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SAINT BELLA
SAINT BELLA GROUP LIMITED
聖貝拉集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2508)

ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED DECEMBER 31, 2025

The board (the “**Board**”) of directors (the “**Directors**”) of SAINT BELLA GROUP LIMITED (the “**Company**”) is pleased to announce the consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended December 31, 2025.

In this announcement, “**we**”, “**us**” and “**our**” refer to the Company, and where the context otherwise requires, the Group.

HIGHLIGHTS

	For the year ended		Change
	December 31,		
	2025	2024	
	RMB’000	RMB’000	
Revenue	1,045,859	798,666	31.0%
Gross profit	376,226	270,394	39.1%
Gross profit margin	36.0%	33.9%	2.1%
Net profit (loss)	411,180	(543,279)	
Adjusted net profit (non-HKFRS measure)	124,601	42,256	194.9%
	RMB	RMB	
Earnings/(loss) per share			
Basic	1.27	(102.12)	
Diluted	0.27	(102.12)	

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Industry Overview and Market Opportunity

In 2025, the high-end consumer market demonstrated significant structural recovery, with residents' spending on home care and family health increasing steadily. The continuous release of related demand became the core momentum for the growth of high-end service consumption. The pattern of the Chinese mainland high-end consumption is undergoing a deep transformation from “material possession” to “experience first”, the spending on health management and professional family care services is continuously growing, bringing development opportunities for the leading brands.

At the policy level, the government has continued to introduce supporting measures for fertility support and family development, covering various dimensions such as fertility subsidies and childcare burden reduction, optimization of the maternity leave system, improvement of the childcare service system, and increase in financial and tax support, which build a firm policy foundation for the long-term healthy development of the industry. In 2026, the Two Sessions of the Nation had further affirmed the development concept of “Investing in People”, promoting a greater allocation of resources towards livelihood sectors and facilitating the expansion of high-end service industries. The Fourth Plenary Session of the 20th CPC Central Committee held in the same year also deployed the implementation of actions to expand the capacity, improve the quality of the service industry and promoted the upgrade of a high quality and diverse living service industry, which brought historic development opportunities for the home care industry.

At the consumer level, the new generation of female consumers' demand for professional, scientific and quality postpartum care and infant care continues to rise, and their willingness to pay for quality services and acceptance of premium are steadily increasing, driving the industry as a whole to upgrade in the direction of high-end, personalized and full-cycle services. In respect of market penetration level, the current market penetration rate of Chinese mainland's postpartum center market is only about 6%, which implies room for 9–10 times growth, compared to mature markets in South Korea and Taiwan, China. With the continuous increase in consumer awareness and the advancement of industry standardization, the market penetration rate is expected to increase steadily.

According to Frost & Sullivan's industry data, the market size of Chinese mainland's home care industry was expected to reach RMB805.3 billion in 2025, of which the market size of the postpartum care and recovery, home child care services and nutritional supplementation segments was expected to reach RMB298.4 billion, representing a year-on-year growth of 17.5%. Looking ahead to 2026, the market segments above are expected to maintain a compound growth rate of over 16.0%, of which the growth rates of postpartum confinement and postpartum care are expected to maintain at 19.4% and 23.3%, respectively. Meanwhile, the overall size of the industry is expected to exceed RMB928.0 billion, with the service segment continuing to grow at a higher level than the industry as a whole.

The Company's Strategy and Layout

The Group is a global leading home care brand group. Starting off with high-end postpartum care services, the Group has horizontally extended to diversified scenarios, including family childcare, Chinese nourishing products and reproductive health recovery, to establish a family care ecology covering women's full lifecycle and all stages of pregnancy, childbirth and parenting. The Group also materializes multi-level market coverage leveraging on its three core brands. In 2025, the Group achieved a comprehensive secondary sales conversion rate of 95.5% for postpartum care.

As of the date of this announcement, the Group operates 140 stores across 41 cities worldwide, ranking first in the postpartum care sector in Asia in terms of business scale. Meanwhile, the Group actively promotes global expansion, with operations extending to various countries and regions including North America and Southeast Asia, constantly exporting Eastern nursing concepts and service standards to the world.

As an industry leader with eight years of experience in home care sector, the Group has served over 100,000 families, accumulating tens of millions of real-world home care data, establishing industry leading data assets for home scenarios. Focusing on the intelligent home service sector, the Group is systematically advancing the construction of a three-in-one closed loop Artificial Intelligent ("AI") ecosystem encompassing "intelligent hub, physical hardware and service network". We have completed the full-chain layout of self-developed AI large-scale models, vertical industry investments, robot scenario collaborations and industry funds. Such layout is deeply synergistic with the Group's profit growth and global expansion, driven by a dual engine of "hard technology + deep service", with an aim to become a global leader in the intelligent transformation of home care.

AI-empowered strategy: Starting with postpartum care, the Group has built up the most professional database of care scenarios in China and continued to cultivate its core strategy of "AI + Care". By the end of 2025, the Group launched the industry's first intelligent agent for pregnancy, childbirth and parenting, Dr Bella, creating an AI core brain capable of understanding nursing needs and making decisions, thereby providing inclusive services to female users nationwide. With Dr Bella as the core brain, the Group will collaborate with leading embodied robotics companies to explore the implementation of embodied intelligent hardware in care scenarios, achieving a business model upgrade from traditional offline services to AI-empowered solutions. The Group's long-term vision is to develop Dr Bella into the brain of smart home care, enabling global expansion at low marginal cost and bringing professional nursing capabilities into every household. This AI-empowered strategy is also expected to inject strong momentum into the Group's future earnings growth and efforts to reduce costs and improve efficiency.

Globalization strategy layout: As the first Chinese postpartum care brand to enter the Southeast Asian and U.S. markets, the Group has been actively expanding its overseas market presence. In 2025, we successfully entered four overseas cities. This does not only represent the implementation of our services, but also a systematic promotion of Eastern postpartum care culture and standards to the world. The rapid growth in overseas markets opens up new growth opportunities for the Company and at the same time exports an unique cultural soft power, building a strong international foundation for our brand and laying a foundation for long-term value.

Establishment of full-cycle ecology: Taking high-quality postpartum care as an entry point, the Group has horizontally extended to diversified scenarios, including family childcare, Chinese nourishing products and reproductive health recovery, to establish a family care ecology covering women’s full lifecycle and all stages of pregnancy, childbirth and parenting. Such ecosystem has started showing results lately, with the proportion of revenue from diversified service offerings within the core postpartum care business to total revenue risen to 29.5%. Meanwhile, leveraging its full-cycle user operation system and in-depth service capabilities, the Group has achieved a repeat purchase conversion rate of 95.5%, delivering impressive results in both unlocking the full-lifecycle value of users and establishing a second growth curve.

Business Overview

Despite the many challenges facing the industry in the year ended December 31, 2025, the Group has been able to realize a headwind in its performance by leveraging its clear strategic positioning and operational excellence. Below are the key financial data of the Group for in the year ended December 31, 2025:

Item	2025	2024	Year-on-year change
Operating revenue (<i>RMB'000</i>)	1,045,859	798,666	31.0%
Gross profit (<i>RMB'000</i>)	376,226	270,394	39.1%
Gross profit margin	36.0%	33.9%	2.1%
Adjusted net profit (<i>RMB'000</i>)	124,601	42,256	194.9%
Adjusted net profit margin	11.9%	5.3%	

During the year, the Group's gross profit margin increased to 36.0% and adjusted net profit increased by 194.9% year-on-year to RMB124.6 million, representing a significant improvement in profitability. This is mainly attributable to:

- Optimization of business structure and increase in the proportion of high gross profit businesses, with businesses beside postpartum care (i.e. health food products) beginning to generate profits, boosting overall profitability;
- The continuous strengthening of branding motivated the increment in ASP of postpartum care, with the brand profitability being enhanced; and
- Benefit from the in-depth application of SaaS system and AI technology, which drove the enhancement of human efficiency and cost optimization, and the operational efficiency continued to improve, of which the adjusted marketing expense ratio decreased by 1.4 percentage points to 10.5% and the adjusted administrative expense ratio decreased by 1.4 percentage points to 14.6% (excluding the impact of listing expenses and share-based payments).

Postpartum Center Business

The postpartum center business, as the core cornerstone and traffic portal of the Group, continued to maintain its strong growth momentum. During the year ended December 31, 2025, the operating revenue amounted to RMB899.3 million, representing a year-on-year growth of 30.8%.

