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## **Meihao Medical Group Co., Ltd**

**美皓醫療集團有限公司**

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

**(Stock Code: 1947)**

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

#### **FINANCIAL HIGHLIGHTS**

- Revenue increased by approximately 36.2% to approximately RMB101.7 million (2024: approximately RMB74.7 million)
- Loss before tax was approximately RMB16.1 million (2024: approximately RMB30.1 million), representing a decrease of approximately 46.5% over 2024
- Loss attributable to owners of the parent was approximately RMB14.3 million, representing an improvement as compared with the loss attributable to equity holders of the Company of approximately RMB32.4 million for the year ended 31 December 2024
- Loss per share attributable to ordinary equity holders of the parent was approximately RMB2.46 cents as compared with the loss per share attributable to ordinary equity holders of the parent of approximately RMB5.57 cents for the year ended 31 December 2024
- The Board has resolved not to recommend the payment of a final dividend for the year ended 31 December 2025 (2024: Nil)

The board (the “**Board**”) of directors (the “**Directors**”) of Meihao Medical Group Co., Ltd (the “**Company**”) is pleased to announce the consolidated financial results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2025 (the “**Reporting Period**”), together with the comparative figures for the year ended 31 December 2024 (“**FY2024**”).

In this announcement, “we,” “us” and “our” refer to the Company and where the context otherwise requires, the Group. Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as those defined in the prospectus of the Company dated 30 November 2022 (the “**Prospectus**”).

## **CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

*For the year ended 31 December 2025*

	<i>Notes</i>	<b>2025</b> <b>RMB'000</b>	2024 <i>RMB'000</i>
<b>REVENUE</b>	5	<b>101,688</b>	74,680
Cost of sales		<u>(61,927)</u>	<u>(47,704)</u>
Gross profit		<b>39,761</b>	26,976
Other income, gains and losses	5	<b>5,047</b>	4,286
Selling expenses		<b>(32,441)</b>	(22,801)
Administrative expenses		<b>(27,975)</b>	(36,986)
Reversal of impairment losses/(impairment losses) on financial assets, net		<b>3</b>	(3)
Finance costs	7	<u>(534)</u>	<u>(1,618)</u>
<b>LOSS BEFORE TAX</b>	6	<b>(16,139)</b>	(30,146)
Income tax credit/(expense)	8	<u>1,989</u>	<u>(2,478)</u>
<b>LOSS FOR THE YEAR</b>		<u><b>(14,150)</b></u>	<u>(32,624)</u>
<b>OTHER COMPREHENSIVE (EXPENSE)/ INCOME</b>			
Item that will not be reclassified to profit or loss:			
Exchange differences arising on translation from functional currency to presentation currency		<b>(1,748)</b>	1,478
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		<u>7</u>	<u>–</u>
<b>OTHER COMPREHENSIVE (EXPENSE)/ INCOME FOR THE YEAR</b>		<u><b>(1,741)</b></u>	<u>1,478</u>
<b>TOTAL COMPREHENSIVE EXPENSE FOR THE YEAR</b>		<u><b>(15,891)</b></u>	<u><b>(31,146)</b></u>

	<i>Note</i>	<b>2025</b> <b>RMB'000</b>	2024 <i>RMB'000</i>
Loss attributable to:			
Owners of the parent		(14,341)	(32,424)
Non-controlling interests		<u>191</u>	<u>(200)</u>
		<b><u>(14,150)</u></b>	<b><u>(32,624)</u></b>
Total comprehensive expense attributable to:			
Owners of the parent		(16,082)	(30,946)
Non-controlling interests		<u>191</u>	<u>(200)</u>
		<b><u>(15,891)</u></b>	<b><u>(31,146)</u></b>
<b>LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT</b>			
Basic and diluted ( <i>RMB cents per share</i> )	10	<b><u>(2.46)</u></b>	<b><u>(5.57)</u></b>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025

		2025	2024
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		26,473	26,119
Right-of-use assets		14,647	32,378
Goodwill		11,486	11,486
Intangible assets		318	494
Deferred tax assets		122	234
Prepayments and deposits		27,366	11,178
Financial asset at fair value through profit or loss	11	—	10,000
Total non-current assets		<u>80,412</u>	<u>91,889</u>
<b>CURRENT ASSETS</b>			
Inventories		2,935	2,395
Trade receivables	12	819	693
Prepayments, other receivables and deposits		6,215	9,472
Prepaid income tax		30	7,211
Cash and cash equivalents		<u>90,245</u>	<u>78,494</u>
Total current assets		<u>100,244</u>	<u>98,265</u>
<b>CURRENT LIABILITIES</b>			
Trade payables	13	11,890	6,557
Other payables and accruals		27,004	19,768
Contract liabilities		3,997	3,976
Lease liabilities		3,382	8,251
Tax payables		<u>244</u>	<u>1,557</u>
Total current liabilities		<u>46,517</u>	<u>40,109</u>
<b>NET CURRENT ASSETS</b>		<u>53,727</u>	<u>58,156</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>134,139</u>	<u>150,045</u>

