loss for the year	**(65,767)**	(137,636)	(52.2%)
Net loss attributable to owners of the parent company	**(64,788)**	(132,600)	(51.1%)

MANAGEMENT DISCUSSION AND ANALYSIS

In 2025, large language models in healthcare continued to achieve technological breakthroughs. The training and inference efficiency of domestically developed general-purpose large models improved significantly, while the capabilities of industry-specific medical models grew steadily. All have led to the maturing of AI applications in the healthcare sector. A series of supportive policies at the national level have promoted the deep integration of AI with public health, clinical diagnosis and treatment, and health management. These policies provide a solid regulatory foundation and broad development space for the Company to deepen its presence in the smart healthcare market. Driven by technology innovation, policy support, and the demand for high-quality healthcare development, the healthcare AI market maintains a positive outlook. Leveraging its leading medical large model technology and medical knowledge system, the Company continues to strengthen its core advantages. It has upgraded its two product lines–the AI Intelligent Assistant and the AI Health Assistant–with large models at the core, building a GBC full-scenario AI empowerment matrix that covers governments, hospitals, and individuals. The Company has achieved tangible results in assisting industry supervision, improving hospital operational efficiency, and supporting residents' health management, laying a solid foundation for its sustained high-quality development.

Core Technologies

Relying on its self-developed Spark Medical Model and authoritative medical knowledge base, the Company has built a GBC multi-terminal product matrix covering government, hospitals, and individual users. It continuously iterates core products such as the AI Intelligent Assistant and AI Health Assistant, comprehensively empowering government regulatory oversight, improving hospital quality and efficiency, and personal health management, thereby accelerating Xunfei Healthcare's progress towards becoming a global leader in the healthcare industry. Since the release of the industry's only medical large model trained on fully domestic computing power in 2023, the Company has continuously delved deeper into areas such as the construction of high-quality datasets, development of hospital-specific models, and R&D of medical professional intelligent agents. It has made continuous breakthroughs in key technical directions such as evidence-based inference and health interaction, and its core capabilities have consistently remained at the forefront of the industry.



Driven by continuous innovation and large-scale application, the Company's enduring world leadership stems from a double-helix evolutionary system built on a "technology foundation + closed-loop data ripple". On one hand, a fully domestic computing architecture, an authoritative medical knowledge base, and high-quality de-identified clinical data collectively form the Company's solid technology foundation. This foundation endows the Company with systemic advantages in underlying capabilities such as medical knowledge augmentation, deep reasoning systems, and reinforcement learning from expert thinking chains. Furthermore, by establishing a knowledge reflection mechanism grounded in medical logic, along with the development of a comment model focused on medical professionalism and a process incentive model aimed at clinical rationality, the Company further enhances the large model's professionalism, safety, and clinical interpretability. On the other hand, with the large-scale deployment of products like the General Practice CDSS across the nation, over 1.2 million real-world diagnostic interactions per day are continuously fed back into the model, creating a high-value data ripple. In the vast majority of scenarios, the model's output is highly consistent with the physicians' judgment, enabling clinical experience to be rapidly codified. In approximately 5.0% of complex cases, the system automatically triggers a review by a senior physician. These critical discrepancy samples are then precisely fed back into the model and undergo deep calibration using authoritative knowledge such as clinical guidelines and expert consensus.

This creates a self-driven, dynamic learning loop that evolves from clinical practice to model improvement. With each cycle of feedback, the model continuously strengthens itself, building a hard-to-replicate evolutionary capability. This has laid a solid foundation for the iterative capability leaps of the Spark Medical Model across multiple generations.

Release of Spark Medical Model X1: Ushering in a New Era of Deep Reasoning in AI Healthcare

In March 2025, the Company officially unveiled the Xunfei Spark Medical Model X1, a deep reasoning model that was the only one at the time trained on a fully domestic computing architecture. Leveraging Xunfei Healthcare's authoritative, high-quality medical knowledge base accumulated over many years, along with high-quality de-identified diagnostic and treatment data, as well as joint technological innovations in areas such as medical domain knowledge enhancement, evidence-based reasoning modeling, long-chain-of-thought comment models, tree search mechanisms, and reinforcement learning from expert feedback, the model has achieved an average performance score of 88.3% across six core capabilities: mass medical Q&A, complex medical language comprehension, professional medical document generation, medical diagnosis and treatment recommendations, multi-round medical dialogues, and multi-modal medical interactions. Furthermore, it can clearly present the evidence-based reasoning process when handling complex problems, greatly enhancing its logical correctness, professionalism, and clinical interpretability.

Based on real-world evaluation data, the Xunfei Spark Medical Model X1 has demonstrated outstanding performance across multiple key medical tasks: the rational rate for general auxiliary diagnosis reached 94.0%, for specialized auxiliary diagnosis (primary diagnosis) reached 90.1%, for health consultation responses reached 89.0%, for physical examination report interpretation reached 84.4%, and for Top 3 guidance and triage recommendations reached 89.5%. Its core capabilities comprehensively surpassed GPT-4o and DeepSeek R1, fully demonstrating its leading strength in deep-reasoning medical scenarios.

Release of Spark Medical Model V2.5 International Version: Topping the MedBench Rankings

In June 2025, the Company released Xunfei Spark Medical Model V2.5 International Version, which supports both Chinese and English. It also fully upgraded the Xunfei Xiaoyi and launched a Hong Kong version supporting Mandarin, Cantonese, and English, providing solid technical support for global market expansion. All core capabilities have been comprehensively enhanced, with the average performance score across six key areas rising from 88.3% to 89.1%. The rational rate for general auxiliary diagnosis reached 95.0%, for physical examination report interpretation reached 86.3%, and for health consultation responses reached 91.5%. In clinical diagnosis and treatment scenarios, the Xunfei Spark Medical Model V2.5 International Version has achieved rapid technological evolution– from primary care general practice to hospital-based specialized departments, and from outpatient to inpatient settings. The model's rational rate for primary diagnosis reached 91.2% in hospital cardiology, 88.4% in pediatrics, and 86.2% in respiratory medicine. Compared to models such as OpenAI o3 and DeepSeek R1, it continues to maintain a significant industry lead on key medical tasks. In double-blind comparative evaluations with

attending physicians from tertiary hospitals, the model's overall diagnostic and treatment capabilities in cardiology, pediatrics, and respiratory medicine generally reached the level of attending physicians. In terms of accuracy and professionalism in etiology analysis and diagnosis recommendations, the model has surpassed human doctors, while also offering better readability and completeness. This effectively enhances patients' understanding of and adherence to diagnostic and treatment recommendations.

In the same month, MedBench — an authoritative evaluation platform for Chinese medical large language models — released its latest leaderboard results. The Xunfei Spark Medical Model ranked first in overall capabilities with a score of 98.4, and also secured top positions in multiple core areas including complex medical reasoning, medical language understanding, and medical safety and ethics.

Technological Leap of Spark Medical Model X1.5: A Breakthrough Evolution in Core Medical Capabilities

In November 2025, driven by the "data flywheel effect" generated from its fully domestic computing architecture and large-scale application, the Spark Medical Model X1.5 continued to enhance its core medical capabilities. The average performance score across six key areas rose from 89.1% to 91.2%. The model has comprehensively surpassed GPT-5-high and DeepSeek V3.2-Exp, maintaining its industry-leading position. Meanwhile, through deep integration of high-quality data from expert thinking chains and a refined medical knowledge base, the model has successfully overcome technical challenges in medical knowledge reflection and reinforcement learning from long chain-of-thought. This has led to significant improvements in logical accuracy, professionalism, and interpretability when reasoning in complex scenarios, achieving a comprehensive leap in performance across key tasks such as medical diagnosis reasoning and health interactions.

In outpatient scenarios, the model achieved a diagnostic accuracy of 93.1%, significantly surpassing the level of junior physicians and approaching that of senior physicians. In the more complex domain of inpatient settings, the Spark Medical Model demonstrated exceptional performance across key metrics such as diagnostic accuracy, completeness, and practicality. For the first time in the industry, its specialized AI capabilities have reached the level of chief physicians in hospitals of different tiers. Pilot data shows that the Spark Medical Model's specialized diagnostic rational rate has increased to 96.0%, its cross-departmental diagnostic rational rate has risen to 91.0%, and the time spent on medical record documentation has been reduced by 50.0%.

Full-Stack Upgrade of Spark Medical Model X2: Industry-Leading Strength Validated by Authoritative Evaluations

In February 2026, the Spark Medical Model X2 completed its iterative upgrade, with the average performance score across six core capabilities rising from 91.2% to 91.6%, maintaining its industry-leading position. In terms of technical architecture, the Spark Medical Model X2 adopts a 293B MoE sparse architecture, combined with multiple engineering innovations such as weight quantization and low-precision KV Cache, enabling efficient deployment on domestic platforms with a 50.0% improvement in inference performance compared to the previous generation.

The Spark Medical Model X2 has demonstrated outstanding performance on key medical tasks. It achieved a rational rate of 90.1% for intelligent health analysis based on residents' health records, 89.2% for physical examination report interpretation, 92.7% for exercise and dietary recommendations, 92.4% for Top 5 auxiliary diagnosis, and 94.1% for intelligent medication review accuracy. Across these critical tasks, the model significantly surpasses leading domestic and international large models. By virtue of its full-stack technical capabilities and mature application level in medical scenarios, the Spark Medical Model was the first to pass the authoritative evaluation and verification by the Shanghai Medical Large Model Application Testing and Verification Center. It received all "A" ratings for tasks related to resident health analysis, report interpretation, and diet and exercise recommendations, demonstrating industry-leading professionalism. This reflects the Spark Medical Model's first-mover advantage, technical strength, and regulatory maturity within the industry, laying a solid foundation for its subsequent large-scale deployment in various medical scenarios.

Continuously Promoting the Standardized Development of Medical Large Models: Synergizing Standards Leadership and Academic Strategy

In terms of standards development, as of the end of 2025, the Company has led or participated in the formulation of 1 international standard, 3 industry standards, and 15 group standards, establishing a matrix of standards for medical large models covering multiple dimensions including safety management, data governance, and clinical applications. In July 2025, the Company showcased its presence at the World Artificial Intelligence Conference (WAIC) as a core contributing unit, initiating research on the Standard System for Intelligent Agents in the Healthcare Industry, which comprises 10 core sub-standards. This marks the achievement of full-stack standards coverage, spanning from "applications and platforms" to "computing power."

