爱尚大众

Wuhan Dazhong Dental Medical Co., Ltd.
武漢大眾口腔醫療股份有限公司

(A joint stock company with limited liability incorporated in the People's Republic of China)

(Stock Code: 2651)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025

The board (the "**Board**") of directors (the "**Directors**") of Wuhan Dazhong Dental Medical 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 comparative figures for the year ended 31 December 2024.

FINANCIAL HIGHLIGHTS

Our revenue decreased by 8.7% from RMB407.1 million for the year ended 31 December 2024 to RMB371.6 million for the year ended 31 December 2025.

Our net profit decreased by 19.0% from RMB62.5 million for the year ended 31 December 2024 to RMB50.6 million for the year ended 31 December 2025.

Our adjusted net profit (non-IFRS measure) decreased by 11.1% from RMB68.3 million for the year ended 31 December 2024 to RMB60.7 million for the year ended 31 December 2025.

During the year ended 31 December 2025, we continued to expand our market layout and opened 8 new dental out-patient departments and 2 dental clinics.

For the year ended 31 December 2025, we recorded 729,404 customer visits, of which 159,535 were new customer visits.

The Board proposed to declare a final dividend of RMB0.668 per Share (tax-inclusive) for the year ended 31 December 2025.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND COMPREHENSIVE INCOME

Year ended 31 December 2025

	Notes	2025 *RMB'000*	2024 *RMB'000*
REVENUE	4	**371,571**	407,083
Cost of sales		**(231,497)**	(254,743)
Gross profit		**140,074**	152,340
Other income and gains	4	**5,627**	5,538
Selling and distribution expenses		**(42,402)**	(40,473)
Administrative expenses		**(29,193)**	(34,875)
Research and development expenses		**(9,064)**	(6,669)
Other expenses		**(2,894)**	(1,431)
Finance costs	6	**(4,312)**	(5,329)
Fair value gains on redeemable preference shares		**–**	1,716
Profit before tax		**57,836**	70,817
Income tax expense	7	**(7,227)**	(8,317)
PROFIT FOR THE YEAR		**50,609**	62,500
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**50,609**	62,500
Attributable to:			
Owners of the parent		**28,175**	41,916
Non-controlling interests		**22,434**	20,584
		50,609	62,500
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted (RMB)	9	**0.64**	0.94

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As at 31 December 2025

	Notes	**31 December 2025** *RMB'000*	31 December 2024 *RMB'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**65,312**	76,512
Right-of-use assets		**75,492**	108,438
Goodwill		**63,090**	63,090
Other intangible assets		**2,049**	1,749
Prepayments, other receivables and other assets		**2,985**	4,674
Deferred income tax assets		**1,154**	1,885
Total non-current assets		**210,082**	256,348
CURRENT ASSETS			
Inventories		**2,413**	3,655
Trade receivables	10	**7,415**	5,836
Prepayments, other receivables and other assets		**9,100**	17,107
Financial assets at fair value through profit or loss		**34,494**	–
Cash and deposit		**251,476**	95,046
Total current assets		**304,898**	121,644
CURRENT LIABILITIES			
Trade payables	11	**9,778**	14,678
Other payables and accruals		**26,553**	50,756
Contract liabilities		**21,902**	33,612
Lease liabilities		**27,517**	31,211
Tax payable		**5,231**	4,839
Total current liabilities		**90,981**	135,096
NET CURRENT ASSETS/(LIABILITIES)		**213,917**	(13,452)
TOTAL ASSETS LESS CURRENT LIABILITIES		**423,999**	242,896

	31 December 2025	31 December 2024
	RMB'000	*RMB'000*
NON-CURRENT LIABILITIES		
Contract liabilities	**2,333**	1,732
Deferred income tax liabilities	**64**	253
Lease liabilities	**47,331**	81,902
Total non-current liabilities	**49,728**	83,887
Total liabilities	**140,709**	218,983
Net assets	**374,271**	159,009
EQUITY		
Equity attributable to owners of the parent		
Share capital	**49,379**	38,517
Treasury shares	**–**	(15,438)
Reserves	**270,748**	92,552
	320,127	115,631
Non-controlling interests	**54,144**	43,378
Total equity	**374,271**	159,009

NOTES TO FINANCIAL STATEMENTS

As at 31 December 2025

1. CORPORATE AND GROUP INFORMATION

Wuhan Dazhong Dental Medical Co., Ltd. (the "**Company**") is a limited liability company established in the People's Republic of China ("**PRC**") on 10 July 2007. The registered office address of the Company is located at Room 5, 11/F and Rooms 601, 608-612, 6/F, Huayin Building, No. 786 Minzhu Road, Zhongnan Road Sub-District, Wuchang District, Wuhan, Hubei Province, the PRC. On 24 December 2014, the Company was converted to a joint stock company with limited liability, and a total of 20,000,000 ordinary shares with a par value of RMB1.00 each were issued and allotted to the respective shareholders of the Company according to the paid-in capital registered under the names of these shareholders on 31 December 2014. The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 9 July 2025.