	<i>Note</i>	<b>2025</b> <b>RMB'000</b>	2024 <i>RMB'000</i>
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities		<b>10,156</b>	25,180
Contract liabilities		<b>4,250</b>	4,459
Deferred tax liabilities		<b>259</b>	8
Amount due to a shareholder	14	<b>12,401</b>	–
		<hr/>	<hr/>
Total non-current liabilities		<b>27,066</b>	29,647
		<hr/>	<hr/>
Net assets		<b>107,073</b>	120,398
		<hr/> <hr/>	<hr/> <hr/>
<b>CAPITAL AND RESERVES</b>			
Share capital		<b>5,366</b>	5,366
Reserves		<b>100,456</b>	113,972
		<hr/>	<hr/>
Equity attributable to owners of the parent		<b>105,822</b>	119,338
		<hr/>	<hr/>
Non-controlling interests		<b>1,251</b>	1,060
		<hr/>	<hr/>
Total equity		<b>107,073</b>	120,398
		<hr/> <hr/>	<hr/> <hr/>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 1. GENERAL INFORMATION

Meihao Medical Group Co., Ltd (the “**Company**”) is an exempted company with limited liability incorporated in the Cayman Islands on 18 November 2019. The registered office of the Company is located at 89 Nexus Way, Camana Bay, Grand Cayman KY1-9009, Cayman Islands. The principal place of business in China is located at 197 Fuqian Street, Lucheng District, Wenzhou City, Zhejiang Province, People’s Republic of China (the “**PRC**”).

The Company is an investment holding company.

The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 14 December 2022.

### 2. BASIS OF PREPARATION

The consolidated 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 financial assets at fair value through profit or loss which have been measured at fair value. The consolidated financial statements are presented in Renminbi (“**RMB**”) and all values are rounded to the nearest thousand except when otherwise indicated.

### 3. 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 consolidated 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 for translation into the Group’s presentation currency were exchangeable, the amendments did not have any impact on the Group’s consolidated financial statements.

#### 4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is not organised into business units based on the services provided and has only has one reportable operating segment. Management monitors the operating results of the Group as a whole for the purpose of making decisions about resource allocation and performance assessment.

##### Geographical information

All external revenue of the Group for the years ended 31 December 2025 and 2024 was attributable to customers in Chinese mainland, where the Group's operating entities are domiciled.

The Group's non-current assets are all located in Chinese mainland.

##### Information about major customers

No individual customer of the Group had contributed over 10% of the total revenue of the Group for the years ended 31 December 2025 and 2024.

#### 5. REVENUE, OTHER INCOME, GAINS AND LOSSES

An analysis of revenue is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Revenue from contracts with customers	<u>101,688</u>	<u>74,680</u>

##### Revenue from contracts with customers

###### (i) *Disaggregated revenue information*

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Type of service</b>		
Dental services	<u>101,688</u>	<u>74,680</u>
<b>Geographical market</b>		
Chinese Mainland	<u>101,688</u>	<u>74,680</u>
<b>Timing of revenue recognition</b>		
Services transferred over time	<u>101,688</u>	<u>74,680</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:		
Rendering of dental services	<u>3,624</u>	<u>2,790</u>

(ii) **Performance obligations**

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

*Provision of dental services*

The performance obligation is satisfied over time when the services are rendered.

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December are as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Amounts expected to be recognised as revenue:		
Within one year	5,231	5,747
After one year	4,484	4,853
	<hr/>	<hr/>
Total	<b>9,715</b>	10,600
	<hr/> <hr/>	<hr/> <hr/>

The amounts of transaction prices allocated to the remaining performance obligations which are expected to be recognised as revenue after one year relate to dental services, of which the performance obligations are to be satisfied within five years. All the other amounts of transaction prices allocated to the remaining performance obligations are expected to be recognised as revenue within one year.

**Other income, gains and losses**

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Other income</b>		
Bank interest income	2,945	3,703
Government grants*	264	142
Others	76	327
	<hr/>	<hr/>
Total other income	3,285	4,172
	<hr/>	<hr/>
<b>Other gains and losses</b>		
Gain on disposal of financial asset at fair value through profit or loss	700	–
Gain on termination of leases	2,920	1
Loss on disposal of property, plant and equipment, net	(417)	–
Net foreign exchange (loss)/gain	(1,441)	113
	<hr/>	<hr/>
Total other gains and losses	1,762	114
	<hr/>	<hr/>
Total other income, gains and losses	<b>5,047</b>	4,286
	<hr/> <hr/>	<hr/> <hr/>

\* The government grants mainly represent incentives received or receivable from the local government in connection with certain financial support to local business enterprises for the purpose of encouraging business development. There are no unfulfilled conditions or contingencies relating to these grants.

## 6. LOSS BEFORE TAX

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

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Employee benefit expense (excluding directors' and chief executive's remuneration):		
Salaries, allowances and benefits in kind	41,931	33,439
Share-based payment expenses	1,293	9,805
Pension scheme contributions*	7,054	6,036
	<u>50,278</u>	<u>49,280</u>
Amortisation of intangible assets	186	155
Auditor's remuneration		
– Audit services	687	2,320
– Non-audit services	160	–
Cost of inventories, consumables and customised products	17,811	11,777
Depreciation of property, plant and equipment	8,481	6,490
Depreciation of right-of-use assets	6,139	7,519
Expenses relating to short-term leases	2,653	599
Loss on disposal of property, plant and equipment, net	417	–
Net foreign exchange loss/(gain)	1,441	(113)
(Reversal of impairment losses)/impairment losses on trade receivables, net	<u>(3)</u>	<u>3</u>

\* There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

## 7. FINANCE COSTS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest on lease liabilities	420	1,618
Imputed interest expense on interest-free loan from a shareholder	114	–
Total	<u>534</u>	<u>1,618</u>

## 8. INCOME TAX

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Current tax– Chinese mainland Enterprise Income Tax		
Charge for the year	1,179	2,019
Over provision in respect of prior years	(3,531)	–
Deferred tax	363	459
Total tax (credit)/charge for the year	<u>(1,989)</u>	<u>2,478</u>

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

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Company and its subsidiary incorporated in the British Virgin Islands are not subject to any income tax in the Cayman Islands or the British Virgin Islands.