In scientific research, the Company successfully secured 6 new national-level research projects over the year, while 4 key national research projects were formally completed. These significant achievements in scientific research provide solid support for academic studies and strategic collaborations. As part of its academic and strategic synergy efforts, the Company co-authored the Expert Consensus on Retrospective Evaluation of Large Language Model Applications in Healthcare Settings (2025 Edition) in December 2025, which was officially published in Digital Medicine and Health. This provides important evidence-based guidance for the standardized deployment of medical large language models. Meanwhile, the Company signed a strategic cooperation agreement with the Chinese Medical Journal Publishing House to initiate in-depth research on medical large models and the joint construction of a first-class domestic clinical medicine knowledge service and innovation platform. On February 3, 2026, the two parties launched the jointly developed Knowledge Hub of the Chinese Medical Journal Publishing House, providing key support for the intelligent construction and application of the medical knowledge system.

On the business collaboration front, the Company has deepened its industry-academia-research partnerships with leading medical institutions in China, establishing close cooperative relationships with multiple top-tier hospitals and university-affiliated hospitals, including Beijing Anzhen Hospital, Qilu Hospital of Shandong University, and Sir Run Run Shaw Hospital affiliated with Zhejiang University School of Medicine. Focusing on major disease areas such as cardiovascular diseases, cerebral hemorrhage, and type 1 diabetes, as well as key clinical scenarios including medical record generation, whole-course disease management, clinical auxiliary diagnosis, and intelligent specialized diagnosis, the Company has jointly developed multiple specialized, scenario-specific medical large models and full-stack toolchains. These efforts have enabled the deep integration of cutting-edge AI technology with real-world diagnostic and treatment needs, further driving the efficient deployment and large-scale application of technological achievements in clinical settings.

Advancing Cutting-Edge Technology and Practical Applications: Solidifying Core Advantages in the Large Model Industry Deployment

Currently, the Company's medical large models continue to maintain the following advantages in terms of industry application:

- Long-term, extensive accumulation of medical knowledge and data: The Company has built a medical authoritative knowledge base comprising hundreds of millions of articles, providing traceable, authoritative, and highly readable content services through search. Additionally, it incorporates hundreds of thousands of long-chain datasets that align with practical business and clinical scenarios and the evidence-based thinking of medical experts. In collaboration with physicians and specialists, the Company has also developed hundreds of thousands of reinforcement learning datasets tailored to

key medical scenarios, as well as tens of thousands of multi-turn interaction data from intelligent agents, further enhancing the model's professionalism and accuracy;

- Fully self-developed and continuously innovated LLM technologies: The Company has established an industry-leading Spark Medical Model foundation powered by fully domestic computing power, integrating medical expertise, and evidence-based medical reinforcement learning. We pioneered a comprehensive training system for medical LLM that deeply combines fast-thinking with evidence-based long-chain slow-thinking. We have mastered secure and controllable core technologies. completed hardware engineering adaptation, and are equipped with an efficient toolchain and systematic platform support;

- Systematic and innovative AI capabilities across general and specialized medicine: We have achieved further breakthroughs in comprehensive multimodal AI capabilities, covering medical text, audio, images and graphical data, fully addressing the critical needs for practical implementation across healthcare scenarios;

- Technology deployment and service assurance system: With extensive experience in scaling AI applications and providing industry-wide technical services, we excel in translating product requirements into effective solutions, ensuring continuous upgrades and full-chain service support;

- Firm commitment to the localization of hardware and software for self-reliance and controllability: The Company has a comprehensive integrated technical solution for efficient training and inference based on domestic computing platforms such as Huawei Ascend. Looking ahead, the Company remains committed to the path of full localization of hardware and software for self-reliance and controllability. By addressing immediate needs in the medical industry, we will strengthen our advantages and build a complete set of methods for researching and implementing original medical AI technologies.

The enhancement of its core technology and product capabilities is attributable to the Company's unswerving investment in research and development (R&D). For the year ended December 31, 2025, its total R&D investment (including R&D expenses and development expenditures) reached RMB316.3 million (of which R&D investment in core technology amounted to RMB134.7 million, representing a year-on-year increase of 64.2%), accounting for 34.6% of its total revenue for 2025.

BUSINESS REVIEW

Xunfei Healthcare embraces the philosophy of "Tech for Warm, AI for Love." True to our founding mission of serving a Healthy China through artificial intelligence, we leverage core AI technologies to actively fulfill our corporate social responsibility across medical philanthropy, emergency assistance, and grassroots empowerment. By deeply integrating innovation with humanistic care, we contribute to national strategies and demonstrate, through concrete actions, the essence of tech for good — embodying the responsibility and commitment of a tech enterprise in the new era. Building on its strengths in industry applications and its leading position in core medical large model technologies, the Company has actively expanded its collaboration boundaries. Through deep engagement and extensive cooperation with a wide range of partners — including government agencies, non-profit organizations, top-tier medical institutions, and authoritative media — it achieved significant results during the Reporting Period and garnered high industry recognition. These efforts have further broadened its partnership landscape, deepened its brand influence, and solidified its position as an industry benchmark.

Social Contribution and Public Welfare

- Painting a New Vision for Rural Revitalization with AI: In July 2021, the General Practice CDSS project for strengthening the foundation of medical and health care was first piloted in Lushui City, serving 12 PHC institutions and 289 primary healthcare workers. In November 2023, the project expanded to cover 31 township health centers/community health service centers in the three counties of Fugong, Gongshan, and Lanping, as well as 79 village clinics in Lushui. To date, it has achieved full coverage of 256 village clinics in Nujiang Prefecture. The "General Practice CDSS" system has improved the level of primary healthcare through capabilities such as auxiliary diagnosis, promoting the implementation of a hierarchical diagnosis and treatment model where minor illnesses are treated within the township and major illnesses within the county, thereby contributing to rural revitalization.

- Focusing on AI Development and Healthcare Livelihood: In March 2025, Mr. Liu Qingfeng, a deputy to the National People's Congress and Chairman of iFlytek and Xunfei Healthcare, made proposals on issues such as AI self-reliance and controllability, ecosystem construction, talent cultivation, and employment security. In the medical field, he highlighted three key recommendations: systematically building standard specifications for "AI + Healthcare", accelerating the construction of a technology system for the elderly, and creating a barrier-free social environment by using technology to assist people with disabilities, thereby addressing essential public needs with the best practices of artificial intelligence.

- Empowering the Growth of Primary Healthcare Talent: In September 2025, Xunfei Healthcare responded deeply to the national "Strengthening Primary Healthcare" strategy by leveraging technology to reinforce the healthcare safety net for all, demonstrating its strong commitment to corporate social responsibility. In partnership with the medical community, the Company launched the "Empowering Healthcare Journey with AI"-a digital empowerment initiative for primary healthcare workers — providing free access to the General Practice CDSS system for 1,000 practicing rural doctors with college degrees nationwide. This initiative marks an upgrade in our philanthropic approach — shifting from "giving fish" to "teaching fishing"-thereby fostering the long-term development of primary healthcare talent. In alignment with the Implementation Plan for Strengthening Primary Healthcare, it helps reinforce the foundational tier of the Healthy China initiative, demonstrating our commitment to tech for good and corporate responsibility.

- Supporting Post-Disaster Reconstruction in Tai Po, Hong Kong: In December 2025, Xunfei Healthcare actively participated in the post-disaster reconstruction efforts in Tai Po, Hong Kong, addressing critical frontline needs and the concerns of vulnerable groups. The Company donated 100 exoskeleton robots to the Society for the Promotion of Hospice Care in Hong Kong, leveraging core technology to empower public welfare initiatives. Precisely tailored for post-disaster scenarios, these devices effectively reduce the physical burden on frontline rescuers and volunteers during material handling and site clearance. By providing robust support for emergency response and public wellbeing, they deliver the warmth of technology through cutting-edge innovation — transforming the Company's technological strengths into tangible social value. This initiative fully demonstrates our commitment to corporate responsibility and sets a powerful example of deep integration between technology and public welfare.

- Focusing on Public Hearing Health: Xunfei Healthcare has long been dedicated to the field of hearing health, leveraging technology to empower public welfare initiatives and conducting systematic hearing care campaigns targeting diverse groups. In partnership with multiple philanthropic organizations, the Company has donated smart hearing aids to elderly rural residents and deployed professional fitter to provide one-on-one fitting services. During International Ear Care Day, it collaborated with People's Daily Health Client to launch an online public welfare campaign, using AI technology to offer hearing screenings and health education — promoting early screening and early intervention awareness among the public. Additionally, collaborating with public welfare organizations, including the Sunlight Rain Rare Disease Center, Xunfei Healthcare has donated smart hearing aids to veterans and individuals with rare diseases, delivering warmth and respect through technology. These actions demonstrate the Company's commitment to corporate social responsibility, ensuring that intelligent technology benefits more communities in need.

Awards and Honors

- In 2025, the Company released its first ESG report and received an A rating from Wind, a domestic authoritative ESG rating agency. It ranked 24th out of 245 A-share-and H-share-listed information technology service providers, enabling it to break into the top 10% of the industry players. In addition, the Company received multiple prestigious honors, including: "Technology Innovation Golden Bull Award, China Securities Journal," "ESG Environmentally Friendly Excellence Enterprise Award, GuruClub Golden Grid Awards," "Most Valuable Artificial Intelligence Company Award, Zhitong Caijing," "HKEX Value Growth Award under the Most Influential Enterprise List, Cailianshe," "Annual Outstanding ESG Enterprise Award, 21st Century Business Herald (Health Sector)," "Annual Social Responsibility Award, GuruClub Golden Grid Awards," and "Best ESG Practice Award under 2025 Hong Kong International ESG Annual List."

- At the "Chinese side event themed Empowering Primary Health Care with Digital Intelligence for Universal Health Coverage" during the 78th World Health Assembly, the General Practice CDSS was selected as one of the 15 innovative cases of digital intelligence empowerment for its groundbreaking intelligent empowerment for primary healthcare, and was showcased on the English version of the National Health Commission's website.

- Xunfei Healthcare, in collaboration with the Anhui Provincial Healthcare Security Administration and other organizations, submitted the project "Leading the Future with Imaging: Data Value Chain and Industry Ecosystem Empowerment Based on the Medical Insurance Imaging Cloud Platform" for the 2025 National Smart Medical Insurance Competition, where it was awarded the first prize — a nationally recognized demonstration of excellence.

- In the Digital China Innovation Contest — Xinchuang Track during the 2025 Digital China Summit, the Zhejiang Intelligent Medicine — Primary Care AI-assisted Diagnosis Platform project, jointly submitted by the Company, the Hangzhou Municipal Health Commission, and the Hangzhou Municipal Health Service Development Center, won a national industry contribution award, becoming the only innovative project in the health sector to receive this honor in this selection.