2. BASIS OF PREPARATION

These financial statements have been prepared in accordance with IFRS Accounting Standards (which include all International Financial Reporting Standards, International Accounting standards ("**IASs**") and Interpretations) as issued by the International Accounting Standards Board ("**IASB**") 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 ("**FVTPL**") which have been measured at fair value. These financial statements are presented in 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 IAS 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 IAS 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 for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the Group's financial statements.

In addition, the IASB has issued amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37 *Disclosures about Uncertainties in the Financial Statements*, which added illustrative examples in the corresponding IFRS Accounting Standards. These examples reflect existing requirements in the corresponding IFRS Accounting Standards to report the effects of uncertainties in the financial statements using climate-related examples. Therefore, the amendments do not have an effective date or transitional provisions, the amendments did not have any impact on the Group's financial statements.

4. REVENUE, OTHER INCOME AND GAINS, NET

An analysis of revenue is as follows:

	2025	2024
	RMB'000	*RMB'000*
Revenue from contracts with customers	**371,571**	407,083

Revenue from contracts with customers

(a) Disaggregated revenue information

	2025	2024
	RMB'000	*RMB'000*
Types of goods or services		
Orthodontics services	**70,643**	74,115
Implantology services	**98,400**	115,647
General dentistry services	**202,528**	217,321
Total	**371,571**	407,083
Geographical market		
Chinese mainland	**371,571**	407,083
Timing of revenue recognition		
Services transferred over time	**371,354**	406,981
Goods transferred at a point in time	**217**	102
Total	**371,571**	407,083

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	2024
	RMB'000	*RMB'000*
Revenue recognised that was included in contract liabilities at the beginning of the year:		
Rendering of orthodontics services	**14,855**	16,438
Rendering of implantology services	**16,757**	30,531
Total	**31,612**	46,969

(b) Performance obligations

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

Orthodontics and implantology services

The performance obligation of orthodontics and implantology services is satisfied over time when the services are rendered, and advances are normally required before rendering the services. Since the patient simultaneously receives and consumes the benefits of the Group's performance in the medical treatment, the relevant revenue from the orthodontics and implantology services is recognised over the period of the contracts by reference to the progress towards complete satisfaction of that performance obligation.

General dentistry services

The performance obligation of general dentistry services is satisfied over time when services are rendered.

Sale of goods

The performance obligation is satisfied upon delivery of the goods and receipt of payment.

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

	2025	2024
	RMB'000	*RMB'000*
Amounts expected to be recognised as revenue:		
Within one year	**21,902**	33,612
After one year	**2,333**	1,732
Total	**24,235**	35,344

The amounts of transaction prices allocated to the remaining performance obligations which are expected to be recognised as revenue after one year relate to dentistry services, of which the performance obligations are to be satisfied within two years. All the other amounts of transaction prices allocated to the remaining performance obligations are expected to be recognised as revenue within one year. The amounts disclosed above do not include variable consideration which is constrained.

An analysis of other income and gains, net, is as follows:

	2025	2024
	RMB'000	*RMB'000*
Other income		
Bank interest income	**346**	924
Government grants*	**688**	968
Rental income	**256**	384
Total other income	**1,290**	2,276
Other gains		
Investment income from wealth management products	**–**	1,527
Fair value gains on financial assets at FVTPL	**413**	–
Gain arising from lease termination	**3,615**	1,120
Others	**309**	615
Total gains	**4,337**	3,262
Total other income and gains	**5,627**	5,538

* Government grants have been received from the PRC local government authorities for the purpose of encouraging business development of local enterprises. There are no unfulfilled conditions related to these government grants.