The statutory tax rate for the subsidiary in Hong Kong is 16.5%. No Hong Kong profits tax on the Group's subsidiary has been provided as there was no assessable profit arising in Hong Kong during the year (2024: Nil).

Except for certain subsidiaries of the Group that qualified for a preferential income tax rate of 20% applicable for small and micro enterprises, under which annual taxable income up to RMB3.0 million was eligible for a 75% reduction, the provision for Enterprise Income Tax in Chinese mainland is based on the statutory rate of 25% on assessable profits of the subsidiaries in Chinese mainland, in accordance with the Enterprise Income Tax Law.

## 9. DIVIDENDS

The Board of the Company has resolved not to recommend the payment of a final dividend for the year ended 31 December 2025 (2024: Nil).

## 10. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amount is based on the loss for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 581,783,049 shares (2024: 581,964,330 shares) in issue during the year. The number of shares for the year ended 31 December 2025 has been arrived at after including the 24,000,000 awarded shares under the share award scheme which vested during the year.

The calculation of basic loss per share is based on:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Loss</b>		
Loss attributable to ordinary equity holders of the parent	<u>(14,341)</u>	<u>(32,424)</u>
	<b>Number of shares</b>	
	2025	2024
<b>Number of shares</b>		
Weighted average number of ordinary shares in issue		
less shares held under the share award scheme during the year	558,769,350	581,964,330
Effect of shares vested under share award scheme	<u>23,013,699</u>	<u>–</u>
Weighted average number of ordinary shares for basic and diluted loss per share	<u>581,783,049</u>	<u>581,964,330</u>

As the Group incurred losses for years ended 31 December 2025 and 2024, no adjustment has been made to the basic loss per share amounts presented for both years in respect of a dilution as the impact of the equity-settled share award arrangements had an anti-dilutive effect on the basic loss per share amounts presented.

## 11. FINANCIAL ASSET AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Unlisted investment, at fair value	–	10,000

The above unlisted investment represented a 4.76% equity interest in Zhejiang Trustyou Medical Equipment Co., Ltd., which was mandatorily classified as a financial asset at fair value through profit or loss. The Group disposed of this unlisted investment in full during the year ended 31 December 2025.

## 12. TRADE RECEIVABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade receivables	827	704
Less: impairment	(8)	(11)
Net carrying amount	<u>819</u>	<u>693</u>

Trade receivables are due when services are rendered. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

The following is an aged analysis of trade receivables, net of loss allowance, presented based on the transaction dates as at the end of the Reporting Period:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 3 months	803	662
4 to 6 months	1	9
7 to 12 months	4	2
1 to 2 years	11	9
Over 2 years	–	11
Total	<u>819</u>	<u>693</u>

### 13. TRADE PAYABLES

The following is an aged analysis of trade payables presented based on invoice dates of goods at the end of the reporting period:

	<b>2025</b>	2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Within 3 months	<b>5,578</b>	1,422
4 to 6 months	<b>3,641</b>	779
7 to 12 months	<b>605</b>	852
Over 1 year	<b>2,066</b>	3,504
	<hr/>	<hr/>
Total	<b>11,890</b>	6,557
	<hr/> <hr/>	<hr/> <hr/>

Trade payables are non-interest-bearing and are generally settled on terms of 30 to 180 days (2024: 30 to 180 days).

### 14. AMOUNT DUE TO A SHAREHOLDER

At 31 December 2025, the amount due to a shareholder represented an interest-free and unsecured loan advanced by a controlling shareholder, which is repayable two years from the drawdown date. On initial recognition, the loan was measured at fair value by discounting the contractual cash flows using an estimated market borrowing rate for a comparable unsecured loan. The difference between the loan proceeds and the fair value on initial recognition was recognised in equity as a capital contribution from the controlling shareholder. Thereafter, the loan is measured at amortised cost using the effective interest method, with the unwinding of the discount recognised in finance costs over the loan term.

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW

#### Overview

The Group is a leading private dental service provider in Wenzhou City (溫州市), Zhejiang Province, PRC, and its core business covers four major sectors namely, general dentistry (口腔綜合治療科), reparative dentistry (口腔修復科), implant dentistry (種植牙科) and orthodontics and cosmetic dentistry (牙齒正畸科). As of 31 December 2025, the Group operated a network of six private dental hospitals and one clinic in Wenzhou region, with a service network covering the main urban area of Wenzhou, Rui'an, Longgang and Yueqing, solidifying its leading position in the region. During the Reporting Period, the domestic dental medical industry continued to operate in an environment of policy adjustment and intensified market competition. With the comprehensive implementation of the Collective Procurement Policy (種植牙集採政策) and the steady advancement of price reforms of the separation of skills and consumables, the industry competition shifted towards standardization, efficiency and service quality. The Group proactively responded to industry changes, optimized its service structure, strengthened cost control and enhanced operational efficiency, achieving significant revenue growth, an increase in gross profit margin and a substantial narrowing of loss, with continuous improvement in operational quality.