- In the 7th National Smart Health Innovation Competition, Xunfei Healthcare, together with West China Hospital of Sichuan University, won the first prize in the Innovative Application of Smart Chronic Disease Management: An AI-led Full-Cycle Health Management Service Model. A project co-submitted with Yinchuan Second People's Hospital, New Practices in AI-Powered Whole-Process Patient Service Management Platform, was awarded the second prize. Three additional projects, co-submitted respectively with Longhua District Maternal and Child Health Hospital, Hainan

Cancer Hospital, and the First Affiliated Hospital of the Air Force Medical University (Xijing Hospital), were each awarded the third prize: Postpartum Patient Pathway Management Based on Large Model, AI-Driven Tumor-Specific Pathway Management and Follow-Up, and New Practices in AI-Powered Service Platforms.

- The project "Post-Discharge Continuous Care Model Based on a Domestic Large Model," co-submitted by Xunfei Healthcare and the Zhuji City Health Bureau of Zhejiang Province, was honored with the Excellence Award for Best Practice Cases at the "Yangtze River Delta Best Practices in Health Governance" forum, organized by Shanghai Jiao Tong University and hosted by its Institute for a Healthy Yangtze River Delta. This recognition underscores the Company's innovative practices and high industry acclaim in the field of health governance.

- Xunfei Healthcare was recognized as a "Typical Case of 'AI + Healthcare'" in Sichuan Province's inaugural selection, supported by projects including the AI-Powered General Practice Assistant System and Intelligent Voice Outbound System in Xichong County, Nanchong; the Primary Healthcare Assistant Diagnosis System in Yanyuan County, Liangshan Prefecture; and the Mutual Recognition and Sharing Platform for Test Results and Medical Imaging (Technical Support) in Yibin City. This honor highlights the tangible impact of AI in healthcare and the Company's industry-leading demonstration value.

- In addition, the "AI-Powered Chronic Disease Full-Process Patient Service Management System," co-submitted by Xunfei Healthcare and the Zhuji City Health Bureau, was selected for the "2025 Digital Health Innovation Application Cases" by Vbdata.cn. Furthermore, multiple achievements developed in collaboration with leading medical research teams — including the Type 1 Diabetes Large Model, the AI-Powered Chronic Disease Full-Process Patient Service Management System, and the Personalized Intelligent Weight Management System — were featured in the "Digital Therapy Landscape." These recognitions fully demonstrate AI's vital role in enhancing diagnostic efficiency, optimizing patient service experiences, and promoting the homogenized development of regional healthcare.

- At Vbdata.cn 2025 VBEF, Xunfei Spark Medical Model (the only medical deep reasoning LLM entirely based on large-scale application of domestically produced computing power) was rated as the most valuable product/solution; the Xunfei Xiaoyi APP was honored as one of the best digital technology innovation products; and the Company won the title of Healthcare Industry Leader of the Year.

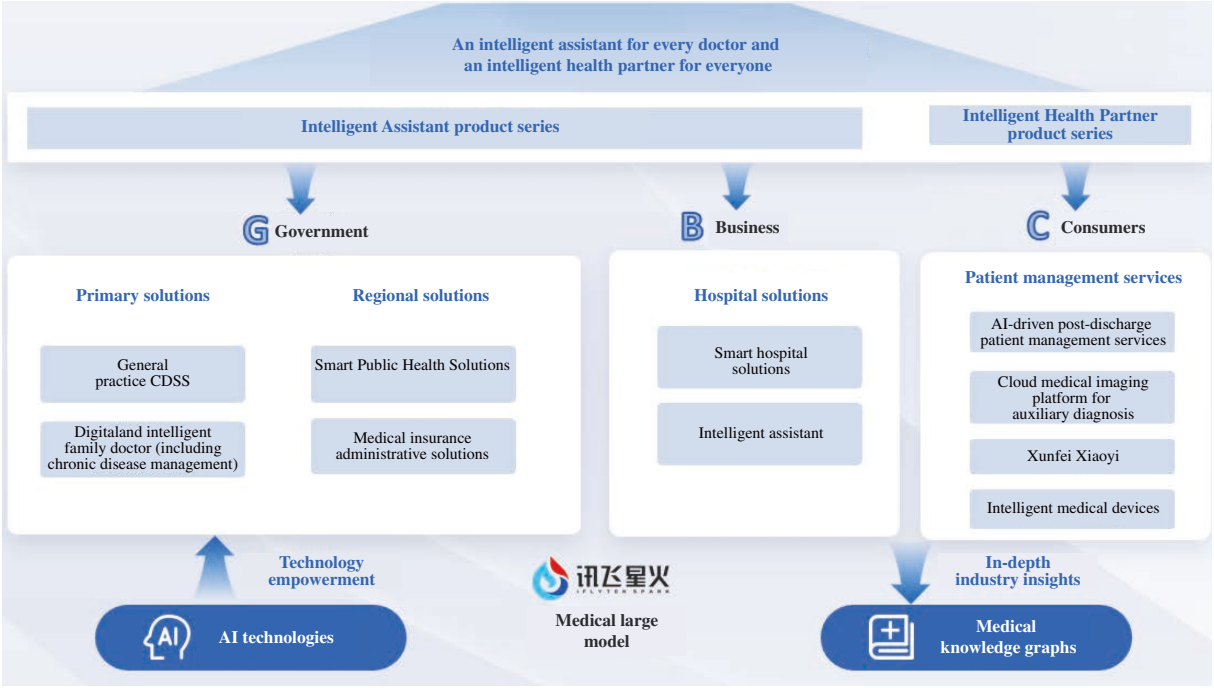
Business and Finance

In 2025, the Company actively pursued market expansion and continued to grow its customer base. As of December 31, 2025, the Company offered products and services to over 77,000 PHC institutions spanning 806 districts and counties in 31 provinces, as well as more than 600 graded hospitals. The extensive market coverage underscores the technological leadership and market competitiveness of our AI-powered medical products. It also highlights the efficiency of our marketing system, laying a solid foundation for the next phase of rapid business development.

Leveraging its leading technological capabilities, extensive customer base, and brand recognition, the Company continues to improve its operational efficiency and seize new profit opportunities through synergistic commercialization strategies. For the year ended December 31, 2025, the Company recorded revenue of RMB915.0 million, representing an increase of 24.7% as compared with the revenue of RMB734.0 million for the previous year. For the year ended December 31, 2025, the Company's gross profit was RMB461.6 million, representing an increase of 14.2% as compared with that of the previous year. Our gross profit margin was 50.5%, maintaining at a reasonable high level with a decrease of 4.6 percentage points from that of the previous year, mainly due to the decline in gross profit margin for regional solutions. As its product portfolio expands and matures, the Company anticipates rapid revenue growth alongside a relatively stable gross profit margin level.

For the year ended December 31, 2025, the Company's revenue was primarily derived from primary solutions and patient management services. The following table sets out a breakdown of its revenue by business segment for the periods indicated:

	2025				**2024**			
	Revenue *RMB in thousands*	**Percentage of total revenue** *%*	**Gross profit** *RMB in thousands*	**Gross profit margin** *%*	Revenue *RMB in thousands*	Percentage of total revenue *%*	Gross profit *RMB in thousands*	Gross profit margin *%*
Primary solutions	**262,858**	**28.7**	**137,127**	**52.2**	237,031	32.3	142,487	60.1
Regional solutions	**205,932**	**22.5**	**70,410**	**34.2**	153,755	20.9	81,864	53.2
Hospital solutions	**173,143**	**18.9**	**83,966**	**48.5**	132,035	18.0	61,016	46.2
Patient management services	**273,060**	**29.8**	**170,141**	**62.3**	211,163	28.8	118,717	56.2
Total	**914,993**	**100.0**	**461,644**	**50.5**	733,984	100.0	404,084	55.1



Closely upholding its mission of "an intelligent assistant for every doctor and an intelligent health partner health partner for everyone", the Company, based on industry-leading artificial intelligence technology and in-depth industry insights, has created the Intelligent Assistant product series and the Intelligent Health Partner product series to empower government, hospitals and patients with AI. The businesses are classified as "primary solutions, regional solutions, hospital solutions, and patient management services." The services of these four business segments mainly include:

(1) Empowering government supervision and governance: Providing AI solutions for the government to strengthen primary healthcare services, enhance disease prevention and control capabilities, and improve regional medical collaboration and health levels;

(2) Empowering hospital quality and efficiency improvement: Providing AI solutions for hospitals to improve medical services, patient satisfaction, and management efficiency;

(3) Empowering personal health management: Providing patients with AI services throughout their entire life cycle, including AI post-discharge patient management services, the cloud medical imaging platform for auxiliary diagnosis, as well as the home health consultation and management APP (Xunfei Xiaoyi) and intelligent medical devices (intelligent hearing aids and AI blood pressure monitors).

Intelligent Assistant Product Series

Driven by the dual engines of the "Digital China" strategy and the "Healthy China" initiative, China continually strengthened the deep integration and application of artificial intelligence in the healthcare sector. Since 2025, China has introduced a series of top-level designs and implementation policies to comprehensively strengthen the development of new healthcare infrastructure. By leveraging artificial intelligence and digital technologies, these initiatives aim to optimize medical resource allocation, facilitate the flow of quality resources to grassroots levels, and deepen public health reforms, providing all-around support for the high-quality development of public hospitals and the enhancement of primary healthcare capabilities.

In March 2025, the Government Work Report proposed the implementation of the project of strengthening the foundation of medical and health care. Ten government agencies including the National Health Commission jointly issued the Functional Guidelines for the Informatization of Compact County-level Medical Community, further clarifying requirements for the overall planning and establishment of medical consortia. The guidelines promote the application of next-generation information technologies such as AI, big data, and the Internet, aiming to comprehensively enhance the digital service and management efficiency of medical consortia.

In April 2025, the National Health Commission issued a guideline for optimizing the layout and construction of primary healthcare institutions, which requires the use of innovative technologies such as telemedicine and AI-assisted diagnosis to establish a health service system covering the entire lifecycle of residents.

In August 2025, the State Council issued the Opinions on Deepening the Implementation of the "AI+" Action, designating healthcare as a key area for integration and encouraging the development of scenarios such as inclusive health assistants, intelligent diagnostic assistance, and smart medical insurance services, further expanding the scope for large-scale application of AI in healthcare. In the same month, the National Health Commission issued the Notice on Several Measures to Enhance the Perceived Quality of Family Doctor Contract Services, supporting the use of digital and intelligent means to improve both the quality of family doctor services and residents' experience.

In September 2025, the State Council issued the Implementation Plan for the Strengthening Primary Healthcare Project, focusing on enhancing primary healthcare service capacity. The plan supports the widespread application of intelligent and digital technologies and equipment at the grassroots level, facilitating the flow of quality medical resources to community levels.