Domestic market: As of December 31, 2025, the Group had 140 postpartum centers in Chinese mainland, representing a net increase of 63 from 77 as at the end of 2024. In 2025, average selling price (“ASP”) of all brands of the Group attained a comprehensive and steady growth, with the overall ASP rose from RMB148,658 in 2024 to RMB156,059 in 2025, representing a year-on-year growth of 5.0%. Among which, Saint Bella, a high-end flagship brand of the Group recorded an outstanding performance with ASP increased from RMB239,155 in 2024 to RMB266,796 in 2025, representing a year-on-year growth of 11.6%. During the second half of 2025, the brand, namely Saint Bella, implemented a strategic price increase in August with the number of orders remained stable thereafter, which thoroughly demonstrated its strong brand profitability, extensive market recognition and stable customer stickiness. Other brands of the Group also concurrently achieved steady rise in their respective ASP: ASP of Baby Bella, a high-end brand, increased from RMB96,246 in 2024 to RMB108,375 in 2025, representing a year-on-year growth of 12.6% with its growth rate leading all brands within the Group; ASP of Bella Isla increased from RMB167,197 in 2024 to RMB171,896 in 2025, representing a year-on-year growth of 2.8% and maintained a steady and healthy growth momentum. The all-round increase in ASP mentioned above thoroughly demonstrated the Group's continuously strengthening brand profitability, as well as the steady growth in market recognition and customer stickiness

for its high-end mother and baby care services. This also represented a key achievement resulting from the Group's deepening of refined operations, the upgrading of its product and service system, and the synergies of its brand portfolio, which would lay a solid foundation for the continuous optimization of the Group's overall profitability and its long-term, high-quality development.

Overseas market: In 2025, the Group accelerated its overseas presence, successfully entering four overseas cities and setting up eight postpartum centers. GMV of overseas business saw particularly impressive growth, with a year-on-year increase of 280.0%. Overseas business is expanding rapidly and covering key high-net-worth markets, such as Southeast Asia, Europe and the Americas. Successful expansion in overseas markets has not only brought incremental revenue, but more importantly, enhanced the international influence and competitiveness of the brand.

Home Care Business

As a strategic core segment of the Group's full-cycle family health ecosystem, the home care business continued to grow at a high rate during the reporting period. During the year ended December 31, 2025, the home care business achieved a revenue of RMB81.9 million, representing a year-on-year increase of 36.7%, and gross profit margin increased by 2.9 percentage points to a relatively high level of 37.2%.

In terms of service scale, as at December 31, 2025, the total number of licensed baby-sitters for the Group's home care services reached approximately 9,500, representing an increase of 36.0% compared to the end of 2024, and the service network has covered major first and second tier cities in Chinese mainland. In terms of product and service innovation, during the reporting period, the Group launched the "100 Day Walk" co-selling product, which realized the seamless integration of postpartum center in-store services and in-home home care services, providing customers with a full range of care services from postpartum recovery to early stage of parenthood, and the product has received positive feedback from the market. Meanwhile, the Group has innovatively launched the "age-specific childcare" service model, which provides customized professional care services for infants and children of different ages and accurately matches the childcare needs of new parents, which has become an all-new growth point for the business.

In terms of service quality and customer stickiness, during the reporting period, the contract duration for a single customer under the Group's Home Giving brand extended to 122.8 days, representing an increase of 1.8 days year-on-year, and the number of customers served increased by 20.9% to 823; the renewal rate of customers reached approximately 56.7%, representing an increase of 1.3 percentage points as compared to the same period in 2024.

Health Food Products Business

The market size of Chinese mainland's health food products industry continues to grow rapidly. According to Frost & Sullivan, the compound annual growth rate of the industry is 8.6% from 2019 to 2024, and the industry maintained a steady growth throughout 2025, with an estimated compound annual growth rate of 12.7% from 2025 to 2030. The development of the health food products industry is driven by the popularization of healthy lifestyles and the upgrading of consumer spending. Consumers' awareness of health is constantly rising, and health investment has changed from a short-term demand to a long-term investment throughout the entire life cycle.

In 2025, the health food products business achieved a revenue of RMB64.7 million, representing a year-on-year growth of 26.3%. Gross profit margin increased by 11.3 percentage points to a higher level of 72.8%.

Throughout the year of 2025, GuangHeTang (廣禾堂), which focuses on women's health and nourishment, continued to optimize its product research and development and matrix layout by focusing on the therapeutic nutrition of eastern medicine and food as its core, and has already completed the product system to support women during physiological period, pregnancy, postpartum period, breastfeeding period, maintenance period and menopause, so as to realize the change from maternity to women's health. Through product restructuring, supply chain efficiency enhancement and operation refinement, the Company will further strengthen its brand competitiveness and profitability. The Company has always adhered to the product concepts of safety, gentleness, effectiveness and convenience, and has been deeply cultivating the field of women's nourishment, stabilizing its market positioning as a specialist in women's all-round nourishment.

At the sales platform level, GuangHeTang (廣禾堂) maintained the leading position in the nutrition category on Tmall with on its product quality and market reputation. It ranked first in the category for four consecutive years from 2022 to 2025, establishing a solid leading advantage. Meanwhile, we continue to improve the diversified layout of e-commerce channels. Although the content e-commerce was in the layout of the food business at a later time, 2025 annual revenue contribution percentage has increased to 30%, becoming the most important business growth.

With the rapid iteration and application of artificial intelligence technology, the Group has created the "Dr. Bella" AI intelligent service platform focusing on the maternal and infant industry. GuangHeTang (廣禾堂) and Dr. Bella have achieved deep integration and technological empowerment, incorporating AI technology into the women's and maternal and infant health service scenarios, and providing GuangHeTang's (廣禾堂) customers with more accurate and professional intelligent consulting services.

AI Business

2025 is the first year of the Group's AI strategy, the Group will formally complete the strategic transformation from a traditional high-end home care service provider to an AI-driven global home care intelligent decision-making brain. It aims to break the development curse of “non-standardization, strong manpower reliance, and difficulty in cross-regional scaling” that the global high-end home care industry has been facing for a century, and to realize the upgrading of the business model from linear store expansion to exponential growth.

During the year, the Group officially launched its self-developed vertical AI big model of “Dr. Bella”. It leverages millions of real-world nursing data to create an intelligent service portal covering the full cycle of pregnancy, childbirth and parenting, and establish a closed-loop ecosystem. It strategically invests in the WITH 1000 AI, a maternal and infant AI service provider, enriches the database and implements SaaS services among hundreds of partner institutions. It has also formed a strategic partnership with Yunji to explore the implementation of robotics in nursing scenarios and complete intelligent pilot projects in core stores. At the same time, it has deployed an embedded intelligent industry fund to deepen supply chain synergy, The AI business has built an AI flywheel that dually empowers data, technology and scenarios, comprehensively strengthening the Group's core competitiveness.

PROSPECT

Looking forward, the Group will continue to uphold the vision of “becoming a leading global family care group”, deepen the layout of the full-cycle family health ecosystem with AI technology as the core driver, and promote the high-quality development of the business.

Postpartum Care Business

The Group will continue to consolidate and expand its absolute leading position in the postpartum care market. As the only postpartum care brand in the global market with a total scale exceeding RMB1 billion, the Group has formed a significant competitive advantage in the industry. It will adopt “organic growth + external mergers and acquisitions” as its dual empowered core strategy. On one hand, it will focus on deepening penetration and increasing market share in strategic core cities, and on the other hand, it will actively promote strategic mergers and acquisitions of regional leading brands to continuously broaden its business foundation. It is expected that the Group's leading position and economies of scale will be further strengthened in the future. With strong cash flow and capital operation capabilities, it will also provide a solid resource backup for the Group to replicate its business model in overseas markets and accelerate globalization deployment.

Full Lifecycle Business

Apart from the postpartum care business, revenue from the full lifecycle business is expected to continuously increase. This business has a higher profit margin and is expected to drive a sustainable increase in the Group's overall profitability. In particular, GuangHeTang (廣禾堂) has completed the full-cycle product deploy, covering the needs of women throughout all stages from menstruation, pregnancy, postpartum, breastfeeding, nourishing and menopause. It recently marketed a blockbuster female menstrual product, which is expected to achieve outstanding performance on the market. In terms of home care, key initiatives such as "100 Day Walk" and "age-specific childcare" are continuously being promoted, making it a new drive of business growth. The promotion of STB brand will be rolled out globally and nationwide to enhance brand portfolio. In addition, in March 2026, the Group announced a strategic partnership with LVMH's leading global consumer private equity firm, L Catterton. The parties will collaborate deeply on technological innovation, international expansion and the establishment of a high-end brand ecosystem. Through joint investment cultivation and strategic acquisitions, the parties will continuously seek merger and acquisition opportunities as well as new retail products in the home care sector, building a brand ecosystem covering multiple categories such as maternal and infant care, health food products and intelligent hardware, accelerating the Group's evolution into a global multi-brand home care group.

Expanding internationalization: The Group will steadily promote its globalization development strategy. On the basis of consolidating the operational achievements and service capabilities in existing overseas markets such as Singapore, North America and Australia, the Group will actively expand into emerging overseas markets such as Europe and the Middle East, continue to improve its internationalized service network, steadily increase the revenue contribution from its overseas business, and promote the brand's internationalized layout to a new stage.

Deepen AI strategy: The Group will continue to deem AI technology as its core strategic driver to deepen the positive cycle of AI growth wheel. Through the strategic cooperation with embedded intelligence companies, the offline stores could enhance efficiencies, accelerate and promote service standards to establish a close loop ecosystem of "data collection-need analysis-task distribution-service execution-service feedback" and form a self-improved intelligent service ecosystem. On such basis, Dr. Bella Agent will prioritize internal upgrade, empowers nearly 150 offline stores of the Group to achieve service standardization and operational efficiency enhancement, and subsequently carries out promotion in Chinese mainland and globally. Meanwhile, the Group will strengthen internal data management, accumulate core data assets through structured layout, and feed back into the continuous iteration of AI models, ultimately achieving a strategic upgrade from a global leader in home care to an intelligent decision-making brain for home care.