For the year ended 31 December 2025, the Group recorded revenue of approximately RMB101.7 million (2024: RMB74.7 million), representing a year-on-year increase of approximately RMB27 million or an increase of approximately 36.1%. A net loss of approximately RMB14.1 million was recorded for the year ended 31 December 2025, showing a substantial narrowing compared to the net loss of RMB32.6 million for the year ended 31 December 2024, and representing a year-on-year decrease in loss of approximately RMB18.5 million or a decrease in loss of approximately 56.7%. The narrowing of loss was mainly attributable to the revenue growth, the increase in gross profit margin and the effective control of administrative expenses, resulting in significant improvement in operational efficiency.

Furthermore, the regulations regarding the Comprehensive Cost and Pricing Reform (綜合性醫療服務成本與價格改革) specified in the press conference held by National Healthcare Security Administration on 23 November 2024 entered the comprehensive implementation and execution stage in 2025, becoming the core policy orientation for the development of the dental industry during the year, where the charging standards formally extend to full-category oral medical projects including comprehensive, periodontal, orthodontic, restoration, endodontic, and surgical. As 2025 was a critical year for policy deepening and market reshuffling in the dental industry, the comprehensive implementation of the “separation of skills and consumables” policy has put forward higher requirements for the compliant operations, cost control and profitability models of all dental service providers, becoming a key variable affecting the development pattern of the industry. Against this industry backdrop, the Group, as a leading private dental service provider in Wenzhou region, has always strictly followed the policy orientation, and under the premise of adhering to medical service quality and ensuring treatment safety, continuously optimized the cost structure and formulated reasonable and compliant pricing strategies, balancing patients' interests and the sustainable development of the Group.

In response to the standardized and intensive development trend of the dental industry in 2025 and to lay out the direction of future value cultivation, the Group proactively adjusted its operating strategies, enhanced its core competitiveness through adjusting pricing strategies and refined management, and simultaneously strengthened the professional training of physicians and the construction of service standardization, so as to improve customer stickiness and reputation with high-quality medical services, further solidify its leading position in the regional market, and achieve the long-term, stable, and healthy development of the Group.

### **General Dentistry**

The general dentistry sector of the Group focuses on the examination, diagnosis, prevention and treatment of disorders of the orofacial region. The key dental services we offered under general dentistry includes (i) teeth filling; and (ii) root canal treatment. The treatments are priced based on the number of teeth subject to the treatment, the spending of each patient will vary significantly with the condition of each patient.

### **Orthodontics and Cosmetic Dentistry**

The orthodontics and cosmetic dentistry sector of the Group focus on diagnosis, prevention, interception, and correction of misalignment or incorrect relation between the teeth as well as skeletal abnormalities of developing or mature or orofacial structures by different types of braces. The key dental services we offered under orthodontics and cosmetic dentistry including teeth orthodontics using (i) standard metal braces or metal wires; (ii) clear braces or ceramic braces; and (iii) transparent dental braces made of intelligent materials.

### **Reparative Dentistry**

The reparative dentistry sector of the Group focuses on restoring the function, integrity and morphology of missing tooth structure. The key dental services we offer under reparative dentistry includes: (i) dental crowns; and (ii) removable dentures. The price for dental crowns and removable dentures are generally relating to the respective material and numbers of tooth subject.

### **Implant Dentistry**

The implant dentistry sector of the Group focuses on surgically placing fixture dental implants in the patient's jawbone as the foundation to replace the damaged or missing tooth with prosthetics.

## Total Number of Active Patients by Six Private Dental Hospitals and One Clinic

The number of the Group's total active patients increased from 61,777 for the year ended 31 December 2024 to 66,840 for the year ended 31 December 2025, representing an increase of 8.2%. The following table sets forth the breakdown of the number of active patients by the Group's six private hospitals and one clinic:

	For the year ended 31 December	
	2025	2024
	<i>No. of active patients</i>	<i>No. of active patients</i>
Wenzhou Hospital	20,398	28,366
Longgang Hospital	4,090	3,771
Lucheng Hospital	16,644	12,352
Rui'an Branch Hospital	4,606	2,817
Wenzhou Oral Care	11,079	8,638
Ouhai Jielaiya Oral Clinic	4,281	3,130
Yueqing Hospital	5,742	2,703
<b>Total</b>	<b>66,840</b>	<b>61,777</b>

## Revenue by Six Private Dental Hospitals and One Clinic

	For the year ended 31 December			
	2025		2024	
	Revenue	Approx. % of the total revenue	Revenue	Approx. % of the total revenue
	<i>RMB'000</i>	<i>%</i>	<i>RMB'000</i>	<i>%</i>
Wenzhou Hospital	31,413	30.9	35,218	47.2
Longgang Hospital	4,185	4.1	3,861	5.2
Lucheng Hospital	28,504	28	11,699	15.7
Rui'an Branch Hospital	5,560	5.5	3,094	4.1
Wenzhou Oral Care	21,389	21	15,448	20.7
Ouhai Jielaiya Oral Clinic	5,025	5	3,450	4.6
Yueqing Hospital	5,612	5.5	1,910	2.5
<b>Total</b>	<b>101,688</b>	<b>100</b>	<b>74,680</b>	<b>100.0</b>

For the year ended 31 December 2025, the total revenue of the Group was RMB101.7 million, representing a significant increase as compared to that of 2024. Revenue from Lucheng Hospital increased substantially, serving as a key growth driver for the period. The business of Wenzhou Oral Care eased slightly, while Longgang Hospital, Rui'an Branch Hospital, Ou Hai Jielaiya Oral Clinic and Yueqing Hospital each recorded positive growth. The operations of the medical institutions of the Group have been progressing steadily, with the revenue structure continuously optimized and the overall operating quality and efficiency further enhanced.