In October 2025, five government departments, including the National Health Commission, the National Development and Reform Commission, and the Ministry of Industry and Information Technology, jointly issued the Implementation Opinions on Promoting and Regulating the Application Development of "AI + Healthcare". As a guiding industry document, it systematically outlines the development roadmap for AI in healthcare. By 2027, a range of vertical large models and intelligent agent applications for clinical specialties and diseases are expected to be developed, with intelligent assistance for grassroots diagnosis and treatment, intelligent clinical decision support for specialized care, and smart patient services becoming widely adopted in healthcare institutions. By 2030, intelligent assistance for grassroots diagnosis and treatment is projected to achieve near-full coverage. The document provides the industry with clear policy direction, application standards, and development targets.

Driven by national strategies, a maturing policy framework, and the implementation of real-world applications, artificial intelligence is evolving from a mere technical tool into a core transformative force reshaping the healthcare service system. Closely following major national policy directions, the Company has strategically aligned itself with core initiatives including the Strengthening Primary Healthcare Project, the development of compact county-level medical communities, the digital and intelligent upgrade of healthcare, and the regulated development of "AI+ Healthcare." Leveraging its world-leading core medical AI technologies and full-scenario solutions, the Company has seized a critical market window by rapidly deploying large-scale applications anchored in key base cities. This strategy has culminated in the successful bid for the National AI Application Pilot Base (Primary Healthcare Services under the Healthcare Sector). With technology compliance, real-world scenario implementation, and service accessibility as its core competitive strengths, the Company is well-positioned to drive sustained and steady business growth.

In 2025, the Company successfully won the bid for the National AI Application Pilot Base project. This project is a major undertaking of the national "AI+" strategy in the field of primary healthcare and is currently being fully promoted and implemented with the support of Hefei City. The project focuses on core pain points such as insufficient resources and weak diagnostic capabilities in primary healthcare services. It uses AI technology to deeply empower the optimization of primary healthcare services, improve the efficiency of public health services, and upgrade family doctor services. This contributes to the implementation of the Healthy China strategy and aims to create a national benchmark for the pilot and large-scale application of medical artificial intelligence.

Primary Solutions

General Practice CDSS: Powered by the continuously upgraded Xunfei Spark Medical Model, the General Practice CDSS has achieved a comprehensive evolution of its core capabilities. It has expanded into a range of innovative application scenarios driven by the large model, including diagnostic reasoning, interpretation of test and imaging reports, medical knowledge Q&A, and AI-assisted traditional Chinese medicine diagnosis. In addition, it has completed a dual upgrade of its technical solutions for multi-source data-assisted diagnosis and prescription review. Key Metrics Continue to Improve: The rationality rate of auxiliary diagnosis has increased from 90.0% in 2021 to 95.0%, while prescription review accuracy has risen from 93.0% to 95.0%. The system now covers over 2,600 diseases, empowering primary healthcare across multiple dimensions — enhancing diagnostic capabilities, service quality, and clinical efficiency, while effectively reducing the risks of misdiagnosis, missed diagnosis, and medication errors.

As of December 31, 2025, the General Practice CDSS has covered 31 provinces and 806 districts and counties across China, serving over 77,000 PHC institutions. To date, it has provided over 1.1 billion AI-assisted diagnostic suggestions and assisted in generating more than 450 million standardized electronic medical records. The system has identified over 120 million inappropriate prescriptions and corrected more than 1.95 million clinically valuable diagnoses through alerts by the General Practice CDSS, demonstrating its powerful impact at scale.

The impact has been particularly significant in Zhejiang Province, where the system has, as of December 31, 2025, covered 1,405 PHC institutions across all 90 counties (including mountainous and island counties). It maintains an average of 30,700 daily active workstations and has served over 76,300 grassroots doctors to date. As of the same period, the system has provided 325 million instances of AI-assisted diagnosis and served 203 million patient visits in total. Over the most recent seven-day period, it has averaged more than 256,800 patient encounters per day. The measurable impact is evident across key clinical dimensions: 396,600 diagnoses corrected, with a diagnostic adoption rate of 93.3%; 47.4038 million records refined, boosting documentation standardization from 52.0% to 84.0%; and 1.6276 million inappropriate prescriptions corrected, improving prescription rationality from 76.0% to 89.5%. From correcting hundreds of thousands of diagnoses to optimizing tens of millions of medical records and prescriptions, and achieving transformative improvements in key quality metrics, the General Practice CDSS has injected core momentum into the digital and intelligent transformation of Zhejiang's primary healthcare system. In doing so, it has also created a replicable and scalable model for primary healthcare nationwide to overcome service bottlenecks and achieve high-quality development through AI technology.

Digital and Intelligent Family Doctor (Including Chronic Disease Management): Powered by a large model at its core, this product focuses on two key scenarios: family doctor contract services and chronic disease management. By integrating multi-source data, including public health records, clinical diagnostics, and resident health profiles, it constructs a dynamic health portrait and chronic disease risk assessment system. This drives the evolution of primary healthcare services toward greater intelligence and efficiency. The solution integrates two core service capabilities, leveraging the large model to create a closed loop of proactive resident health management and continuous care. This drives the transformation of family doctor contract services toward a proactive, continuous, and quantifiable model, building a replicable and scalable digital-intelligent primary health service system.

For residents, the solution transforms professional clinical data into easy-to-understand health information, providing personalized health assessments, precise intervention plans, and intelligent health consultation services. It establishes a full-process closed loop of "consultation — medical visit — intervention — service," guiding residents to shift from passive care-seeking to proactive health management.

For family doctors, the solution enables intelligent identification of key populations, one-click chronic disease screening and risk stratification, dynamic health monitoring, smart task reminders, and decision support during service delivery. This significantly improves contract fulfillment efficiency and the level of precision in health management.

During the Reporting Period, the solution expedited nationwide large-scale deployment. The Digital and Intelligent Family Doctor solution has been implemented in locations including Shanghai and Longhua District in Shenzhen, while chronic disease management has covered over 120 key districts and counties in more than 10 provinces and municipalities, including Shanghai, Beijing, Jiangsu, Sichuan, Jiangxi, Gansu, Anhui, Hebei, Hubei, Heilongjiang, Liaoning, and Henan.

For the year ended December 31, 2025, the Company's revenue from primary solutions was RMB262.9 million, representing an increase of 10.9% as compared with 2024 and accounting for 28.7% of its total revenue for 2025.

Regional Solutions

Smart Public Health Solutions: Closely aligning with major national policy directions, including the "AI+" action and the "Healthy China" initiative, the Company has developed a diversified portfolio of AI-powered smart public health solutions spanning national, provincial, municipal, and district/county levels. These solutions are precisely tailored to meet the operational needs and development goals of clients at different tiers, driving the digital and intelligent transformation of the healthcare sector.

At the national level, the Company successfully bid for the "Health Comprehensive Supervision Risk Early Warning System and Data Center Construction Project" of the National Bureau of Disease Control and Prevention in 2025, becoming a core supplier to the Chinese Center for Disease Control and Prevention in the field of large models. The Company led a key project under the "National Science and Technology Major Project for the Prevention and Control of Emerging and Major Infectious Diseases," conducting research, model development, and application demonstrations for new technologies in emerging infectious disease surveillance and early warning. By leveraging its core large-model capabilities, the Company is empowering the next five to ten years of technological innovation and industrial transformation in China's emerging infectious disease surveillance and early warning systems.

At the provincial and municipal levels, the Company has launched two core solutions for provincial and municipal clients, achieving broad market coverage and deep application adoption.

Digital and Intelligent Disease Control Large Model Solution: This solution has been deployed in Shaanxi and Liaoning provinces, where it leverages large model technology to enhance provincial disease control capabilities in surveillance and early warning, risk assessment, and emergency response. Going forward, the Company plans to gradually extend its deployment to disease control centers across all provinces nationwide.

AI-Powered Urban Digital and Intelligent Platform Solution: By deeply integrating medical big data with AI large models, this solution creates a "Resident Health Portrait" system that enables full-chain intelligent empowerment, spanning from multi-source data integration, cleaning, and analysis, to clinical decision support and health risk warning. It provides precise data-driven insights for urban health management and has been deployed in multiple cities, including Shanghai, Shenzhen, Hefei, and Aksu. The solution builds a city-level collaborative platform for medical health data and intelligent services, fully unlocking the value of healthcare data to empower lifelong resident health management, while promoting the optimized allocation of medical resources and service coordination within regions.

At the district and county levels, the Company has launched the AI regional medical collaborative solution, and is deeply involved in the planning, design, construction, and implementation of multiple projects focused on compact county-level medical communities, regional healthcare informatization, and primary healthcare capacity building (Strengthening Primary Healthcare Project). The Company has won bids for medical community and regional healthcare projects in Yu'an District (Liu'an), Feicheng City (Shandong), Lanshan District (Linyi), and Haigang District (Qinhuangdao). These projects are currently under steady construction. Through the Company's leading AI products and solutions, they will drive the integration of county-level medical resources, enable referral coordination among hospitals, and enhance grassroots diagnostic capabilities, contributing to the high-quality development of county-level healthcare service systems.

Smart Medical Insurance: In response to the national DRG/DIP payment system reform, the Company has leveraged AI technology as core engine to build an intelligent supervision and service system covering the full cycle of medical insurance fund management — "pre-settlement, in-process, and post-settlement". This system supports the coordinated development and governance of healthcare, pharmaceuticals, and insurance. It has been deployed on a routine basis in 88 districts and counties nationwide, with demonstrated success in cities such as Lvliang (Shanxi), Guiyang (Guizhou), Jiujiang (Jiangxi), and Wuzhou (Guangxi). The solution empowers local healthcare security bureaus to achieve precise and systematic fund supervision, while enabling medical institutions to upgrade their management practices in the context of payment reform.

As of December 31, 2025, the Company's revenue from regional solutions amounted to RMB205.9 million, representing an increase of 33.9% as compared with 2024 and accounting for 22.5% of its total revenue for 2025, which was primarily due to the application of the AI infectious disease prevention and control solution in multiple provinces.

Hospital Solutions

Smart Hospital Solutions: Targeting graded hospitals, the Company provides "three-in-one" integrated smart hospital solutions encompassing smart services, smart medical care, and smart management, with the aim of improving patient experience, enhancing the quality of medical services, and innovating big data applications. Currently, the solutions have been implemented in over 600 tiered hospitals nationwide, including the First Affiliated Hospital of the University of Science and Technology of China, Peking Union Medical College Hospital, West China Hospital of Sichuan University, Qilu Hospital of Shandong University, and Shandong Provincial Hospital, helping nearly 20 hospitals pass the Level 5 electronic medical record and Level 3 smart service evaluations.