Improvement in operational efficiency: The Group will continue to deepen its digital transformation, and through the in-depth application of AI technology, it will continue to optimize the whole chain of operation processes, enhance the level of human efficiency and the quality of service delivery, and promote the continuous optimization of the marketing expense ratio and the management expense ratio, so as to achieve a two-way balance between cost reduction and efficiency enhancement, and high-quality development. During this process, the Group will simultaneously optimize the talent attraction, retention and cultivation mechanism, increase effort in AI technologies, operations management, introduction and cultivation of international talents, establish a more comprehensive training system and long-term incentive mechanism, and create a high-quality, professional, and young core talent team to provide solid talent support for technology implementation and business expansion, thus forming a positive cycle of technology-driven and talent-empowerment.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended December 31, 2025

	Notes	2025 RMB'000	2024 RMB'000
REVENUE	4	1,045,859	798,666
Cost of sales		<u>(669,633)</u>	<u>(528,272)</u>
Gross profit		376,226	270,394
Other income		32,468	6,970
Selling and distribution expenses		(110,133)	(94,890)
Administrative expenses		(182,327)	(216,836)
Research and development expenses		(12,268)	(13,261)
Other (expenses)/gains, net		(2,128)	530
Finance costs		(5,644)	(4,812)
Fair value changes in financial instruments issued to investors		318,189	(493,749)
Share of losses of joint ventures		(1,163)	(637)
Share of losses of associates		<u>(471)</u>	<u>(282)</u>
Profit/(loss) before tax	5	412,749	(546,573)
Income tax (expense)/credit	6	<u>(1,569)</u>	<u>3,294</u>
PROFIT/(LOSS) FOR THE YEAR		<u>411,180</u>	<u>(543,279)</u>
Attributable to:			
Owners of the parent		407,871	(546,577)
Non-controlling interests		<u>3,309</u>	<u>3,298</u>
		<u>411,180</u>	<u>(543,279)</u>
EARNINGS/(LOSS) PER SHARE			
ATTRIBUTABLE TO ORDINARY EQUITY			
HOLDERS OF THE PARENT			
Basic	8	<u>RMB1.27</u>	<u>RMB(102.12)</u>
Diluted	8	<u>RMB0.27</u>	<u>RMB(102.12)</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended December 31, 2025

	<i>Notes</i>	2025 RMB'000	2024 RMB'000
Profit/(loss) for the year		<u>411,180</u>	<u>(543,279)</u>
Other comprehensive (loss)/income			
Other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of the financial statements of the Company		(7,694)	63
OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR, NET OF TAX		<u>(7,694)</u>	<u>63</u>
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		<u>403,486</u>	<u>(543,216)</u>
Attributable to:			
Owners of the parent		400,177	(546,514)
Non-controlling interests		<u>3,309</u>	<u>3,298</u>
		<u>403,486</u>	<u>(543,216)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2025

		December 31,	December 31,
		2025	2024
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
NON-CURRENT ASSETS			
Property, plant and equipment		77,655	28,744
Right-of-use assets		126,965	79,786
Goodwill		127,808	91,537
Other intangible assets		9,891	10,737
Investments in joint ventures		15,560	13,566
Investments in associates		57,711	36,570
Financial assets at fair value through profit or loss	<i>10</i>	28,879	5,000
Bank deposits with initial terms of over three months	<i>12</i>	31,392	73,012
Deferred tax assets		17,481	5,876
Other non-current assets		92,451	6,221
		<hr/>	<hr/>
Total non-current assets		585,793	351,049
CURRENT ASSETS			
Inventories		16,669	18,802
Trade receivables	<i>11</i>	50,304	15,860
Prepayments, other receivables and other assets	<i>9</i>	172,192	106,159
Financial assets at fair value through profit or loss	<i>10</i>	48,023	14,569
Bank deposits with initial terms of over three months	<i>12</i>	93,918	43,004
Restricted cash	<i>12</i>	33,029	6,126
Cash and cash equivalents	<i>12</i>	549,645	65,971
		<hr/>	<hr/>
Total current assets		963,780	270,491
CURRENT LIABILITIES			
Trade payables	<i>13</i>	24,743	33,326
Contract liabilities		254,671	175,463
Other payables and accruals	<i>14</i>	77,232	92,310
Interest-bearing bank borrowings	<i>15</i>	40,000	39,749
Lease liabilities		36,595	25,150
Tax payable		958	460
Financial instruments issued to investors	<i>16</i>	—	1,656,271
		<hr/>	<hr/>
Total current liabilities		434,199	2,022,729

		December 31,	December 31,
		2025	2024
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
NET CURRENT ASSETS/(LIABILITIES)		<u>529,581</u>	<u>(1,752,238)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,115,374</u>	<u>(1,401,189)</u>
NON-CURRENT LIABILITIES			
Lease liabilities		101,480	55,689
Deferred tax liabilities		<u>15,305</u>	<u>2,842</u>
Total non-current liabilities		<u>116,785</u>	<u>58,531</u>
Net assets/(liabilities)		<u>998,589</u>	<u>(1,459,720)</u>
EQUITY/(DEFICITS)			
Equity/(deficits) attributable to owners of the parent			
Share capital	<i>17</i>	446	4
Treasury shares	<i>17</i>	—*	—
Reserves/(deficits)		<u>983,425</u>	<u>(1,460,409)</u>
		983,871	(1,460,405)
Non-controlling interests		<u>14,718</u>	<u>685</u>
Total equity/(deficits)		<u>998,589</u>	<u>(1,459,720)</u>

* The carrying amount of treasury shares was rounded to the nearest thousand, reducing it to zero.

NOTES TO CONSOLIDATED FINANCIAL INFORMATION

As at December 31, 2025

1 CORPORATE INFORMATION

The Company was established in the Cayman Islands on July 4, 2023, as an exempted company with limited liability under the Companies Act, Cap.22 (As revised) of the Cayman Islands. The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (together, the “**Group**”) are principally engaged in the following principal activities:

- Postpartum centers
- Home care services
- Food products

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for derivative financial instruments, wealth management products and equity investments which have been measured at fair value. These financial statements are presented in Renminbi (“**RMB**”) and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Group for the year ended December 31, 2025. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted amendments to HKAS 21 *Lack of Exchangeability* for the first time for the current year's financial statements. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective.

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted in and the functional currencies of overseas subsidiaries, joint ventures and associates for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the Group's financial statements.

2.3 ISSUED BUT NOT YET EFFECTIVE HKFRS ACCOUNTING STANDARDS

The Group has not applied the following new and amended HKFRS Accounting Standards, that have been issued but are not yet effective, in these financial statements. The Group intends to apply these new and amended HKFRS Accounting Standards, if applicable, when they become effective.

HKFRS 18	<i>Presentation and Disclosure in Financial Statements²</i>
HKFRS 19 and its amendments	<i>Subsidiaries without Public Accountability: Disclosures²</i>
Amendments to HKFRS 9 and HKFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments¹</i>
Amendments to HKFRS 9 and HKFRS 7	<i>Contracts Referencing Nature-dependent Electricity¹</i>
Amendments to HKFRS 10 and HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture³</i>
Amendments to HKAS 21	<i>Translation to a Hyperinflationary Presentation Currency²</i>
<i>Annual Improvements to HKFRS Accounting Standards — Volume 11</i>	<i>Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7¹</i>

¹ Effective for annual periods beginning on or after January 1, 2026

² Effective for annual/reporting periods beginning on or after January 1, 2027

³ No mandatory effective date yet determined but available for adoption

Further information about those HKFRS Accounting Standards that are expected to be applicable to the Group is described below.

HKFRS 18 replaces HKAS 1 *Presentation of Financial Statements*. While a number of sections have been brought forward from HKAS 1 with limited changes, HKFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in HKAS 1 are moved to HKAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, which is renamed as HKAS 8 *Basis of Preparation of Financial Statements*. As a consequence of the issuance of HKFRS 18, limited, but widely applicable, amendments are made to HKAS 7 *Statement of Cash Flows*, HKAS 33 *Earnings per Share* and HKAS 34 *Interim Financial Reporting*. In addition, there are minor consequential amendments to other HKFRS Accounting Standards. HKFRS 18 and the consequential amendments to other HKFRS Accounting Standards are effective for annual periods beginning on or after January 1, 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of HKFRS 18 on the presentation and disclosure of the Group's financial statements.