## **PROSPECTS**

The domestic dental medical industry is at a critical period of profound transformation. As the new “separation of skills and consumables” policy of the National Healthcare Security Administration fully takes effect in 2026, the industry will bid farewell to the era of vague pricing and enter a new cycle of high-quality development characterized by the “return of technical value and transparent and controllable consumables”. The trend of price transparency guided by policies not only places higher demands on the cost control capabilities of medical institutions, but also brings integration opportunities for enterprises that truly possess technological advantages and operational efficiency. At the same time, residents' awareness of oral health continues to improve, and the demand for preventive diagnosis and treatment is gradually released, ensuring that the underlying logic for the long-term positive outlook of the industry remains unchanged. Faced with a situation where opportunities and challenges coexist, the Group will adhere to a dual-wheel drive strategy of “endogenous quality improvement” and “exogenous expansion”, dedicating itself to consolidating its regional leading position during the industry integration period and exploring new growth poles for synergistic development.

### **Deepening the Core Dental Business to Build Competitive Barriers through Refined Operations**

In the core dental business sector, the Group will unwaveringly advance the dual development strategy of “cost leadership” and “service upgrade”. We will closely follow the implementation rules of the medical service price reform in 2026. Leveraging our established long-term strategic partnership advantages in the supply chain, we will further deepen the refined management of consumables under the “separation of skills and consumables” policy, transfer the benefits derived from cost optimization to patients, and continuously expand customer coverage and enhance customer stickiness with highly cost-effective basic diagnosis and treatment services. Meanwhile, we will continue to strengthen our technological advantages in high value-added projects such as implants, orthodontics, and restoration, improve diagnosis and treatment efficiency and clinical precision by introducing digital diagnosis and treatment equipment (such as intraoral scanning and digital guide plate implantation), optimize patient experience, and achieve a differentiated competitive landscape of “retaining high-value customers with technology and attracting mass customers with price”.

## **Accelerating Digital Transformation to Enhance Operational Efficiency through Technological Empowerment**

The Group recognizes the profound impact that digital technology has in reshaping the service model and management format of oral medical care. Looking forward, we will comprehensively promote our digital upgrade strategy. On the clinical front, we will accelerate the popularization of digital imaging diagnosis, Computer-aided Design and computer-aided manufacturing (CAD/CAM) restoration technology, and artificial intelligence-assisted diagnosis and treatment systems, so as to improve diagnostic accuracy and treatment efficiency, shorten patients' chairside time, and enhance the medical experience. On the management front, we will introduce an intelligent operational management system to achieve full-process digital tracking of patient appointments, clinical pathways, consumables usage, and post-operative follow-ups, and further unearth the potential for cost reduction and efficiency improvement through data-driven refined management, thereby enhancing overall operational efficiency and the controllability of service quality.

## **Strengthening the Construction of a High-Quality Talent Ecosystem to Solidify the Foundation of Services with a Professional Team**

The core competitiveness of medical services is always founded on professional talent. In face of the industry's increasing emphasis on technical value, the Group has established talent cultivation as a core strategy and will continuously increase efforts in recruitment and cultivation. We will move forward with the establishment of a dental training center to create a hub for continuous learning, and collaborate with top global dental colleges and professional institutions to introduce an advanced certification program system, providing physicians with full-cycle professional growth support. On the talent introduction front, we will deepen normalized cooperation with well-known dental colleges, broaden campus recruitment channels, and actively expand our collaboration network with international medical institutions to attract diverse and international professionals. At the same time, we will perfect our internal incentive and title promotion programs, providing clear career development paths for core physicians and fostering a culture of innovation through core backbone incentive programs and cross-border knowledge exchange. Furthermore, we will explore models such as renowned doctor studios to attract influential experts within the region for multi-site practice, and continuously elevate our overall medical technical level through expert guidance and academic exchanges. The Group is committed to building a dental medical and management team with professional qualities, international perspectives, and innovative capabilities, providing solid support for the Group to maintain its core competitiveness in the new industry cycle where "technology leads the way".

## **Steadily Advancing International Layout to Build a New Engine for Synergistic Development**

Facing intensified domestic market competition and changes in the policy environment, the Group is also prudently seeking external growth opportunities with an open mind. Recently, the Group has announced its subscription for the equity interest in Deepcare Medical Holdings Limited, a provider of assisted reproductive services in Thailand. This strategic investment is not only a beneficial exploration of the Group's diversified development in the medical service field, but also aims to leverage Thailand's mature medical tourism market and international service experience to explore a cross-regional synergy model for high-end medical services. Looking ahead, we will steadily advance the integration and operation of this project and, under the premise of controllable risks, strive to cultivate it into a new profit growth point for the Group, thereby smoothing out the fluctuation risks that a single market and a single business sector may face, and injecting new vitality into the long-term development of the Group.