As of the end of 2025, Xunfei Spark Medical Model has been implemented in over 20 leading hospitals nationwide, leveraging full-stack tools to create multi-scenario AI applications for specific specialties and diseases, including the joint release of a type 1 diabetes large model with the task force for the four major national chronic diseases, the joint development of the "Hebei NeuroArk" cerebral hemorrhage-specific large model with the Second Hospital of Hebei Medical University, the co-construction of the "Qilu-Spark Full-Course Disease Management Large Model" with Qilu Hospital of Shandong University, the participation in the construction of the Anhui Provincial Evidence-Based Chinese Medicine Center to create "digital avatars of famous TCM doctors", and the launch of the "Intelligent Medicine Copilot Large Model" with the First Affiliated Hospital of the University of Science and Technology of China. Taking the type 1 diabetes large model as an example, built on the foundational capabilities of the Spark Medical Model, it integrates 65 specialized clinical pathways, 135 diagnostic and treatment guidelines, and 20 million real-world cases, constructing the world's largest knowledge graph for type 1 diabetes.

Through AIoT real-time monitoring of 14 metabolic parameters, it achieves a 99.2% sensitivity in capturing abnormal blood glucose (a 40.0% improvement over traditional methods), generates personalized plans across eight dimensions to achieve individualized management, covers 65 core scenarios, and reshapes the new paradigm of chronic disease prevention and control.

In addition, the Company focuses on the core needs of empowering clinical research data and commercializing results in graded hospitals. It deeply integrates Xunfei Spark Medical Model with core big data technologies to create a hospital-wide AI research data platform. Taking the collaboration project with Peking Union Medical College Hospital as a benchmark, the platform has achieved standardized aggregation and refined governance of a health and medical database for a population of one million, established three large-sample clinical research cohorts of 100,000 each, and shortened the research data preparation cycle by 75%. At the same time, it has been implemented in the intelligent interpretation of physical examination reports, serving a cumulative total of 20,000 people and achieving deep integration of scientific research and clinical application. Currently, the platform's capabilities in medical entity extraction, and complex semantic understanding and extraction all exceed 95.0%, earning high recognition from clients and continuously releasing momentum for large-scale business growth.

Intelligent Assistant: Powered by independently developed core technologies, including the Xunfei Spark Medical Model and intelligent voice interaction, the product establishes an integrated AI application system combining software and hardware. It is deeply embedded throughout the full clinical workflow, empowering physicians and creating a comprehensive AI clinical assistance system for hospitals of different tiers. By automatically generating high-quality medical documentation, intelligently auditing medical records for clinical risks, and providing evidence-based diagnostic and treatment recommendations, the product delivers comprehensive assistance across both outpatient and inpatient settings. It provides hospitals with efficient, standardized, and safe intelligent diagnostic support, empowering them to achieve high-quality development and refined management.

Since its launch at the First Affiliated Hospital of Anhui Medical University in June 2025, the Intelligent Assistant has shown significant clinical effectiveness. Data shows that as of December 2025, the system reduces medical documentation time by over 50.0%, effectively freeing up clinical hours for physicians. It achieves a physician adoption rate exceeding 87.0%, significantly enhancing the standardization and completeness of medical records. In addition, its general practice perspective helps physicians reduce the risk of misdiagnosis and missed diagnosis, strengthening overall healthcare quality. The product not only effectively reduces the workload of medical staff but also meets the rigid demands of hospitals for quality control, accreditation, and risk management, achieving a dual improvement in clinical service efficiency and medical service quality.

As an essential application for the digital transformation of hospitals, the Intelligent Assistant, with the core advantages mentioned above, has garnered high clinical recognition, strong scenario stickiness, and good replicability and scalability. Moving forward, the Company will continue to expand the specialty coverage and functional boundaries of its products, refine core capabilities, and further broaden its commercialization potential, strengthening its long-term growth trajectory.

For the year ended December 31, 2025, the Company recorded revenue of RMB173.1 million from hospital solutions, representing an increase of 31.1% as compared with 2024 and accounting for 18.9% of its total revenue for 2025.

Intelligent Health Partner Product Series

Amid intensified population aging, the demand for personal home-based health management is becoming increasingly strong. The Company has developed AI health assistants based on Xunfei Spark Medical Model and cutting-edge technologies such as intelligent voice interaction. These assistants comprise four key components: AI-driven post-discharge patient management, the cloud medical imaging platform for auxiliary diagnosis, the Xunfei Xiaoyi, and intelligent medical devices. Targeting healthy individuals and discharged patients, the Company empowers doctors through medical LLMs to provide AI health assistant services in a human-machine coupling mode. This extends the business scope to end-users in out-of-hospital home settings, continuously expanding the C-end market.

Patient Management Services

AI Post-discharge Patient Management: During the Reporting Period, the Company's intelligent follow-up capabilities were upgraded through the integration of the Xunfei Spark Medical Model and ultra-humanlike interaction technology. The system now conducts targeted patient follow-ups based on individual medical records and specified follow-up themes, while also supporting active patient inquiries and providing personalized health guidance during interactions. This has resulted in a 97.0% follow-up completion rate and an 86.0% resolution rate for complex queries. As a proposing entity for the international standard "Requirements for Human-AI Collaborative Follow-up Service Management in Smart Hospital Scenarios," the Company successfully advanced this initiative to the new work item proposal stage. Currently, in partnership with the National Center for Medical Service Administration under the National Health Commission, the Company is piloting a patient experience survey using AI follow-up technology. Over 400 hospitals and 1.5 million patients have participated in the program. This initiative helps competent health authorities and hospitals gain more efficient and comprehensive insights into patient needs, ultimately enhancing the patient experience. Built on intelligent follow-up capabilities, the AI Post-discharge Patient Management operates on a patient-paid model. Leveraging

individual patient diagnostic data, it intelligently generates personalized management plans covering medication, diet, exercise, and follow-up visits. Under the guidance of expert teams, the platform provides patients with professional, refined post-discharge care services.

Taking Qilu Hospital of Shandong University as an example, the Company collaborated with the hospital to launch and apply the Qilu-Spark Full-Course Disease Management Large Model. The operating model provides differentiated, stratified, and classified continuous out-of-hospital medical services tailored to the characteristics of patients with different diseases, achieving significant results in patient operations and rehabilitation management: the Net Promoter Score (NPS) increased from 35.0% in the first half of the year to 50.0% in the second half, the planned revisit rate jumped from 46.0% before launch to 67.0%, the communication conversion rate for paying patients reached 50.0%, service package unit prices ranged from RMB200 to RMB3,000, and the rehabilitation completion rate for high-value service packages was nearly 96%. This achievement provides a replicable benchmark paradigm for hospitals to enhance their full-cycle patient management capabilities and optimize the service experience.

Cloud Medical Imaging Platform for Auxiliary Diagnosis: The Company has built China's largest regional imaging data connectivity and recognition cloud platform in Anhui Province. In May 2025, Anhui was among the first provinces to deploy the national healthcare security information platform and achieved remote reading of digital medical imaging films. This move marks a key step forward in the nationwide mutual recognition of medical imaging information and sharing of results, and successfully validates the scientificity and technical feasibility for the National Healthcare Security Administration's deployment to promote interprovincial mutual recognition and sharing of digital images based on the unified national healthcare security information platform. In September of the same year, the Conference on the Construction and Application of the National Medical Insurance Imaging Cloud Platform was held in Hefei. At the conference, Xunfei Healthcare shared insights on the "Anhui Model" for the Medical Insurance Imaging Cloud, contributing to the national platform's development and application. In December of the same year, Xunfei Healthcare, in collaboration with the Anhui Provincial Healthcare Security Administration and other organizations, submitted the project "Leading the Future with Imaging: Data Value Chain and Industry Ecosystem Empowerment Based on the Medical Insurance Imaging Cloud Platform". Recognized for its comprehensive innovation in institutional design, technology application, and governance effectiveness, the project was awarded the first prize — a nationally recognized demonstration of excellence.

The intelligent medical imaging assistant, built on Xunfei Spark Medical Imaging Model, fully empowers intelligent quality control and intelligent image reading. Its intelligent imaging quality control capability covers most routine imaging examination items and has been piloted in the quality control inspections of some quality control centers, with application data exceeding 500,000 cases. It can generate reports for certain X-ray, CT, MR examination items, providing interpretation traceability and multi-period comparison functions, which has been piloted on an imaging cloud consultation platform in Anhui Province. The assistant can be connected to medical imaging large models, aiding clinicians in working out diagnosis and treatment plans through relevant Q&As.

The Company has made significant progress in market expansion outside the province. In May 2025, the Company won the bid for the Yibin City Cloud Imaging Platform Construction and Operation Service project in Sichuan Province. This marked the Company's first successful municipal-level imaging cloud platform operation project outside its home province. In addition, the Company participated in and successfully won the bid for the Guangxi Zhuang Autonomous Region Cloud Film Centralized Procurement project. This marked the Company's first provincial-level imaging cloud platform operation project outside its home province. Currently, the Company is actively expanding into other provincial imaging cloud markets, contributing to the development of the national medical insurance imaging cloud platform and accelerating progress toward the vision of a "unified national imaging cloud network".

As at December 31, 2025, over 1,980 medical institutions registered on the imaging cloud platform, with approximately 11.4 million remote consultations and data service usage exceeding 150.0 million times.

Xunfei Xiaoyi: While continuously strengthening its core product capabilities, Xunfei Xiaoyi is actively expanding its ecosystem partnerships. By deeply connecting with regional PHC institutions and tertiary hospitals, it is co-creating a new paradigm for resident health management that integrates "AI + family doctors + specialist physicians." This approach delivers more professional and authoritative health management services compared to industry alternatives. Meanwhile, Xunfei Xiaoyi is actively exporting its medical large model capabilities to industry partners, fostering an open and collaborative ecosystem.

In February 2026, the iFlytek Spark X2 Large Model was officially released. Leveraging this advancement, Xunfei Healthcare completed the iteration to Spark Medical Model X2 and a major upgrade of Xunfei Xiaoyi, delivering solutions that meet the essential healthcare needs of the entire population. Powered by the upgraded Spark X2 foundation model, Xunfei Xiaoyi has achieved a comprehensive enhancement of its service capabilities. It maintains a significant industry lead in key health consultation tasks, including multi-round proactive inquiry, multi-round Q&A, medication consultation, test report interpretation, and physical examination report interpretation. The upgraded Xunfei Xiaoyi App, with its 99% report interpretation accuracy, empowers users with digital health capabilities that are "understandable, storable, and actionable." Through a comprehensive health profile and an all-time health trajectory built with 170 types of tags, users can intuitively grasp their own health trends. Currently, the Xunfei Xiaoyi APP supports over 140 professional disease management pathways, covering more than 20 departments and common chronic diseases. It has become a trusted digital tool for home-based rehabilitation and health management.