HKFRS 19 allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other HKFRS Accounting Standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in HKFRS 10 *Consolidated Financial Statements*, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements available for public use which comply with HKFRS Accounting Standards or IFRS Accounting Standards. HKFRS 19 was amended in April 2025 to include IFRS Accounting Standards in the eligibility criteria for applying the standard. The standard was further amended in October 2025 to (i) remove disclosure objectives from HKFRS 19; (ii) reduce the disclosure requirements relating to supplier finance arrangements and a specific class of financial liabilities; and (iii) replace disclosure requirements relating to management-defined performance measures with a cross-reference to HKFRS 18 for entities that use these measures. Earlier application is permitted. As the Company is a listed company, it is not eligible to elect to apply HKFRS 19 and its amendments. Some of the Company's subsidiaries are considering the application of HKFRS 19 and its amendments in their specified financial statements.

Amendments to HKFRS 9 and HKFRS 7 *Amendments to the Classification and Measurement of Financial Instruments* clarify the date on which a financial asset or financial liability is derecognised and introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. The amendments shall be applied retrospectively with an adjustment to opening retained profits (or other component of equity) at the initial application date. Prior periods are not required to be restated and can only be restated without the use of hindsight. Earlier application of either all the amendments at the same time or only the amendments related to the classification of financial assets is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to HKFRS 9 and HKFRS 7 *Contracts Referencing Nature-dependent Electricity* clarify the application of the “own-use” requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity’s financial performance and future cash flows. The amendments relating to the own-use exception shall be applied retrospectively. Prior periods are not required to be restated and can only be restated without the use of hindsight. The amendments relating to the hedge accounting shall be applied prospectively to new hedging relationships designated on or after the date of the initial application. Earlier application is permitted. The amendments to HKFRS 9 and HKFRS 7 shall be applied at the same time. The amendments are not expected to have any significant impact on the Group’s financial statements.

Amendments to HKFRS 10 and HKAS 28 address an inconsistency between the requirements in HKFRS 10 and in HKAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss resulting from a downstream transaction when the sale or contribution of assets constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor’s profit or loss only to the extent of the unrelated investor’s interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to HKFRS 10 and HKAS 28 was removed by the HKICPA. However, the amendments are available for adoption now.

Annual Improvements to HKFRS Accounting Standards — Volume 11 set out amendments to HKFRS 1, HKFRS 7 (and the accompanying *Guidance on implementing HKFRS 7*), HKFRS 9, HKFRS 10 and HKAS 7. Details of the amendments that are expected to be applicable to the Group are as follows:

- **HKFRS 7 *Financial Instruments: Disclosures*:** The amendments have updated certain wording in paragraph B38 of HKFRS 7 and paragraphs IG1, IG14 and IG20B of the *Guidance on implementing HKFRS 7* for the purpose of simplification or achieving consistency with other paragraphs in the standard and/or with the concepts and terminology used in other standards. In addition, the amendments clarify that the *Guidance on implementing HKFRS 7* does not necessarily illustrate all the requirements in the referenced paragraphs of HKFRS 7 nor does it create additional requirements. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group’s financial statements.

- *HKFRS 9 Financial Instruments*: The amendments clarify that when a lessee has determined that a lease liability has been extinguished in accordance with HKFRS 9, the lessee is required to apply paragraph 3.3.3 of HKFRS 9 and recognise any resulting gain or loss in profit or loss. However, the amendments do not address how a lessee distinguishes between a lease modification as defined in HKFRS 16 and an extinguishment of a lease liability in accordance with HKFRS 9. In addition, the amendments have updated certain wording in paragraph 5.1.3 of HKFRS 9 and Appendix A of HKFRS 9 to remove potential confusion. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.
- *HKFRS 10 Consolidated Financial Statements*: The amendments clarify that the relationship described in paragraph B74 of HKFRS 10 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor, which removes the inconsistency with the requirement in paragraph B73 of HKFRS 10. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.
- *HKAS 7 Statement of Cash Flows*: The amendments replace the term “cost method” with “at cost” in paragraph 37 of HKAS 7 following the prior deletion of the definition of “cost method”. Earlier application is permitted. The amendments are not expected to have any impact on the Group's financial statements.

3. OPERATING SEGMENT INFORMATION

Information about geographical areas

For management purposes, the Group is organised into a whole business unit based on their products and services. Management monitors the results of the Group's operations as a whole for the purpose of making decisions about resource allocation and performance assessment.

Since nearly all of the Group's non-current assets were located in the Chinese mainland, no geographical segment information is presented in accordance with HKFRS 8 Operating Segments.

Information about major customers

No revenue from the Group's sales to a single customer amounted to 10% or more of the Group's revenue during the year.

4. REVENUE

An analysis of the Group's revenue is as follows:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Revenue from contracts with customers	<u>1,045,859</u>	<u>798,666</u>

Revenue from contracts with customers

(a) Disaggregated revenue information

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Types of goods or services		
Services	968,535	756,169
Sale of products	77,324	42,497
Total	<u>1,045,859</u>	<u>798,666</u>
Geographical markets		
Chinese mainland	1,021,564	791,878
Other countries/regions	24,295	6,788
Total	<u>1,045,859</u>	<u>798,666</u>
Timing of revenue recognition		
Goods and service transferred at a point in time	339,173	188,487
Services transferred over time	706,686	610,179
Total	<u>1,045,859</u>	<u>798,666</u>

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:		
Delivering products and services	<u>164,551</u>	<u>154,464</u>

(b) *Performance obligations*

Information about the Group's performance obligations is summarised below:

Provision of postpartum care services

The performance obligation is satisfied over time as services are rendered and payment is generally in advance. Payments that are related to services not yet rendered are deferred and shown as contract liabilities in the consolidated statement of financial position.

Provision of postpartum recovery services

The performance obligation is satisfied upon completion of postpartum recovery services and payment is generally in advance. Payments that are related to services not yet completed are deferred and shown as contract liabilities in the consolidated statement of financial position. Upon completion of postpartum recovery services, the corresponding deferred revenue is fully recognised in profit or loss.

Provision of home care service

The performance obligation is satisfied over time as services are rendered and payment is generally in advance. Payments that are related to services not yet rendered are deferred and shown as contract liabilities in the consolidated statement of financial position. Upon expiry of the prepaid packages of home care service, the corresponding deferred revenue is fully recognised in profit or loss.

Sale of food products

The performance obligation is satisfied upon delivery of the food products and payment is generally made within 0 to 30 days from delivery.

Provision of consulting services for establishing postpartum center

The performance obligation is recognised at the point in time when consulting services are delivered to customers, generally on establishment of new postpartum center, and payment is generally made within 6 months after the provision of service.

Provision of management services

The performance obligation is satisfied over time as services are rendered and payment is generally made between 10 and 90 days after provision of services. The periods of the management service contracts are from 1 to 10 years, and service fees are billed on a monthly basis.

5. PROFIT/(LOSS) BEFORE TAX

The Group's profit/(loss) before tax is arrived at after charging/(crediting):

	2025	2024
	RMB'000	RMB'000
Cost of inventories sold	27,409	20,772
Cost of services provided	263,926	152,910
Depreciation of property, plant and equipment	9,145	5,420
Depreciation of right-of-use assets	44,088	27,375
Amortisation of other intangible assets	1,132	1,091
Lease payments not included in the measurement of lease liabilities	193,574	174,891
Research and development expenses	12,268	13,261
Advertising and publicity expenses	63,062	52,472
Auditor's remuneration	2,800	—
Listing expenses	16,908	31,137
Provision for inventories	500	84
Human resource outsourcing and other labour costs	109,208	64,595
Employee benefit expense (excluding directors' remuneration):		
Wages, salaries and other benefits	212,118	199,703
Pension scheme contributions	13,489	9,518
Share-based payment expenses	14,702	60,649
	240,309	269,870
Interest income	(11,833)	(5,186)
Foreign exchange differences, net	3,526	818
Loss on disposal of items of property, plant and equipment	150	1
Fair value (gains)/losses on financial instruments at fair value through profit or loss	(318,189)	493,749
Fair value gains on financial assets at fair value through profit or loss	(2,801)	(875)

6. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

The Cayman Islands and the British Virgin Islands (“BVI”)

Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Company and its subsidiaries are not subject to any income tax in the Cayman Islands and the BVI.

Chinese mainland

The provision for current income tax in the Chinese mainland is based on the statutory rate of 25% of the assessable profits of PRC subsidiaries of the Group under the relevant PRC Corporate Income Tax Law. Two (2024: two) of the Group’s entities were qualified as High and New Technology Enterprises, and entitled to a preferential corporate income tax rate of 15%.

Singapore

Pursuant to the rules and regulations of Singapore, the statutory income tax rate is 17%.

United States

Pursuant to the relevant tax laws of the United States, taxable income arising in the United States is subject to a federal corporate income tax rate of 21% (2024: 21%).