Looking forward, the management of the Group is confident. We will continue to uphold the "patient-centric" service philosophy, strengthen the foundation of our core dental business through refined operations and digital transformation, consolidate our technological advantages through talent strategies, and explore the possibilities of cross-regional synergy through prudent forward-looking layouts. We believe that with sound operating strategies and flexible adaptability, the Group will certainly be able to seize opportunities amid industry transformation and create sustainable long-term value for shareholders.

## FINANCIAL REVIEW

### Revenue

During the Reporting Period, our revenue amounted to approximately RMB101.7 million, representing an increase of approximately 36.1% as compared to the year ended 31 December 2024. The substantial revenue growth was mainly due to a significant increase in business volume and continuous optimization of diagnosis and treatment services at medical institutions such as Lucheng Hospital, Wenzhou Oral Care, Ouhai Jielaiya Oral Clinic and Yueqing Hospital. Meanwhile, Wenzhou Hospital maintained a stable contribution, and the synergistic efforts of all branches drove the relatively rapid growth of overall revenue.

### Revenue by types of dental services

#### *General Dentistry*

Our revenue for general dentistry for the year ended 31 December 2025 was approximately RMB34.8 million (FY2024: RMB30.5 million), representing an increase of approximately 14.1% as compared to the corresponding period in 2024. The increase in revenue was mainly because the Group intensified its brand promotion and health education efforts, which brought about a significant increase in the number of patient visits, resulting in the stable increase of demand for basic treatments, while continuously optimizing clinical pathways and service experience, leading to improved initial consultation conversion rates, return visit rates and customer stickiness, and effectively growing customer lifetime value; revenue generated from general dentistry accounted for approximately 34.2% of our total revenue, as compared to approximately 40.8% for the year ended 31 December 2024.

#### *Orthodontics and Cosmetic Dentistry*

Our revenue for orthodontics and cosmetic dentistry for the year ended 31 December 2025 was approximately RMB18.4 million (FY2024: RMB14.1 million), representing an increase of approximately 30.5% as compared to the corresponding period in 2024. Revenue generated from orthodontics and cosmetic dentistry accounted for approximately 18.1% of our total revenue, as compared to approximately 18.9% for the year ended 31 December 2024.

#### *Reparative Dentistry*

Our revenue for reparative dentistry for the year ended 31 December 2025 was approximately RMB23.4 million (FY2024: RMB16.3 million), representing an increase of approximately 43.6% as compared to the corresponding period in 2024. Revenue generated from reparative dentistry accounted for approximately 23.1% of our total revenue, as compared to approximately 21.8% for the year ended 31 December 2024.

## *Implant Dentistry*

Our revenue for implant dentistry for the year ended 31 December 2025 was approximately RMB20.1 million (FY2024: RMB8.9 million), representing an increase of approximately 125.8% as compared to the corresponding period in 2024. Revenue generated from implant dentistry accounted for approximately 19.8% of our total revenue, as compared to approximately 11.9% for the year ended 31 December 2024. The significant increase in revenue was mainly due to: the comprehensive implementation of the Collective Procurement Policy which led to a significant release of market demand, the Group's timely optimization of pricing strategies and introduction of more competitive implant service schemes, effectively improving patients' willingness to seek treatment and increasing their number of visitors; meanwhile, the operations of new branches gradually matured and the service network further expanded, bringing considerable increments to the implant business; coupled with the Group's continuous strengthening of the medical team, enhancement of digital implant technology and quality of diagnostic and treatment services, customer trust and conversion rates steadily improved, driving the implant business to achieve a favorable trend of "pursuing volume over price and achieving rapid recovery".

### **Cost of Sales**

Our cost of sales mainly included (i) staff costs; (ii) cost of inventories, consumables and customised products; and (iii) depreciation expenses of property, plant and equipment and right-of-use assets. During the Reporting Period, our cost of sales was approximately RMB62 million (FY2024: RMB47.7 million), representing an increase of approximately 30% as compared to the corresponding period in 2024. The increase in our cost of sales was in line with the expansion of business scale.

### **Gross Profit and Gross Profit Margin**

During the Reporting Period, our gross profit increased by approximately 47% as compared to the corresponding period in 2024 to approximately RMB39.8 million (FY2024: approximately RMB27 million). Our gross profit margin increased from 36.1% in 2024 to 39.1%, representing a year-on-year increase of 8%, mainly because the substantial increase in revenue scale, gradual emergence of economies of scale, effectively diluting fixed costs, while the continuous strengthening of cost control and enhancement of operational efficiency resulted in an effective decrease in operating costs.

## **Other Income, Gains and Losses**

During the Reporting Period, other income, gains and losses increased by approximately 17.8% as compared to the corresponding period in 2024 to approximately RMB5 million (FY2024: approximately RMB4.3 million), mainly due to the gain on termination of leases.

## **Selling Expenses**

During the Reporting Period, the selling expenses primarily comprised marketing and promotion expenses, and staff costs. During the Reporting Period, the Group's selling expenses increased by approximately 42.1% as compared to the corresponding period in 2024 to approximately RMB32.4 million (FY2024: approximately RMB22.8 million). The increase in selling expenses was mainly due to the expansion of the Group's business scale and the maturation of new branches' operations, leading to a corresponding increase in marketing and promotion investment and sales team headcount; meanwhile, to enhance brand influence and market penetration, the Group intensified market promotion and customer acquisition efforts, resulting in a corresponding rise in selling expenses.