Xunfei Xiaoyi is deeply committed to the "Healthy China" initiative. Relying on the core capabilities of the medical large model, the system comprehensively empowers regional family doctors. Powered by an intelligent workstation, it enables a full-process efficiency upgrade for family doctor contracting, resident profiling, follow-up, and health management. While significantly expanding the service radius of primary care doctors, it builds a one-stop smart health service system for regional residents, featuring "24-hour health consultation, risk warnings, and health service plans". Xunfei Xiaoyi deeply connects with tertiary hospitals, integrating with their pre-consultation, in-consultation, and post-consultation management products and services. It delivers one-stop, personalized health management services for individuals, safeguarding public health with AI.

Intelligent Medical Devices: The smart hearing aid is equipped with the Company's independently developed scene recognition system and AI Scene algorithm, enabling real-time monitoring of the user's environment and providing functions such as enhancement and noise reduction. Since the launch of the "Xing series" in 2022, the Company has continuously adapted to market demands and upgraded its system technology. It has successively introduced series of "Pro Haoyue" and "Pro Yingyue".

The "Hongyu 03/05/07" series was launched in 2025, featuring cutting-edge technologies such as outdoor noise reduction, 64 intelligent channels, and Spark Fitter 2.0. It meets the daily needs of the elderly with hearing impairments, realizing the implementation of inclusive technology. In 2025, the number of brand experience stores for smart hearing aids reached 49, while partner stores expanded to 380. This has established an integrated online-to-offline marketing channel, further strengthening channel synergy.

The Company and Bioland Technology Limited co-launched the AI sphygmomanometer, addressing issues with traditional blood pressure monitors such as insufficient measurement accuracy, lack of post-measurement management, and inadequate intelligence. The AI sphygmomanometer, as the industry's first one equipped with a medical LLM, serves as a personal health manager for patients with hypertension. It successfully bridges the "last mile" of hypertension prevention and control and is expected to move the corresponding checkpoint closer to patients. It leads the evolution of home medical devices from single-function detection tools to full-cycle health management solutions.

For the year ended December 31, 2025, the Company's revenue from patient management services was RMB273.1 million, representing an increase of 29.3% over 2024 and accounting for 29.8% of its total revenue for 2025.

FINANCIAL REVIEW

Revenue

The Company's total revenue increased by 24.7% from RMB734.0 million for the year ended December 31, 2024 to RMB915.0 million for the year ended December 31, 2025. Such an increase was mainly attributable to the revenue growth from regional solutions (revenue up 33.9% year-on-year), hospital solutions (revenue up 31.1% year-on-year), and patient management services (revenue up 29.3% year-on-year).

Cost of sales

The Company's cost of sales increased by 37.4% from RMB329.9 million for the year ended December 31, 2024 to RMB453.3 million for the year ended December 31, 2025, primarily due to the increase in cost as revenue grew.

Gross profit and gross profit margin

The Company's gross profit increased by 14.2% from RMB404.1 million for the year ended December 31, 2024 to RMB461.6 million for the year ended December 31, 2025. The Company's gross profit margin was 55.1% and 50.5% for the year ended December 31, 2024 and the year ended December 31, 2025, respectively, mainly due to the decrease in the gross profit margin of the regional solutions business, caused by the increase in delivery cost and the cost of purchased products.

Other income

The Company's other income decreased by 1.9% from RMB41.6 million for the year ended December 31, 2024 to RMB40.8 million for the year ended December 31, 2025, representing a small change.

Impairment losses under expected credit loss model, net of reversal

The Company's impairment losses under the expected credit loss model, net of reversal, increased by 164.9% from RMB13.4 million for the year ended December 31, 2024 to RMB35.5 million for the year ended December 31, 2025, primarily due to the increase in the closing balances of trade receivables and contract assets, as well as changes in their aging, which led to a higher impairment allowance.

Other gains and losses

The Company's other losses were RMB0.1 million for the year ended December 31, 2024, compared to other gains of RMB5.3 million for the year ended December 31, 2025, primarily due to the increase in foreign exchange gains.

Selling expenses

The Company's selling expenses increased by 7.8% from RMB192.1 million for the year ended December 31, 2024 to RMB207.0 million for the year ended December 31, 2025. Such an increase was mainly attributable to the increase in payroll and advertising expenses.

Administrative expenses

The Company's administrative expenses increased by 5.9% from RMB95.9 million for the year ended December 31, 2024 to RMB101.6 million for the year ended December 31, 2025, primarily due to the increase in payroll.

Research and development expenses

The Company's research and development expenses decreased by 9.8% from RMB271.9 million for the year ended December 31, 2024 to RMB245.3 million for the year ended December 31, 2025, primarily due to the decrease in payroll and option expense amortization.

Listing expenses

Listing expenses refer to professional fees, underwriting commissions and other expenses incurred in connection with the Global Offering. The Company's listing expenses decreased by 100% from RMB38.2 million for the year ended December 31, 2024 to nil for the year ended December 31, 2025.

Finance costs

Our finance costs increased by 86.9% from RMB6.1 million for the year ended December 31, 2024 to RMB11.4 million for the year ended December 31, 2025, mainly reflecting the increase in interest expense on borrowings.

Income tax credit

The Company's income tax credit amounted to RMB34.4 million and RMB30.2 million for the year ended December 31, 2024 and for the year ended December 31, 2025, respectively, primarily due to the decrease in deferred income tax credit.

Loss for the year

Based on the foregoing, the Company's loss for the year decreased by 52.2% from RMB137.6 million for the year ended December 31, 2024 to RMB65.8 million for the year ended December 31, 2025.

Non-IFRS measures

To supplement the Company's consolidated financial statements, which are presented in accordance with IFRS, the Company uses adjusted net loss for the year (non-IFRS measure) and adjusted net loss margin (non-IFRS measure) as additional financial measures, which are not required by, or presented in accordance with, IFRS. The Company believes that these non-IFRS measures help to compare operating results across periods and companies by eliminating the potential impacts of certain items. The Company believes that these non-IFRS measures, when presented in conjunction with the corresponding IFRS measures, provide useful information for potential investors and management by eliminating the potential impact of certain items, helping to compare the Company's operating performance across periods.

The Company defines adjusted loss for the year (non-IFRS measure) as loss for the year adjusted by adding back equity-settled share-based payments and listing expenses. Equity-settled share-based payments are non-cash in nature and mainly refer to arrangements where the Company receives employee services as consideration for equity instruments. Equity-settled share-based payments are not expected to result in future cash payments. Listing expenses are expenses for professional fees, underwriting commissions and other expenses incurred in connection with the Global Offering. The use of non-IFRS measures as analytical tools has limitations, and they should not be considered in isolation or as a substitute for or superior to analysis of the Company's operating results or financial condition as reported under IFRS. In addition, the definition of non-IFRS measures may differ from similarly titled terms used by other companies.

The following table is a reconciliation of adjusted net loss for the year (non-IFRS measure) and adjusted net loss margin (non-IFRS measure) for the periods indicated:

	For the year ended December 31,	
	2025	2024
	RMB	*RMB*
	in thousands	*in thousands*
Loss and total comprehensive expense for the year	**(65,767)**	(137,636)
Add: Equity-settled share-based payments	**26,785**	54,628
Add: Listing expenses	**—**	38,231
Adjusted net loss for the year (non-IFRS measure)	**(38,982)**	(44,777)
Adjusted net loss margin (non-IFRS measure) (%)	**(4.3%)**	(6.1%)

Liquidity and sources of funds

For the year ended December 31, 2025, the Company primarily met our cash requirements through shareholder capital contribution, bank borrowings, and cash generated from operations. For the year ended December 31, 2024 and the year ended December 31, 2025, the Company's cash and cash equivalents were RMB676.8 million and RMB123.6 million, respectively. Cash and cash equivalents of the Group are mainly held in Renminbi as at December 31, 2025.

The following table sets forth the Company's cash flows for the years indicated:

	For the year ended December 31,	
	2025	2024
	RMB	*RMB*
	in millions	*in millions*
Net cash used in operating activities	**(43.0)**	(134.1)
Net cash used in investing activities	**(526.5)**	(4.3)
Net cash from financing activities	**16.3**	672.6
Net decrease (increase) in cash and cash equivalents	**(553.2)**	534.3
Cash and cash equivalents at the beginning of the year	**676.8**	142.0
Cash and cash equivalents at the end of the year, presented as bank balances and cash	**123.6**	676.8

Looking ahead, the Company believes that the Company will be able to meet its liquidity requirements by using cash generated from operating activities and the net proceeds from the Global Offering.

Net cash used in operating activities

For the year ended December 31, 2025, the Company's net cash used in operating activities was RMB43.0 million, primarily due to the loss before tax of RMB96.0 million, adjusted for non-cash and non-operating items (mainly comprising the increase in trade and other receivables of RMB317.0 million), with such cash outflows being partially offset by (i) the decrease in long-term trade receivables of RMB35.4 million; (ii) the amortization of other intangible assets of RMB37.2 million; and (iii) the increase in bills, trade and other payables of RMB163.8 million. For the year ended December 31, 2024, the Company's net cash used in operating activities was RMB134.1 million, primarily due to loss before tax of RMB172.0 million, as adjusted by the non-cash and non-operating items, primarily comprising an increase in trade and other receivables of RMB255.6 million, and such cash outflow was partially offset by (i) equity-settled share-based payments of RMB54.6 million; (ii) other intangible asset amortization of RMB37.7 million; and (iii) an increase in bill, trade and other payables of RMB148.2 million.

Net cash used in investing activities

For the year ended December 31, 2025, the Company's net cash used in investing activities was RMB526.5 million, primarily due to (i) the acquisition of other intangible assets of RMB71.1 million; (ii) the placement of fixed deposits of RMB240.0 million; and (iii) the payment for investments in associates of RMB186.7 million. During the year ended December 31, 2024, the Company's net cash used in investing activities was RMB4.3 million, which was mainly attributable to withdrawals of financial assets at fair value through profit or loss of RMB75.3 million, partially offset by (i) purchase of financial assets at fair value through profit or loss of RMB50.0 million; and (ii) purchase of other intangible assets of RMB25.0 million.