	2025	2024
	RMB’000	RMB’000
Current tax	711	491
Deferred tax	858	(3,785)
Total tax (expense)/credit for the year	<u>1,569</u>	<u>(3,294)</u>

A reconciliation of the tax expense/(credit) applicable to profit/(loss) before tax using the statutory rate for the jurisdictions in which the majority of the Group's subsidiaries are domiciled and operate to the tax expense/(credit) at the effective tax rate is as follows:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Profit/(loss) before tax	412,749	(546,573)
At the statutory income tax rate	24,686	(136,552)
Preferential income tax rate applicable to certain subsidiaries	(17,957)	(10,349)
Expenses not deductible for tax	2,572	15,852
Tax losses utilised from previous periods	(10,782)	(5,057)
Tax losses not recognised	4,261	134,826
Temporary difference not recognised	255	456
Additional deductible allowance for research and development expense	(1,466)	(2,470)
Total	<u>1,569</u>	<u>(3,294)</u>

During the year, enterprises incorporated in the Chinese Mainland are normally subject to enterprise income tax (“EIT”) at the rate of 25%, while the portion of annual taxable income amount of certain subsidiaries (as small low-profit enterprises) which did not exceed RMB1,000,000 shall be computed at a reduced rate of 12.5% as taxable income amount, and be subject to enterprise income tax at a rate of 20%.

7. DIVIDENDS

No dividend has been paid or declared by the Company for the year ended December 31, 2025.

8. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings (2024: loss) per share amounts is based on the profit (2024: loss) for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 322,222,339 (2024: 5,352,348) outstanding during the year, as adjusted to reflect the situation of new share issuance during the year.

For the year ended December 31, 2025, the calculation of the diluted earnings per share is based on the profit for the year attributable to ordinary equity holders of the parent deducting a fair value gain of RMB318,189,000 on the financial instruments issued to investors that had a dilutive effect. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the period, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares, including the effect of dilution from financial instruments issued to investors that had a dilutive effect of 2,161,302 shares and restricted share units (“RSUs”) that had a dilutive effect of 3,243,563.

No adjustment has been made to the basic loss per share amount presented for the year ended December 31, 2024 in respect of a dilution as the impact of conversion of financial instruments issued to investors and RSUs had an anti-dilutive effect on the basic loss per share amounts presented.

	2025	2024
Earnings/(loss)		
Profit/(Loss) attributable to ordinary equity holders of the parent used in the basic earnings/(loss) per share calculation: <i>(RMB'000)</i>	407,871	(546,577)
Less: Fair value changes of financial instruments issued to investors <i>(RMB'000)</i>	<u>(318,189)</u>	<u>—</u>
Profit/(Loss) attributable to equity holders of the parent used in the diluted earnings/(loss) per share calculation <i>(RMB'000)</i>	<u><u>89,682</u></u>	<u><u>(546,577)</u></u>
Shares		
Weighted average number of ordinary shares in issue during the year used in the basic loss per share calculation	<u>322,222,339</u>	<u>5,352,348</u>
Effect of dilution — weighted average number of ordinary shares:		
Ordinary shares with preferred rights	2,161,302	—
Share options	<u>3,243,563</u>	<u>—</u>
Total	<u><u>327,627,204</u></u>	<u><u>5,352,348</u></u>
Basic profit/(loss) per share <i>(RMB)</i>	1.27	(102.12)
Diluted profit/(loss) per share <i>(RMB)</i>	<u><u>0.27</u></u>	<u><u>(102.12)</u></u>

9. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Rental deposits	39,336	28,127
Prepayments	107,512	31,072
Other receivables	7,685	17,864
Deductible input value-added tax	8,878	3,939
Due from related parties	8,781	2,578
Deferred listing expenses	—	5,494
Receivables from issuance of ordinary shares with preferred rights	—	17,128
	<u>172,192</u>	<u>106,202</u>
Less: Impairment allowance	—	(43)
Total	<u><u>172,192</u></u>	<u><u>106,159</u></u>

10. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Current		
Wealth management products (i)	<u>48,023</u>	<u>14,569</u>
Non-current		
Convertible bond (iii)	16,034	—
Unlisted equity investment, at fair value (ii)	<u>12,845</u>	<u>5,000</u>
Total	<u><u>76,902</u></u>	<u><u>19,569</u></u>

- (i) The above investments represent investments in certain wealth management products and trust products issued by commercial banks and private equity fund with expected return ranging from 2.22% to 3.50% per annum for the year ended December 31, 2025 and 2.28% per annum for the year ended December 31, 2024. The returns on all of these wealth management products and trust products are not guaranteed. These wealth management products and trust products are market-oriented and can be redeemed at any time. The fair values of the investments approximate to their costs plus expected return.

The above investments were wealth management products issued by banks in the Chinese mainland and trust products issued by other financial institutions. They were classified as financial assets at fair value through profit or loss as their contractual cash flows are not solely payments of principal and interest.

- (ii) The Group has determined that the reported net asset value of underlying investments represents the fair value at the end of the reporting period. Key assumptions are set out below:

Financial assets	Fair value hierarchy	Valuation technique	Significant unobservable input	Sensitivity of fair value to the input
Investment in unlisted equity fund and company	Level 3	Net asset value of underlying investments	N/A	N/A

- (iii) On August 8, 2025, the Group purchased the convertible bond with a principal amount of HK\$17,500,000 and a coupon rate of 3%. The agreement stipulates that the bondholder shall have the right to convert the whole or part of the outstanding principal amount of convertible bond at the conversion price of HK\$7,000 per share on any business day agreed upon by both parties. Given that the financial asset did not pass the SPPI test, the Group has classified it as FVTPL. The discount rate for the convertible bond is referenced to the interest rates of bonds issued by companies with a similar credit rating, and is set at 4.44%.

11. TRADE RECEIVABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade receivables	50,304	15,860
Impairment	—	—
Net carrying amount	<u>50,304</u>	<u>15,860</u>

The Group's trading terms with its customers are mainly payment in advance, except for management fees from a joint venture, associates, strategic partners, and certain managed centers, which are normally on credit. The credit period of managed centers is generally 0 to 12 months and they must pay within 10 working days from the end of each calendar month. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk.

The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at the end of each reporting period, based on the invoice date and net of loss allowance, is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 3 months	39,160	13,823
3 months to 1 year	11,119	2,035
1 year to 2 years	25	2
	<hr/>	<hr/>
Total	<u>50,304</u>	<u>15,860</u>

The movements in the loss allowance for impairment of trade receivables are as follows:

The ageing of trade receivables is mainly within one year, and there is low credit loss in history. Therefore, trade receivables of the Group were considered to be of low credit risk and thus the Group has assessed that the ECL for trade receivables was immaterial under the life time expected credit loss method.

12. BANK DEPOSITS WITH INITIAL TERMS OF OVER THREE MONTHS, RESTRICTED CASH, AND CASH AND CASH EQUIVALENTS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Restricted cash and bank deposits		
Restricted cash (a)	33,029	6,126
Bank deposits with an initial term of over three months (b)	<u>125,310</u>	<u>116,016</u>
Total	<u><u>158,339</u></u>	<u><u>122,142</u></u>
Cash and cash equivalents		
Cash in banks	<u><u>549,645</u></u>	<u><u>65,971</u></u>
Denominated in:		
RMB	101,919	63,709
USD	362,968	1,691
HKD	81,428	285
SGD	<u>3,330</u>	<u>286</u>
Total	<u><u>549,645</u></u>	<u><u>65,971</u></u>

(a) As at December 31, 2025, cash of approximately RMB33,029,000 was restricted on escrow accounts for transactions relating to services provided by postpartum center. As at December 31, 2024, cash of approximately RMB6,126,000 was restricted on escrow accounts for share purchase transactions.

(b) As at December 31, 2025, the Group's bank deposits with an initial term of over three months with a carrying value of RMB30,000,000 were pledged to secure general banking facilities granted to the Group.

The RMB is not freely convertible into other currencies, however, under the Chinese mainland's Foreign Exchange Control Regulations and Administration of Settlement, and Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

13. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of each reporting period, based on the invoice date, is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 3 months	22,505	31,860
Between 3 months and 1 year	2,175	414
Between 1 and 2 years	63	8
Over 2 years	—	1,044
	<hr/>	<hr/>
Total	24,743	33,326

The trade payables are non-interest-bearing and are normally settled on 30 to 90 day terms. The fair value of trade payables approximates to their carrying amount.

14. OTHER PAYABLES AND ACCRUALS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Accrued payroll and bonus	23,015	22,754
Other payables	26,523	14,293
Deposits payable	1,109	1,862
Acquisition consideration payables	3,055	12,222
VAT and other tax payables	20,818	14,009
Payment in connection with reorganisation	—	12,977
Accrued listing expenses	620	13,364
Due to related parties	2,092	829
	<hr/>	<hr/>
Total	77,232	92,310

15. INTEREST-BEARING BANK BORROWINGS

	2025			2024		
	Effective interest rate (%)	Maturity	RMB'000	Effective interest rate (%)	Maturity	RMB'000
Current						
Bank loans — unsecured	2.70	2026	10,000	2.90	2025	10,008
Bank loans — secured	—*	2026	30,000	5.80/6.00	2025	29,741
			<u>40,000</u>			<u>39,749</u>

* The interest rate for this borrowing is nil as the bill discounting transaction is non-interest bearing.

The carrying amounts of borrowings are denominated in the following currencies:

	2025 RMB'000	2024 RMB'000
USD	—	29,741
RMB	40,000	10,008
Total	<u>40,000</u>	<u>39,749</u>

An analysis of the carrying amounts of borrowings by type of interest rate is as follows:

	2025 RMB'000	2024 RMB'000
Fixed interest rate	<u>40,000</u>	<u>39,749</u>

	2025 RMB'000	2024 RMB'000
Analysed into:		
Within one year or on demand	<u>40,000</u>	<u>39,749</u>

At the end of the reporting periods, the fair value of the current borrowings approximated to their carrying amount.