## **Administrative Expenses**

During the Reporting Period, our administrative expenses decreased by approximately 23.7% to approximately RMB28 million as compared to the corresponding period in 2024 (FY2024: approximately RMB36.7 million). The decrease in administrative expenses was mainly due to a significant decrease in the share-based payments, as well as the Group's continuous implementation of refined management to optimize personnel structure and operational efficiency, thereby effectively controlling various administrative costs.

## **Income Tax**

During the Reporting Period, our income tax credit was approximately RMB2 million, as compared to an income tax expense of approximately RMB2.5 million for the year ended 31 December 2024, mainly due to the utilization of prior years' unrecovered losses by certain subsidiaries to offset current taxable income, leading to a corresponding decrease in income tax expense for the period.

## **Loss attributable to the owners of the Company**

As a result of the foregoing, the Group recorded a loss attributable to owners of the Company for the Reporting Period of approximately RMB14.3 million as compared to a loss attributable to owners of the Company of approximately RMB32.4 million for the year ended 31 December 2024.

## **Prepayments, Other Receivables and Other Assets**

The current portion of our prepayments, other receivables and other assets decreased by approximately RMB10.5 million, from approximately RMB16.7 million as at 31 December 2024 to approximately RMB6.2 million as at 31 December 2025. This was mainly due to the decrease in prepayments. As at 31 December 2025, the non-current prepayments increased by RMB16.2 million to RMB27.4 million (RMB11.2 million as at 31 December 2024). This was mainly due to the increase in prepayment for investment in Deepcare Medical Holdings Limited.

## **Liquidity, Financial Resources and Capital Structure**

The Group financed its operations primarily through cash generated from the Group's operations and the net proceeds received from the Global Offering. As at 31 December 2025, the Group's net current assets amounted to approximately RMB53.7 million (as at 31 December 2024: approximately RMB58.2 million), and its liquidity as represented by current ratio (total current assets/total current liabilities) was 2.2 times (as at 31 December 2024: 2.4 times). The Group's bank balances amounted to approximately RMB90.2 million (as at 31 December 2024: approximately RMB78.5 million). As at 31 December 2025, the Group had no bank loans (as at 31 December 2024: Nil), and therefore the gearing ratio was not applicable (2024: not applicable).

On 14 December 2022, the ordinary shares of the Company were listed on the Main Board of the Stock Exchange by way of Global Offering and completed the share offer of its 150,000,000 ordinary shares, comprising 45,000,000 Hong Kong offer shares and 105,000,000 international placing shares, with a par value of HK\$0.01 each at an offer price of HK\$0.84 per share. The Company believes that the funding from the Global Offering on the Main Board would allow the Group to continue with its future business development to expand our dental medical institutions network in the PRC and to gain access to capital market for raising funds in the future.

## **Pledge of Assets**

As at 31 December 2025, the Group did not have any pledged assets (as at 31 December 2024: Nil).

## **Foreign Currency Exposure**

The majority of the Group's revenue is denominated in Renminbi and the Group's accounts are prepared in Renminbi. As such, the Group maintained stable cashflow generated from its operating activities and did not have material exposure to fluctuations in foreign currency rates. During the Period, the Group did not use any financial instrument for hedging purpose.

The Group currently does not have any hedging policy for foreign currencies in place. However, the management will remain alert to any relevant risks as the financial position of the Company may be adversely affected due to any material fluctuations in foreign currency rates. Therefore, the management will closely monitor the market changes and may consider to adopt hedging policy to mitigate any material potential foreign exchange risk if necessary.

## **Capital Commitments**

As at 31 December 2025, the Group had capital commitments of approximately RMB1.9 million for leasehold improvements and additions of medical equipment (as at 31 December 2024: approximately RMB2.7 million).

## **Contingent Liabilities and Guarantees**

As at 31 December 2025, the Group had no material contingent liabilities or guarantees (as at 31 December 2024: Nil).

## **Employees and Remuneration Policies**

As at 31 December 2025, the Group employed 522 staff (including executive Directors), all of which were located in the PRC (as at 31 December 2024: 372). Remuneration packages for the Group's employees mainly comprise basic salary and bonus. The Group annually reviews their performance. The results of such reviews are used in their salary determinations, bonus awards and promotion appraisals. Moreover, the Group provides comprehensive training programs to its employees to enhance the technical skills of medical professionals to further their career development. The Group provides both inhouse and external trainings for its employees to improve their skills and knowledge. The Company has adopted a share option scheme on 8 November 2022 and a share award scheme (the "Share Award Scheme") on 16 January 2024 to create incentives to employees and to align their interest with that of the Company. Employee benefit expenses primarily consist of salaries, allowances and benefits in kind, share based payment expenses as well as pension scheme contribution. Employee benefits expenses was approximately RMB51.4 million during the Reporting Period (FY2024: approximately RMB52.2 million), representing a year-on-year decrease of RMB0.8 million.

## **Significant Investments**

During the Reporting Period, the Group subscribed for 2,863,492 Class B ordinary shares of Deepcare Medical Holdings Limited at a consideration of US\$2.0 million. Based on a fully-diluted shareholding percentage, this represents approximately 2.0% of the shares of the target company. The financial results of the target company will not be consolidated into the consolidated financial statements of the Group. For further details, please refer to the announcements published on the website of the HKEX ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's website ([www.meihaomedical.com](http://www.meihaomedical.com)) dated 18 July 2025, 8 August 2025 and 22 January 2026.