Net cash from financing activities

For the year ended December 31, 2025, the Company's net cash from financing activities was RMB16.3 million, primarily due to bank borrowings raised of RMB525.3 million, partially offset by (i) the repayment of bank borrowings of RMB493.4 million; and (ii) the payment of interest on borrowings of RMB11.2 million. For the year ended December 31, 2024, the Company's net cash generated from financing activities was RMB672.6 million, which was mainly attributable to (i) proceeds from the issuance of ordinary shares of RMB539.3 million; and (ii) bank borrowings raised of RMB340.0 million, partially offset by the repayment of bank borrowings of RMB183.2 million.

Indebtedness

For the year ended December 31, 2025, the Company had indebtedness in the form of bank borrowings and lease liabilities (both current and non-current). The Company did not have any outstanding mortgages, charges, debentures, other issued debt capital, bank overdrafts, borrowings, acceptance liabilities, or other similar indebtedness, any material guarantees, litigations, or claims that are pending or threatened against any member of our Group, or other material contingent liabilities.

Bank borrowings

For the year ended December 31, 2024 and the year ended December 31, 2025, the Company's bank borrowings were RMB244.8 million and RMB276.8 million, respectively, which mainly represent unsecured and unguaranteed bank borrowings for working capital replenishment. The Company's bank borrowings are all denominated in RMB. For the year ended December 31, 2025, the fixed interest rates of the Company's bank borrowings ranged from 2.11% to 2.90% per annum. As of the date of this announcement, the Company's unutilized committed banking facilities amounted to approximately RMB1,052.4 million.

Lease liabilities

The Company's lease liabilities decreased from RMB9.3 million for the year ended December 31, 2024 to RMB6.2 million for the year ended December 31, 2025, primarily due to the decrease in balance resulting from payment of lease liabilities.

Gearing ratio

As of December 31, 2025, the Company's gearing ratio based on total liabilities/total assets was 59.0%, compared to that of 52.8% for the same period last year.

Contingent liabilities

As of December 31, 2025, the Company did not have any material contingent liabilities.

Capital expenditures

For the year ended December 31, 2025, the Company's capital expenditures were RMB113.4 million, mainly due to the increase in purchases of fixed assets and intangible assets during the year. The Company primarily funds its capital expenditure needs with borrowings, cash generated from sales, and equity financing.

Pledge of assets

As of December 31, 2025, the Company did not have any material pledge of assets.

Material investments held

As at December 31, 2025, (i) the Group held a direct investment in Anhui Heshu Zhiyi Technology Co., Ltd. (安徽省合數智醫科技有限公司) ("**Heshu Zhiyi**") at a cost of approximately RMB186.7 million, representing a 49% equity interest; (ii) for the twelve months ended December 31, 2025, the Group recognised its share of relevant losses attributable to Heshu Zhiyi of approximately RMB2.9 million; (iii) for the twelve months ended December 31, 2025, the Group recognised unrealised gains on transactions with Heshu Zhiyi of RMB21.7 million; (iv) no dividend/profit distribution was received during the twelve months ended December 31, 2025. The book value of the investment in Heshu Zhiyi was RMB162.1 million, representing approximately 7.0% of the Group's total assets as at December 31, 2025. Heshu Zhiyi is a technology company focused on the construction and operation of pilot bases for medical artificial intelligence applications. Considering its core business and development prospects, the Group expects to receive financial returns from its investment in Heshu Zhiyi.

Save as disclosed above, as of December 31, 2025, the Company did not hold any material investments (including any investment in an investee company with a value of 5% or more of our Group's total assets as of December 31, 2025).

Future plans for material investments and capital assets

As of December 31, 2025, the Company did not have other plans for material investments and capital assets.

Material acquisitions and/or disposals of subsidiaries and affiliated companies

For the year ended December 31, 2025, the Company did not have any material acquisitions and/or disposals of subsidiaries and affiliated companies.

Foreign exchange risk

The functional currency of the Company's entities is RMB. During the Reporting Period, the Company primarily operated its business in the PRC. The Company does not currently have a foreign exchange hedging policy. However, the Company's management monitors foreign exchange risks and will consider hedging significant foreign exchange risks when necessary.

FUTURE OUTLOOK

Currently, the global wave of intelligentization is surging, with innovations in the AI field showing a trend of collective breakthroughs. Areas such as language large models, multimodal large models, and embodied intelligence are advancing with each passing day, driving AI to develop rapidly in the direction of higher efficiency and stronger intelligence. In 2025, amid the transformative wave of deep integration between artificial intelligence and healthcare, the convergence and innovation of "AI + healthcare" has become an industry consensus. With its unwavering commitment to technological breakthroughs and industrial expertise, the Company has emerged as a leader in China's AI healthcare sector, boasting an extensive business footprint and maintaining a leading market share in the industry.

Looking ahead, the Company will steadfastly implement its development strategy of "reaching for the stars while staying grounded." "Reaching for the stars" signifies maintaining world-class AI healthcare technology, while "staying grounded" entails addressing critical societal needs through comprehensive services for governments, hospitals and patients, and other stakeholders. To achieve the above goals, the Company always adheres to a product-oriented approach, increasing R&D investment and pursuing independent innovation at the source. Through the integration of software and hardware technologies and GBC full-scenario business synergy, it drives product iteration and enhances multi-scenario application efficiency. At the same time, by combining real

economy strengths with financial capital, it expands market coverage and explores new opportunities in AI healthcare, striving to become every physician's AI medical assistant and everyone's AI health companion. We firmly believe that by embracing a long-term vision, committing to independent innovation in core technologies, and driving the deep integration of AI and healthcare, we can deliver health and care through technology and fulfill our social responsibility with commitment. This will enable us to steadily advance in the era of intelligent healthcare and contribute Chinese wisdom and solutions to global health.

Employees, Training, and Remuneration Policies

As of December 31, 2025, our Group had 1,045 full-time employees (December 31, 2024: 911), most of whom are located in Hefei City, Anhui Province, China.

The Company provides employees with an insurance package consisting of pension insurance, maternity insurance, unemployment insurance, work-related injury insurance, medical insurance and housing funds, as required by Chinese laws and regulations. The Company offers a flexible work system to accommodate employees' flexible work needs and strictly enforce work hours and vacation policies to enhance work efficiency and employee satisfaction. The Company's dismissal procedures are structured to ensure fairness and legality. They include clear guidelines on performance management, regular feedback sessions, and a structured grievance redressal mechanism that employees can use to contest decisions or seek clarification. In addition, the Company maintains a zero-tolerance policy towards discrimination and harassment in the workplace. This policy is supported by mandatory training sessions on diversity and inclusion for all employees, regular reviews of workplace practices, and a confidential reporting system for any incidents of discrimination or harassment. The Company also regularly organizes health and safety training programs to improve employees' first aid knowledge and skills.

For the year ended December 31, 2025, our total employee compensation and benefits expenses were RMB321.1 million.

Subsequent Events

There were no other material events subsequent to the Reporting Period and up to the date of this announcement that would likely have a significant impact on the Group.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2025

		Year ended December 31,	
	NOTES	**2025**	2024
		RMB'000	*RMB'000*
Revenue	*3*	**914,993**	733,984
Cost of sales		**(453,349)**	(329,900)
Gross profit		**461,644**	404,084
Other income		**40,790**	41,649
Impairment losses under expected credit loss model, net of reversal		**(35,525)**	(13,404)
Other gains and losses		**5,252**	(101)
Selling expenses		**(207,041)**	(192,102)
Administrative expenses		**(101,552)**	(95,885)
Research and development expenses		**(245,255)**	(271,886)
Listing expenses		**—**	(38,231)
Share of result of an associate		**(2,858)**	—
Finance costs		**(11,440)**	(6,140)
Loss before tax	*5*	**(95,985)**	(172,016)
Income tax credit	*4*	**30,218**	34,380
Loss and total comprehensive expense for the year		**(65,767)**	(137,636)
Loss and total comprehensive expense attributable to:			
— Owners of the Company		**(64,788)**	(132,600)
— Non-controlling interests		**(979)**	(5,036)
		(65,767)	(137,636)
Loss per share			
— Basic (RMB yuan)	*7*	**(0.54)**	(1.16)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2025

	NOTES	As at December 31, 2025 RMB'000	2024 RMB'000
Non-current assets			
Equipment		**20,149**	13,358
Right-of-use assets		**5,264**	8,301
Goodwill		**23,777**	23,777
Other intangible assets		**179,483**	145,588
Interests in an associate		**162,082**	—
Equity instruments at fair value through other comprehensive income ("**FVTOCI**")		**2,731**	—
Deferred tax assets		**168,043**	139,643
Long-term trade receivables	*8*	**42,118**	76,203
Deposit for acquisition of equipment		**26,466**	—
Pledged/restricted bank deposits		**—**	1,875
		630,113	408,745
Current assets			
Inventories		**131,436**	102,851
Trade and other receivables	*9*	**1,082,012**	795,697
Contract assets		**35,919**	20,325
Amount due from the ultimate holding company		**3,204**	4,610
Amounts due from fellow subsidiaries		**53,424**	69,527
Amount due from an associate		**9,332**	—
Pledged/restricted bank deposits		**2,143**	11,428
Time deposits		**241,176**	—
Cash and cash equivalents		**123,636**	676,754
		1,682,282	1,681,192

	NOTES	As at December 31, 2025 RMB'000	2024 RMB'000
Current liabilities			
Bill, trade and other payables	*10*	**683,823**	521,170
Bank borrowings		**140,600**	180,000
Amount due to the ultimate holding company		**127,998**	78,893
Amounts due to related companies		**108,794**	99,600
Lease liabilities		**4,072**	4,670
Provision		**86,364**	79,118
Contract liabilities		**27,112**	28,897
Deferred income		**8,836**	6,283
Tax liabilities		**1,789**	1,658
		1,189,388	1,000,289
Net current assets		**492,894**	680,903
Total assets less current liabilities		**1,123,007**	1,089,648
Non-current liabilities			
Lease liabilities		**2,166**	4,638
Deferred income		**24,901**	19,302
Bank borrowings		**136,150**	64,800
Deferred tax liabilities		**11,930**	14,066
		175,147	102,806
Net assets		**947,860**	986,842
Capital and reserves			
Share capital		**120,879**	120,879
Reserves		**775,697**	819,020
Equity attributable to owners of the Company		**896,576**	939,899
Non-controlling interests		**51,284**	46,943
Total equity		**947,860**	986,842

1. GENERAL INFORMATION

Xunfei Healthcare Technology Co., Ltd. (訊飛醫療科技股份有限公司) (the "**Company**"), formerly known as Anhui Xunfei Medical Co., Ltd. (安徽訊飛醫療股份有限公司), Anhui iFLYTEK Medical Information Technology Company Limited (安徽科大訊飛醫療信息技術有限公司) and Anhui Puji Information Technology Company Limited (安徽普濟信息科技有限公司), was established as a company with limited liability in Hefei City, Anhui Province, the People's Republic of China (the "**PRC**"), on May 13, 2016, under the Company Law of the PRC. The immediate holding company and the ultimate holding company of the Company is iFLYTEK. The address of the registered office and the principal place of business of the Company is 4 to 5/F (North Area), No. 1 Building, iFLYTEK AI Research and Development Production Base (Phase I), No. 666 Science and Innovation Road, Chengxiqiao Community Services Center, High-tech Zone, Hefei City, Anhui Province, the PRC.