16. FINANCIAL INSTRUMENTS ISSUED TO INVESTORS

The movements of the financial instruments issued to investors are set out below:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
At the beginning of the year	1,656,271	1,162,522
Fair value change	(318,189)	493,749
Automatic conversion of ordinary shares with preferred rights upon the global offering	<u>(1,338,082)</u>	<u>—</u>
At the end of the year*	<u><u>—</u></u>	<u><u>1,656,271</u></u>

- * The Group was successfully listed on the Main Board of the Stock Exchange of Hong Kong, all financial instruments issued to investors have been converted into 4,456,922 ordinary shares upon completion of the global offering on June 26, 2025. The fair value of each of the financial instruments issued to investors on the conversion date is the offer price in the global offering. The completion of the successful listing has triggered the automatic termination of all the preferred rights granted.

17. SHARE CAPITAL AND TREASURY SHARES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Issued and fully paid:		
622,196,500 (2024: 5,543,078) ordinary shares	<u>446</u>	<u>4</u>

A summary of movements in the Company's share capital is as follows:

	Number of shares in issue	Share capital <i>RMB'000</i>
At January 1, 2024	4,354,087	3
Issuance of new ordinary shares	<u>1,188,991</u>	<u>1</u>
At December 31, 2024 and January 1, 2025	5,543,078	4
Automatic conversion of financial instruments issued to investors upon the global offering (i)	4,456,922	3
Capitalisation issue (ii)	490,000,000	351
Issue of ordinary shares (iii)	<u>122,196,500</u>	<u>88</u>
At December 31, 2025	<u>622,196,500</u>	<u>446</u>

A summary of movements in the Group's treasury shares is as follows:

	Number of shares in issue	Treasury shares <i>RMB'000</i>
At January 1, 2025	—	—
Shares repurchased by the Company (iv)	386,577	—
Shares purchased by a trust (v)	<u>200,000</u>	<u>—</u>
At December 31, 2025	<u>586,577</u>	<u>—</u>
Treasury shares held by the Company	386,577	—
Treasury shares held by a trust	<u>200,000</u>	<u>—</u>

- (i) All financial instruments issued to investors were automatically converted into ordinary shares on a one-for-one basis upon the successful IPO of the Company on June 26, 2025. As a result, the financial instruments issued to investors were derecognised and recorded as share capital and capital reserve.
- (ii) On June 26, 2025, 490,000,000 ordinary shares were allotted and issued, credited as fully paid at par value to the shareholders on the register of members of the Company at the close of business on the date immediately preceding the date on which the IPO becomes unconditional (or as they may direct) in proportion to their respective shareholdings in the Company (as nearly as possible without fractions) by way of capitalisation of the sum of US\$49,000 standing to the credit of the share premium account of the Company (“**Capitalisation Issue**”), and the shares to be allotted and issued pursuant to the Capitalisation issue shall rank pari passu in all respects with the then existing issued shares.
- (iii) In connection with the IPO and the full exercise of the over-allotment option, 122,196,500 ordinary shares of a par value of US\$0.0001 each were issued at a price of HK\$6.58 per share.
- (iv) During the year of 2025, under the 2024 Incentive Plans, the Group acquired 386,577 shares of the Company from the employee. The total cost, including associated expenses, amounted to HK\$1,731,000 (approximately RMB1,527,000). These shares are held as treasury shares.
- (v) In November 2025, the board of directors of the Company passed a resolution to adopt share incentive plans for senior management and employees (the “**2025 Incentive Plans**”) to promote the success of the Company and to incentivise directors and employees of the Group. Under the 2025 Incentive Plans, the board of directors of the Company approved to repurchase up to 2% of shares outstanding to grant to any eligible senior management and employees of the Company.

During the year of 2025, the Group entered into an agreement with Futu Trust, authorising Futu Trust to purchase shares from the market for 2025 Incentive Plans. Futu Trust purchased 200,000 shares of the Company at a total consideration, including expenses of HK\$798,000 (equivalent to RMB704,000) and these shares were held as treasury.

FINANCIAL REVIEW

Revenue

The revenue of the Group increased by 31.0% from RMB798.7 million for the year ended December 31, 2024 to RMB1,045.9 million for the year ended December 31, 2025, primarily because (a) with the listing of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Listing**”), our brand awareness and influence have been significantly enhanced; (b) while consolidating its leading position in the first-tier and new first-tier markets in Chinese mainland, the Group has accelerated its penetration into the core second-tier cities and provincial capitals to increase its market share in the first-tier and second-tier cities; and (c) the Group has been adhering to the strategy of diversified services and products portfolio, while the synergy among our postpartum center business and other value-added businesses continued to increase, which in turn promoted the growth of the Group’s other value-added businesses.

The revenue generated from the postpartum center business increased by 30.8% from RMB687.5 million for the year ended December 31, 2024 to RMB899.3 million for the year ended December 31, 2025, primarily due to the rapid expansion of the number of postpartum centers as a result of the steady rollout of our nationwide network, as well as the continuous optimization of the operational efficiency of mature stores and the rapid growth in the performance of the newly opened stores, driving the robust growth of revenue from our core business.

The revenue generated from the home care services business increased by 36.7% from RMB59.9 million for the year ended December 31, 2024 to RMB81.9 million for the year ended December 31, 2025, primarily due to the Group’s continuous deepening of its home care service network and increasing service penetration rate in core cities, resulting in the constant expansion of customer base and driving the robust growth in business revenue.

The revenue generated from the food products business increased by 26.3% from RMB51.2 million for the year ended December 31, 2024 to RMB64.7 million for the year ended December 31, 2025, primarily due to the effective implementation of the Group’s omni-channel marketing strategy and the continuous expansion of our social media platform and distributor channel matrix, which resulted in the constant enhancement of the market reach and channel penetration of our branded products, leading to the favorable growth in business revenue.

Cost of Sales

The cost of sales of the Group increased by 26.7% from RMB528.3 million for the year ended December 31, 2024 to RMB669.6 million for the year ended December 31, 2025, primarily due to the continuous expansion of the Group's business segments, which led to the corresponding increases in rental and related costs, labor costs, postpartum catering costs, and raw material and consumable costs. Leveraging its advantages of refined operation management and economies of scale, the Group's growth rate of revenue was significantly higher than its overall growth rate of cost, driving a dual increase in the overall gross profit scale and gross profit margin level of the Company.

The labor costs of the Group increased by 42.4% from RMB177.4 million for the year ended December 31, 2024 to RMB252.6 million for the year ended December 31, 2025, primarily due to the steady progress of the Group's nationwide network of postpartum centers and the continuous expansion of its home care services business. In order to meet the demand for business expansion, the number of staff of our postpartum care, postpartum recovery and baby care professional service teams increased in an orderly manner, and the overall manpower investment was highly in line with the pace of growth of our core business, providing solid support for the service quality and sustainable growth of business of the Group.

The postpartum catering costs incurred by the Group increased by 14.7% from RMB64.1 million for the year ended December 31, 2024 to RMB73.5 million for the year ended December 31, 2025, primarily due to the reasonable growth resulting from the continuous expansion of the Group's postpartum center network and the steady increase in the size of the customers it served. Also, the growth rate of revenue from our postpartum center business was significantly higher than the growth rate of cost, which fully reflected the Group's ability to refine the control of its supply chain and its advantage of economies of scale.

The raw material and consumable costs of the Group increased by 21.6% from RMB34.2 million for the year ended December 31, 2024 to RMB41.6 million for the year ended December 31, 2025, primarily due to the expansion of our postpartum center network, the increase in the size of customers served, and the corresponding growth brought about by the steady growth in revenue from the food products business, which was highly synergistic with the pace of business expansion.

The costs of third-party postpartum recovery service providers incurred by the Group increased by 23.1% from RMB20.8 million for the year ended December 31, 2024 to RMB25.6 million for the year ended December 31, 2025, with the growth rate highly commensurate with the growth in revenue from the postpartum recovery services, thereby achieving a simultaneous enhancement in both business scale and service capability.

The rental and related costs (comprising rental costs and depreciation of right-of-use assets) of the Group increased by 26.7% from RMB194.0 million for the year ended December 31, 2024 to RMB216.0 million for the year ended December 31, 2025, primarily due to the orderly expansion of the Group's postpartum center network, the reasonable growth resulted from the continuous increase in the size of customers served. Also, the growth rate of cost was lower than the growth rate of the revenue from our postpartum center business, which fully demonstrated the continuous optimization of operation efficiency of the Group's stores and the core advantages of its asset-light operation model.

Gross Profit and Gross Profit Margin

For the above reasons, the gross profit of the Group increased by 39.1% from RMB270.4 million for the year ended December 31, 2024 to RMB376.2 million for the year ended December 31, 2025. The gross profit margin of the Group increased from 33.9% for the year ended December 31, 2024 to 36.0% for the year ended December 31, 2025.