## **Future Plans for Material Investment and Capital Assets**

During the Reporting Period, the Group has utilized and intends to utilize the net proceeds raised from the Global Offering for business expansion and working capital in the manner set out in the Prospectus and the annual report for the year ended 31 December 2025. Save as disclosed above, the Group did not have any immediate plans for material investments or acquisition of material capital assets as at 31 December 2025.

## **Material Acquisitions and Disposals of Subsidiaries, Associates or Joint Ventures**

During the year ended 31 December 2025, there were no material acquisitions or disposals of subsidiaries, associates or joint ventures of the Group.

## **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY**

Neither the Company nor its subsidiaries purchased, sold or redeemed any of the Company's securities listed on the Stock Exchange during the Reporting Period (including sale of treasury shares, if any). As of 31 December 2025, the Company did not hold any treasury shares.

## **SUFFICIENCY OF PUBLIC FLOAT**

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the public as at the date of this announcement.

## **SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD**

Other than the above, the Directors are not aware of other significant events affecting the Company and its subsidiaries which have occurred since the end of the financial year to the date of this announcement.

## **FINAL DIVIDEND**

The Board has resolved not to recommend the payment of a final dividend for the year ended 31 December 2025 (2024: Nil).

## **ANNUAL GENERAL MEETING**

The forthcoming annual general meeting (the “**AGM**”) of the Company will be scheduled on Thursday, 18 June 2026. A notice convening the AGM will be issued and dispatched to the shareholders in due course.

## **CLOSURE OF REGISTER OF MEMBERS**

In order to determine the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Monday, 15 June 2026 to Thursday, 18 June 2026 (both days inclusive), during which period no transfer of shares will be registered. All transfer documents of the Company accompanied by the relevant share certificates must be lodged with the share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, for registration not later than 4:30 p.m. on Friday, 12 June 2026.

## **COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE**

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the shareholders and to enhance corporate value and accountability.

The Company has adopted the principles and code provisions of the Corporate Governance Code (the “**CG Code**”) as set out in Part 2 of the Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) as the basis of the Company’s corporate governance practices, and the CG Code has been applicable to the Company with effect from the Listing Date.

To the best knowledge of the Directors, save and except for code provision C.2.1 of the CG Code as set out below, the Company has complied with all the applicable code provisions set out in the CG Code during the year ended 31 December 2025.

The Company does not have a separate chairman and chief executive officer and Mr. Wang Xiaomin currently performs these two roles concurrently. The Board believes that vesting the roles of both the chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group for more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority within the Group will not be impaired by the present arrangement and the current structure will enable our Company to make and implement decisions more promptly and effectively. The Board will from time to time review and consider whether separation the roles of chairman of the Board and the chief executive officer of the Company is necessary.

Further information of the corporate governance practices of the Company will be set out in the corporate governance report in the annual report of the Company for the year ended 31 December 2025.

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

## **COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in the Appendix C3 to the Listing Rules as its code of conduct regarding Directors’ securities transactions, and the Model Code has been applicable to the Company with effect from the Listing Date.

All Directors have confirmed, following specific enquiry made by the Company with each Director, that they had complied with the guidelines contained in the Model Code during the year ended 31 December 2025.

## **SCOPE OF WORK OF MCMILLAN WOODS (HONG KONG) CPA LIMITED**

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and comprehensive income, and the related notes thereto for the year ended 31 December 2025 as set out in the preliminary announcement have been agreed by the Group’s auditors, McMillan Woods (Hong Kong) CPA Limited (“**McMillan Woods**”), to the amounts set out in the Group’s preliminary consolidated financial statements for the year. The work performed by McMillan Woods in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by McMillan Woods on the preliminary announcement.

## **AUDIT COMMITTEE**

The Audit Committee consists of three independent non-executive Directors, namely Mr. Ng Ming Chee, Ms. Tam Hon Shan Celia, and Mr. Zhang Yongcun. Mr. Ng Ming Chee is the chairman of the Audit Committee.

The Audit Committee has, together with the management of the Company, reviewed the annual consolidated financial statements of the Group for the year ended 31 December 2025 and the accounting principles and policies adopted by the Group. The Audit Committee has also discussed matters with respect to the accounting policies and practices adopted by the Company, internal control and financial reporting matters with senior management members of the Group. The Audit Committee considers that the annual results of the Group for the year ended 31 December 2025 are in compliance with the applicable accounting standards, laws, rules and regulations and appropriate disclosures have been duly made.

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

This announcement is published on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) as well as the website of the Company at [www.meihaomedical.com](http://www.meihaomedical.com). The Company's annual report for the year ended 31 December 2025 will be dispatched to the shareholders and published on the aforementioned websites in due course.

## **APPRECIATION**

The Board would like to express its sincere gratitude to the shareholders, management team, employees and business partners for their support and contribution to the Group.

By order of the Board  
**Meihao Medical Group Co., Ltd**  
**Mr. Wang Xiaomin**  
*Chairman and executive Director*

Hong Kong, 30 March 2026

*As at the date of this announcement, the executive Directors are Mr. Wang Xiaomin and Dr. Zhou Jian, and the independent non-executive Directors are Mr. Ng Ming Chee, Ms. Tam Hon Shan Celia and Mr. Zhang Yongcun.*