On December 24, 2021, the Company was converted into a joint stock company with limited liability. The Company's shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited on December 30, 2024.

The Group are principally engaged in the provision of comprehensive healthcare AI solutions in the PRC.

The consolidated financial statements is presented in Renminbi ("**RMB**"), which is also the functional currency of the Company and its subsidiaries.

2. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS

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

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

Amendments to IAS 21	Lack of Exchangeability

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

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

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

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

1 Effective for annual periods beginning on or after a date to be determined.
2 Effective for annual periods beginning on or after January 1, 2026.
3 Effective for annual periods beginning on or after January 1, 2027.

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

3. REVENUE AND SEGMENT INFORMATION

Disaggregation of revenue from contracts with customers

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Types of goods or services		
Project implementation services	**776,978**	639,521
Operation services	**63,613**	39,432
AI healthcare products	**74,402**	55,031
	914,993	733,984
By business lines		
Primary Healthcare Services	**262,858**	237,031
Regional Healthcare Solutions	**205,932**	153,755
Hospital Services	**173,143**	132,035
Patient Services	**273,060**	211,163
	914,993	733,984
Timing of revenue recognition		
A point in time	**851,380**	694,552
Overtime	**63,613**	39,432
	914,993	733,984

Geographical information

The Group primarily operates in the PRC. The Group's non-current assets are all located in the PRC.

Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total revenue of the Group are as follows:

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Customer A	**93,315**	—

4. INCOME TAX CREDIT

	Year ended December 31,	
	2025	2024
	RMB in thousands	*RMB in thousands*
Current tax	**318**	1,658
Deferred tax	**(30,536)**	(36,038)
	(30,218)	(34,380)

5. LOSS BEFORE TAX

Loss for the year has been arrived at after charging (crediting):

	Year ended December 31,	
	2025	2024
	RMB'000	*RMB'000*
Auditor's remunerations	**3,420**	2,896
Directors' remunerations	**11,187**	19,048
Other staff:		
Salaries and other benefits	**251,407**	213,322
Discretionary bonus	**45,465**	46,849
Retirement benefit scheme contributions	**24,178**	20,227
Equity-settled share-based payments	**19,512**	38,809
Total staff costs	**351,749**	338,255
Less: Capitalised in development costs	**(23,941)**	(12,579)
	327,808	325,676
Depreciation of equipment	**9,011**	8,563
Depreciation of right-of-use assets	**3,037**	1,675
Amortization of other intangible assets	**37,192**	37,687
Total depreciation and amortization	**49,240**	47,925
Cost of inventories recognized as an expense	**453,349**	338,636

6. DIVIDENDS

No dividend was paid or proposed by the Company during 2025, nor has any dividend been proposed since the end of the reporting period (2024: nil).

7. LOSS PER SHARE

The calculation of the basic loss per share attributable to owners of the Company is based on the following data:

	Year ended December 31,	
	2025	2024
	'000	*'000*
Loss for the purposes of calculating basic loss per share attributable to owners of the Company *(RMB)*	**(64,788)**	(132,600)
Weighted average number of ordinary shares for the purpose of basic loss per share calculation	**120,879**	113,862

No diluted earnings per share for both years as there were no potential ordinary shares in issue.

8. LONG-TERM TRADE RECEIVABLES

	As at December 31,	
	2025	2024
	RMB'000	*RMB'000*
Long-term trade receivables	**226,615**	220,334
Less: due within one year	**(179,327)**	(140,859)
	47,288	79,475
Less: allowance for credit losses	**(5,170)**	(3,272)
	42,118	76,203

The following is an aged analysis of long-term trade receivables net of allowance for credit losses presented based on invoice dates:

	As at December 31,	
	2025	2024
	RMB in thousands	*RMB in thousands*
0–90 days	**—**	42,480
181–365 days	**7,544**	1,128
1–2 years	**20,710**	23,355
2–3 years	**13,864**	9,240
	42,118	76,203

9. TRADE AND OTHER RECEIVABLES

	As at December 31,	
	2025	2024
	RMB in thousands	*RMB in thousands*
Trade receivables	**1,072,402**	755,555
Less: allowance for credit losses	**(56,549)**	(24,181)
	1,015,853	731,374
Other receivables	**15,502**	15,799
Advance to suppliers	**38,752**	39,923
Tax recoverable	**88**	88
Other tax recoverables	**11,817**	8,513
	1,082,012	795,697

The following is an aged analysis of trade receivables net of allowance for credit losses presented based on invoice dates:

	As at December 31,	
	2025	2024
	RMB in thousands	*RMB in thousands*
0–90 days	**307,486**	272,046
91–180 days	**63,538**	56,729
181–365 days	**147,219**	82,593
1–2 years	**221,093**	124,524
2–3 years	**98,278**	153,311
Over 3 years	**178,239**	42,171
	1,015,853	731,374

10. BILL, TRADE AND OTHER PAYABLES

	As at December 31,	
	2025	2024
	RMB in thousands	*RMB in thousands*
Trade payables	**481,084**	346,122
Bills payables	**78,335**	53,139
Total trade and bill payables	**559,419**	399,261
Payroll payables	**62,426**	63,011
Value-added tax and other tax payables	**50,526**	34,437
Listing expenses and issue costs payable	**—**	19,806
Others	**11,452**	4,655
	683,823	521,170

The credit period of trade creditors is generally 30 days. The following is an aged analysis of trade payables presented based on the invoice dates:

	As at December 31,	
	2025	2024
	RMB in thousands	*RMB in thousands*
0–90 days	**221,422**	195,350
91–180 days	**35,095**	20,610
181–365 days	**49,510**	80,711
Over 1 year	**175,057**	49,451
	481,084	346,122

The following is an aged analysis of bill payables based on the bill issuance dates at the end of each reporting period:

	As at December 31,	
	2025	2024
	RMB in thousands	*RMB in thousands*
0–180 days	**78,335**	53,139

OTHER INFORMATION

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

Our Company is committed to maintaining high standards of corporate governance to protect shareholders' interests, enhance corporate value, and ensure accountability. The Company has adopted the Corporate Governance Code (the "**CG Code**") (version up to June 30, 2025)* as set out in Appendix C1 of the Listing Rules as its own code of corporate governance. To the best of the Directors' knowledge, our Company has complied with the applicable code provisions set out in Part 2 of the Corporate Governance Code during the Reporting Period.

The Board will continue to review and monitor the Company's corporate governance to ensure compliance with the CG Code and maintain high standards of corporate governance.

* The amendments to the CG Code came into effect on July 1, 2025, and the requirements under the new CG Code will apply to corporate governance reports for financial years commencing on or after July 1, 2025.

COMPLIANCE WITH THE MODEL CODE

Our Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as the code for securities transactions by Directors and Supervisors. Each of the Directors and Supervisors has confirmed, after specific inquiries are made to all Directors and Supervisors, that they have complied with the Model Code during the Reporting Period.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended December 31, 2025 as set out in the preliminary announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the Board of Directors on March 27, 2026. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

AUDIT COMMITTEE

The Company has established the Audit Committee in accordance with Rule 3.21 of the Listing Rules and the CG Code. The Audit Committee comprises three members, namely Prof. Zhao Huifang (趙惠芳), Prof. Wang Yang (汪揚) and Mr. Duan Dawei (段大為), with Prof. Zhao Huifang (who is an independent non-executive Director of the Company with appropriate professional qualifications) acting as the chairman of the Audit Committee.

The Audit Committee has reviewed the audited consolidated financial statements of the Group for the year ended December 31, 2025 and has discussed with senior management and the Auditor matters relating to the accounting policies and practices and internal controls adopted by the Company.

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

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's securities (including the sale of treasury shares (as defined under the Listing Rules)). Our Company did not hold any treasury shares as of December 31, 2025.

DIVIDENDS

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

USE OF PROCEEDS FROM THE LISTING

Our Company was listed on the Main Board of the Hong Kong Stock Exchange on December 30, 2024 (the "**Listing**"), issuing 7,035,550 new shares at an offer price of HK$82.80 per share, with net proceeds from the Listing of approximately HK$507.1 million after deducting underwriting commissions, fees and other expenses related to the Global Offering. The net proceeds from the Listing will be applied in accordance with the plans disclosed in the section headed "Future Plans and Use of Proceeds" in the prospectus of the Company dated December 18, 2024, namely:

Item	**Percentage**	**Proceeds to be used for related purpose** *(HK$ in millions)*	**Utilized proceeds during the Reporting Period** *(HK$ in millions)*	**Unutilized proceeds as of the end of the Reporting Period** *(HK$ in millions)*	**Expected timetable for the fully utilizing of unutilized proceeds**
Investing in research and development to continuously reinforce the Company's core competence	32.3	164.0	80.8	83.2	By the end of December 2026
Further enriching the Company's products and services through upgrading existing products and developing new products	26.6	135.0	66.7	68.3	By the end of December 2026
Reinforcing the Company's commercialization capabilities and expand our service network	24.7	125.1	50.2	74.9	By the end of December 2026
Acquiring companies that may generate synergy with the Company's existing capacities, such as medical device manufactures	6.4	32.3	—	32.3	By the end of December 2026
Working capital and other general corporate purposes	10.0	50.7	49.1	1.6	By the end of December 2026
Total	**100%**	**507.1**	**246.8**	**260.3**	

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

The Company has placed the net proceeds that have not yet been utilized in short-term interest-bearing accounts with licensed commercial banks and/or other authorized financial institutions. The Company will comply with PRC laws regarding foreign exchange registration and remittance of proceeds.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

The annual results announcement will be published on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (www.iflyhealth.com). The annual report of the Company for the year 2025 will be published on the websites of the Hong Kong Stock Exchange and the Company in due course.

By order of the Board
Xunfei Healthcare Technology Co., Ltd.
Dr. Tao Xiaodong
Executive Director

Hong Kong, March 27, 2026

As at the date of this announcement, the Board of the Company comprises: (i) Dr. Tao Xiaodong as executive director; (ii) Dr. Liu Qingfeng, Mr. Zhao Zhiwei and Mr. Duan Dawei as non-executive directors; and (iii) Prof. Wang Yang, Prof. Zhao Huifang and Mr. Tan Ching as independent non-executive directors.