The gross profit margin of the Group's postpartum center business increased from 31.8% for the year ended December 31, 2024 to 33.2% for the year ended December 31, 2025, primarily due to the Group's determination to promote its asset-light operation strategy, with new stores opened in 2025 mainly under the managed stores model, as well as the significant increase in the proportion of the revenue from the managed stores business with a high gross profit, leading to the continuous optimization of the profit structure of our core business.

The gross profit margin of home care services business increased from 34.2% for the year ended December 31, 2024 to 37.2% for the year ended December 31, 2025, primarily due to the Group's continuous efforts in deepening refined operation management and achieving a steady increase in the profitability of business through the optimization of human resources and improvement in operational efficiency.

The gross profit margin of the food products business increased from 61.5% for the year ended December 31, 2024 to 72.8% for the year ended December 31, 2025, primarily due to the continuous optimization of the Group's supply chain system, which has led to a leapfrog improvement in the profitability of business through the enhancement of warehousing efficiency and the deepening of the strategic cooperation with our core suppliers for the effective control of costs.

Other Income

Other income of the Group increased by 365.8% from RMB7.0 million for the year ended December 31, 2024 to RMB32.5 million for the year ended December 31, 2025, primarily due to the increase in government grants during the year.

Selling and Distribution Expenses

The selling and distribution expenses of the Group increased by 16.0% from RMB94.9 million for the year ended December 31, 2024 to RMB110.1 million for the year ended December 31, 2025, primarily due to the fact that, in order to cope with the expansion of business scale and the pace of national deployment, the Group has appropriately increased its investment in brand promotion and the building of its sales teams: (i) advertising expenses increased by 15.0% from RMB61.2 million for the year ended December 31, 2024 to RMB70.4 million for the year ended December 31, 2025, which has effectively strengthened our brand's market reach and user conversion capabilities; and (ii) labor expenses relating to selling and distribution activities increased by 14.5% from RMB29.7 million for the year ended December 31, 2024 to RMB34.0 million for the year ended December 31, 2025, which provided strong support for the expansion of sales channels and enhancement of user service capabilities. The growth rate of selling and distribution expenses was significantly lower than the growth rate of the Group's overall revenue, and the selling and distribution expense ratio continued to be optimized, fully reflecting the continuous improvement in the efficiency of the Group's branding efficiency and sales conversion capabilities.

Administrative Expenses

The administrative expenses of the Group decreased by 15.9% from RMB216.8 million for the year ended December 31, 2024 to RMB182.3 million for the year ended December 31, 2025, which was mainly attributable to the continuous optimization of the Group's management system and the significant improvement in the efficiency of its administrative operations after the Listing: (i) through the optimization of the organizational structure and the refinement of human resources management, the labor expenses relating to administrative personnel decreased by 28.0% from RMB125.4 million for the year ended December 31, 2024 to RMB90.3 million for the year ended December 31, 2025, achieving significant results in cost reduction and efficiency enhancement; and (ii) upon the successful completion of the Listing of the Company, the consultancy and professional expenses related to the preliminary preparation the Listing decreased accordingly from RMB41.8 million for the year ended December 31, 2024 to RMB32.8 million for the year ended December 31, 2025. For the year ended December 31, 2025, the Company's consultancy and professional expenses mainly comprised RMB16.9 million of listing-related closing expenses and RMB15.9 million of expenses on professional consultation services required for daily operations, such as administration, taxation and legal services, etc. The overall administrative expenses were effectively controlled and the management efficiency continued to improve.

Research and Development Expenses

The research and development (“**R&D**”) expenses of the Group decreased by 7.5% from RMB13.3 million for the year ended December 31, 2024 to RMB12.3 million for the year ended December 31, 2025, primarily due to the fact that the Group’s digital management system has completed the construction of its core modules and been comprehensively implemented, where the development needs of such system have shifted from the large-scale construction phase to the precise optimization phase. R&D investment has become more focused on high-value areas related to our core business and AI strategy, and the efficiency of R&D investment has continued to improve, achieving the continuous empowerment of the business by the digital system.

Other Gains and Expenses

For the year ended December 31, 2025, the net other expenses of the Group were RMB2.1 million, while the net other gains of the Group for the year ended December 31, 2024 were RMB0.5 million.

Finance Costs

The finance costs of the Group increased by 16.7% from RMB4.8 million for the year ended December 31, 2024 to RMB5.6 million for the year ended December 31, 2025, primarily because our interest on lease liabilities increased from RMB3.0 million for the year ended December 31, 2024 to RMB4.0 million for the year ended December 31, 2025.

Fair Value Changes in Financial Instruments Issued to Investors

For the year ended December 31, 2024, the loss the Company recognized from the fair value changes in financial instruments issued to investors was RMB493.7 million, and for the year ended December 31, 2025, the profit the Company recognized from the fair value changes in financial instruments issued to investors was RMB318.2 million, primarily due to the decrease in our business value upon the Listing compared to that for the year ended December 31, 2024 as determined using valuation techniques.

Share of Losses of Associates

For the year ended December 31, 2025, the share of losses of associates was RMB0.5 million (2024: the share of losses of associates was RMB0.3 million), primarily due to our share of losses of the operator of one of our managed postpartum centers which we accounted for as an associate.

Share of Profits/Losses of Joint Ventures

For the year ended December 31, 2025, the share of losses of joint ventures was RMB1.2 million (2024: the share of profits of joint ventures was RMB0.6 million), primarily due to our share of losses of the operator of a managed postpartum center in Chinese mainland which we accounted for as a joint venture.

Income Tax Expense/Credit

The income tax expense/credit decreased by 148.5% from RMB3.3 million for the year ended December 31, 2024 to RMB1.6 million for the year ended December 31, 2025.

Profit/Loss for the Period

For the year ended December 31, 2025, our profit for the period was RMB411.2 million, and for the year ended December 31, 2024, our loss for the period was RMB543.3 million. Such turnaround was mainly attributable to the increase in the Group's revenue (which led to the corresponding increase in gross profit) and the turnaround from negative fair value changes in financial instruments issued to investors for the year ended December 31, 2024 to positive fair value changes in financial instruments issued to investors for the year ended December 31, 2025.

Non-HKFRS Measures

To supplement the consolidated financial statements which are presented in accordance with HKFRSs, the Group uses non-HKFRS measures, namely adjusted EBITDA (non-HKFRS measure) and adjusted (loss)/profit for the year (non-HKFRS measure), as additional financial measures, which are not required by, or presented in accordance with, HKFRSs. The Group defines adjusted EBITDA (non-HKFRS measure) as EBITDA (non-HKFRS measure) (which is loss for the year plus income tax credit, net finance cost, depreciation of property, plant and equipment and right-of-use assets, as well as amortization of other intangible assets) for the year adjusted by adding back fair value changes in financial instruments issued to investors, share-based payment expenses (non-cash item), and listing expenses. The Group defines adjusted (loss)/profit as loss for the year (non-HKFRS measure) adjusted by adding back fair value changes in financial instruments issued to investors, share-based payment expenses (non-cash item), and listing expenses. In each case, fair value changes in financial instruments issued to investors are added back because such financial instruments will be reclassified from liabilities to equity upon the Listing due to the termination of the relevant preferred rights.

	For the year ended	
	December 31,	
	2025	2024
	RMB'000	RMB'000
Profit/(Loss) for the year	411,180	(543,279)
Income tax credit	1,569	(3,294)
Net finance cost	(6,189)	(374)
Depreciation of property, plant and equipment and right-of-use assets	53,233	32,795
Amortization of other intangible assets	1,132	1,091
EBITDA (non-HKFRS measure)	460,925	(513,061)
<i>Add back:</i>		
Fair value changes in financial instruments issued to investors	(318,189)	493,749
Share-based payment expenses	14,702	60,649
Listing expense	16,908	31,137
Adjusted EBITDA (non-HKFRS measure)	174,346	72,474
Profit/(Loss) for the year	411,180	(543,279)
<i>Add back:</i>		
Fair value changes in financial instruments issued to investors	(318,189)	493,749
Listing expense	16,908	31,137
Share-based payment expenses	14,702	60,649
Adjusted profit for the year (non-HKFRS measure)	124,601	42,256

The Group believes that the presentation of non-HKFRS measures facilitates comparisons of operating performance from period to period and company to company. We believe that such measures provide useful information to investors and others in understanding and evaluating our profitability in the same manner as they help our management. The use of these non-HKFRS measures have limitations as an analytical tool, and shareholders and investors of the Group should not consider them in isolation from, or as a substitute for analysis of, the results of operations or financial conditions of the Group as reported under HKFRSs. In addition, these non-HKFRS financial measures may be defined differently from similar terms used by other companies.

LIQUIDITY AND CAPITAL RESOURCES

USE OF PROCEEDS FROM THE GLOBAL OFFERING

On June 26, 2025, the shares of the Company (the “**Shares**”) were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The net proceeds from the Global Offering (as defined in the prospectus of the Company dated June 18, 2025 (the “**Prospectus**”)), after deducting underwriting commissions and related listing expenses, amounted to approximately HK\$629.95 million.