5. PROFIT BEFORE TAX

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

	2025	2024
	RMB'000	*RMB'000*
Cost of inventories, consumables and customised products sold	**52,183**	65,864
Depreciation of property, plant and equipment	**20,855**	21,059
Depreciation of right-of-use assets	**30,622**	35,262
Amortisation of other intangible assets	**344**	298
Lease payments not included in the measurement of lease liabilities	**338**	1,508
Fair value gains on redeemable preference shares	**–**	(1,716)
Foreign exchange differences, net	**1,343**	–
Impairment of financial assets	**192**	124
Loss on disposal of property, plant and equipment	**306**	512
Auditor's remuneration	**2,000**	–
Employee benefit expense (including directors', the chief executive's and supervisors' remuneration):		
– Wages, salaries and allowances	**133,125**	141,418
– Share-based payment expenses	**4,340**	2,355
– Pension scheme contributions	**8,462**	8,359
– Other social insurances and benefits	**8,323**	8,607
Total	**154,250**	160,739

6. FINANCE COSTS

An analysis of finance costs is as follows:

	2025	2024
	RMB'000	*RMB'000*
Interest on lease liabilities	**4,312**	5,329
Total	**4,312**	5,329

7. INCOME TAX

	2025	2024
	RMB'000	*RMB'000*
Current – Chinese mainland		
Charge for the year	**5,963**	9,710
Under provision in prior years	**722**	–
Deferred	**542**	(1,393)
Total tax charge	**7,227**	8,317

8. DIVIDENDS

	2025	2024
	RMB'000	*RMB'000*
Proposed final dividend of RMB0.668 per ordinary share	**32,985**	–

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the 2025 AGM.

9. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the parent, and the weighted average numbers of the shares outstanding during the year. As the Group had no potentially dilutive ordinary shares outstanding during the year, no adjustment has been made on the basic earnings per share amount presented for the reporting period.

The calculation of basic earnings per share is based on:

	2025	2024
Earnings		
Profit attributable to ordinary equity holders of the parent	**28,175**	41,916
Less: Profit attributable to treasury shares (in RMB'000)	**–**	(5,382)
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation (in RMB'000)	**28,175**	36,534
Shares		
Weighted average number of ordinary shares outstanding during the year used in the basic earnings per share calculation ('000)	**43,755**	39,051#

\# The weighted average number of shares was after taking into account the effect of treasury shares held.

10. TRADE RECEIVABLES

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

	2025	2024
	RMB'000	*RMB'000*
Within 3 months	**7,001**	5,399
4 months to 6 months	**43**	246
7 months to 1 year	**371**	191
Total	**7,415**	5,836

11. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period, based on the transaction dates, is as follows:

	2025	2024
	RMB'000	*RMB'000*
Within 3 months	**6,362**	11,687
4 months to 6 months	**2,541**	2,091
7 months to 1 year	**302**	591
More than 1 year	**573**	309
Total	**9,778**	14,678

The trade payables are non-interest-bearing and are normally settled on the terms of 30 to 90 days.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

Overview

We are a leading private dental services provider in Central China with a focus on Hubei and Hunan provinces, operating an expanding dental service network under the direct chain model in this thriving market. We provide reliable and accessible dental services to communities, dedicated to serving the general public.

Pursuing a single-brand strategy, all of our dental institutions are operated under the unified brand name "愛尚大眾口腔" together with a trademark of "爱尚大众" ensuring a cohesive and robust identity across our multi-regional dental service network.

In 2025, dental services industry in China was undergoing profound structural transformation. The deepening implementation of national centralized procurement policies and the continuous strengthening of industry regulation were accelerating the market's transition from "scale expansion" to "refined operations". Facing short-term market fluctuations and challenges, the Group's management remained committed to a long-term perspective, focusing its strategic efforts on the internal capacity building of "enhancing quality, improving efficiency and prioritizing returns". Despite the overall slowdown in industry growth, we have maintained the stability of our core business operations by leveraging our deep market roots in Central China and our efficient operational systems. Through rigorous cost control and process optimization, we achieved annual revenue of RMB371.6 million, with a gross profit margin of 37.7% and a net profit margin of 13.6%. Adhering to the principle of "steady expansion and lean operation", we opened eight new dental out-patient departments and two dental clinics in 2025. As of 31 December 2025, we operated 92 dental institutions, including 4 dental hospitals, 80 dental out-patient departments and 8 dental clinics covering 8 cities in Hubei and Hunan provinces.

Our services

We provide a comprehensive range of dental services, including (i) general dentistry services, (ii) implantology services and (iii) orthodontics services.