On July 23, 2025, the Sponsor-Overall Coordinators (as defined in the Prospectus) (for themselves and on behalf of the International Underwriters (as defined in the Prospectus)) partially exercised the Over-allotment Option (as defined in the Prospectus) in respect of an aggregate of 12,463,500 Shares. The additional net proceeds (the “**Additional Proceeds**”) of approximately HK\$79.13 million were received by the Company from the allotment and issuance of such 12,463,500 new Shares, after deduction of underwriting fees and commissions and estimated expenses payable by the Company in connection with the partial exercise of the Over-allotment Option. The Company intends to utilize the Additional Proceeds on a pro rata basis for the purposes as previously disclosed in the “Future Plans and Use of Proceeds” section of the Prospectus.

As at December 31, 2025, there had been no change in the intended use of the net proceeds from the Global Offering as previously disclosed in the “Future Plans and Use of Proceeds” section of the Prospectus.

The following table sets forth the planned use of the total net proceeds from the Global Offering and the amount utilized as at December 31, 2025:

	Approximate allocation of the total net proceeds from the Global Offering (HK\$ in millions) ⁽¹⁾	Approximate percentage of the total net proceeds from the Global Offering previously disclosed in the Prospectus (%) ⁽²⁾	Amount of the total net proceeds from the Global Offering utilized during the year ended December 31, 2025 (HK\$ in millions) ⁽¹⁾	Balance of unutilized proceeds as at December 31, 2025 (HK\$ in millions) ⁽¹⁾	Estimated timeline for full utilization of the unutilized net proceeds from the Global Offering
Postpartum care network expansion	206.7	29	36.5	170.2	On or before December 31, 2029
Launching new services and products	265.8	37	49.8	216.0	On or before December 31, 2027
Training of professional family care specialists	45.9	6	6.1	39.8	On or before December 31, 2027
R&D activities	128.0	18	10.4	117.7	On or before December 31, 2027
Working capital and other general corporate purposes	62.7	9	10.3	52.4	On or before December 31, 2027
Total	<u>709.1</u>	<u>100</u>	<u>113.1</u>	<u>596.1</u>	

Notes:

- (1) This includes the Additional Proceeds received by the Company from the allotment and issuance of the 12,463,500 Shares pursuant to the partial exercise of the Over-allotment Option on July 23, 2025.
- (2) Certain percentage figures included in the table above have been subject to rounding adjustments, and any discrepancy between the total amount and the arithmetical sum of the amounts listed is due to rounding.

Please refer to the Prospectus and the announcement dated July 23, 2025 of the Company for further details.

PLEDGE OF ASSETS

As of December 31, 2025, the Group did not have any pledged assets.

INDEBTEDNESS

The Group's indebtedness primarily consisted of interest-bearing bank borrowings and lease liabilities.

The following table sets forth a breakdown of the Group's indebtedness as of December 31, 2025:

	For the year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Non-current		
Interest-bearing bank borrowings	—	—
Lease liabilities	<u>101,480</u>	<u>55,689</u>
Current		
Interest-bearing bank borrowings	40,000	39,749
Lease liabilities	<u>36,595</u>	<u>25,150</u>
Total	<u><u>178,075</u></u>	<u><u>120,588</u></u>

Interest-bearing Bank Borrowings

For the year ended December 31, 2025, the Group's interest-bearing bank borrowings amounted to RMB40.0 million (2024: RMB39.7 million), with the interest-bearing debt ratio of 11.5%, representing a decrease of 7.9 percentage points compared to the year ended December 31, 2024. Such interest-bearing bank borrowings were denominated in RMB and were unsecured. For the year ended December 31, 2025, the effective interest rate of our secured and unsecured interest-bearing bank borrowings was 2.7%.

Lease Liabilities

The Group's lease liabilities increased by 70.7% from RMB80.9 million for the year ended December 31, 2024 to RMB138.1 million for the year ended December 31, 2025. The increase in lease liabilities was primarily due to the fact that the number of properties we leased has increased due to the expansion of our business and some of our properties have extended lease terms. The percentage of lease liabilities increased was higher than the growth in revenue of the postpartum center business.

CONTINGENT LIABILITIES

For the year ended December 31, 2025, the Group did not have any material contingent liabilities. The Group also confirms that there had been no material changes or arrangements to its contingent liabilities.

COMMITMENTS AND CAPITAL EXPENDITURE

Commitments

For the year ended December 31, 2025, the Group's commitments were mainly related to non-cancellable lease contracts that have not yet commenced and investment commitments. For the year ended December 31, 2025, the Group's commitments amounted to RMB13.4 million (2024: RMB35.9 million).

Capital Expenditure

For the year ended December 31, 2025, the Group's capital expenditure amounted to RMB28.9 million (2024: RMB16.2 million), and our capital expenditure consisted of (i) purchase of items of property, plant and equipment, mainly representing those postpartum recovery equipment we purchased for the opening of new postpartum centers; and (ii) purchase of intangible assets.

The following table sets forth a breakdown of the Group's capital expenditure for the year ended December 31, 2025:

	For the year ended	
	December 31,	
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Purchase of items of property, plant and equipment	28,564	15,869
Purchase of other intangible assets	286	367
Total	<u>28,850</u>	<u>16,236</u>

CORPORATE GOVERNANCE AND OTHER INFORMATION

Compliance with Corporate Governance Code

The Group is committed to maintaining a high standard of corporate governance to safeguard the interests of shareholders of the Company (the “**Shareholders**”) and enhance corporate value and accountability.

The Company has adopted the Corporate Governance Code (the “**Corporate Governance Code**”) set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) as its own code of corporate governance. Since the Company was listed on the Main Board of the Stock Exchange on June 26, 2025 (the “**Listing Date**”), the Corporate Governance Code was not applicable to the Company before the Listing Date. To the knowledge of the Directors, from the Listing Date to December 31, 2025, the Company had complied with all the code provisions set out in Part 2 of the Corporate Governance Code except for the deviation below.

Pursuant to code provision C.2.1 of the Corporate Governance Code, the roles of the chairman and chief executive officer should be separate and should not be performed by the same individual. However, the Company did not separate the roles of chairman and chief executive officer, and the responsibilities of both are assumed by Mr. Xiang Hua. In view of Mr. Xiang Hua’s familiarity with the affairs of the Group, the Board believes that his concurrent roles as chairman and chief executive officer will enhance the efficiency of the Group’s decision-making and execution. Furthermore, the Company has put in place an appropriate check-and-balance mechanism through the Board and the independent non-executive Directors. In light of the above, the Board considers that the deviation from code provision C.2.1 of the Corporate Governance Code is appropriate in the circumstances of the Company. The Board will continue to review and monitor the effectiveness of the corporate governance structure of the Company in order to assess whether separation of the roles of chairman of the Board and chief executive officer is necessary.

Comply with the Model Code for Securities Transactions by Directors of Listed Issuers

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the “**Model Code**”) as its code of conduct for the securities transactions by the Directors. Having made specific enquiry to all the Directors, all the Directors confirmed that they had complied with the Model Code from the Listing Date to December 31, 2025.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

From the Listing Date to December 31, 2025, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including the sales of the Company's treasury shares (as defined in the Listing Rules)). As at December 31, 2025, the Company did not hold any treasury shares (as defined in the Listing Rules).

AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”) comprises three independent non-executive Directors, namely Ms. Wu Annie Suk Ching, Mr. Rainer Josef Bürkle and Mr. Sim Koon Yin Edmund. The Audit Committee has considered and reviewed the accounting standards and practices adopted by the Group and discussed with the management the matters relating to internal control and financial reporting, including reviewing the consolidated financial statements of the Group for the year ended December 31, 2025. The Audit Committee is of the opinion that the financial results for the year ended December 31, 2025 have complied with the relevant accounting standards, rules and regulations and appropriate disclosures have been made.

SCOPE OF WORK OF THE AUDITOR

The figures above in respect of this annual results announcement for the year ended December 31, 2025 have been agreed with the Company's auditor, Ernst & Young, certified public accountants, to be consistent with the amounts set out in the Group's consolidated financial statements for the year.

FINAL DIVIDEND

The Board has resolved not to recommend the payment of a final dividend for the year ended December 31, 2025.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this announcement, the Company had no significant events after December 31, 2025.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This annual results announcement has been published on the website of the Stock Exchange (www.hkexnews.hk) and the website of the Company (www.saintbella.com). The annual report of the Company for the year ended December 31, 2025 containing all information required by the Listing Rules will be published on the above websites in due course.

APPRECIATION

On behalf of the Board, the Company would like to extend its gratitude to all the staff and the management team for their diligence, tenacity and dedication to the Company, and to all the shareholders and partners for their consistent trust and support.

By order of the Board
SAINT BELLA GROUP LIMITED
Mr. Xiang Hua
*Chairman of the Board, Executive Director
and Chief Executive Officer*

Hong Kong, March 30, 2026

As of the date of this announcement, the Board comprises Mr. Xiang Hua as executive Director and Ms. Wu Annie Suk Ching, Mr. Rainer Josef Bürkle and Mr. Sim Koon Yin Edmund as independent non-executive Directors.