General Dentistry Services

General dentistry services generally refer to oral preventive care, treatment of regular oral diseases, and restorative services, encompassing full process from prevention, diagnosis to treatment, with the aim to provide customers with a one-stop oral health solution. As a customer-centric dental services provider located in densely populated areas and adjacent to communities, we focus on the daily oral health of our customers. Through regular oral health management and early intervention of dental diseases, we help customers mitigate the risks of worsening symptoms and avoid costly treatments of serious diseases. As healthy teeth and gums improve the comfort, appearance and confidence of customers, we believe regular oral health management not only tackles customers' basic and general dental problems but also enhances their overall quality of life.

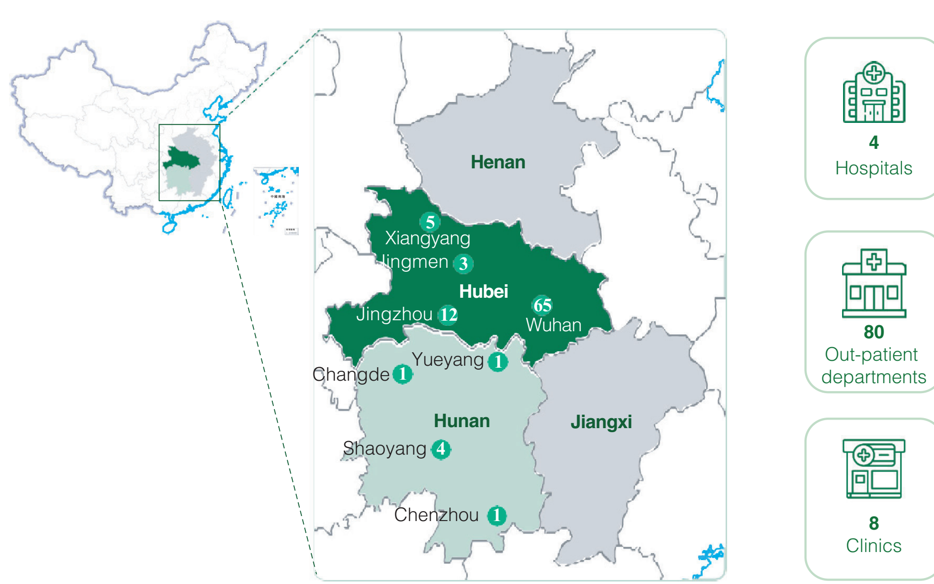
Implantology Services

Implantology is a specialty of dentistry that deals with the tooth replacement, which involves implanting artificial teeth root (implants) into the alveolar bone to support the restoration of missing teeth. Our implantology treatments utilize different types of dental equipment and consumables, mainly including cone beam computed tomography machines, implant machines, ultrasonic bone scalpels, implant membrane tacks, implant fixtures, bone grafts, abutments, drills and other dental tools for implants. Our implantology services aim to provide customers with a teeth replacement solution to replace the natural teeth with implants and achieve improved functionality and aesthetics. Through precise surgery and professional care, we can achieve successful implantation with long-term stability of the implants.

Orthodontics Services

Orthodontics is a specialty of dentistry that focuses on the diagnosis, prevention and treatment of dental and jawbone developmental abnormalities. These abnormalities include misaligned teeth, abnormal occlusion and irregularities in the size, shape and position of the jawbone. As an important specialty of dentistry, orthodontics not only focuses on the aesthetic alignment of teeth but also, more importantly, aims to restore and maintain normal function of mouth, such as chewing, speaking and facial aesthetics. Our orthodontic treatments use a range of dental equipment and consumables, mainly including metal brackets, ceramic brackets, clear aligners and other appliances.

Network Coverage



Central China

Employees and Remuneration

As of 31 December 2025, we had 1,015 employees in total, all of whom were based in China. The following table sets forth our employees by their function as of 31 December 2025:

Function	Number of employees	% of total employees
Employees in our dental institutions	932	92%
– Dentists	252	25%
– Other medical professionals	397	39%
– Operational and other employees	283	28%
Employees at our headquarter	83	8%
– Management	19	2%
– General administrative, marketing and other staff	64	6%
Total	**1,015**	**100%**

We offer our employees different remuneration packages based on their positions. Generally, the remuneration structure of our employees includes basic salaries and performance bonuses. Our compensation programs are designed to remunerate our employees based on their performance, measured against specified objective criteria. We provide employee benefit plans for our staff, including housing provident fund contributions, pension insurance, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance.

As of 31 December 2025, dentists with qualifications at mid-end and above level accounted for 54.8% of our dentist team, providing a solid guarantee for high-quality diagnosis and treatment services. Dentists who have an employment relationship with us for five years or more accounted for 58.3% of our total number of dentists, demonstrating a relatively high employee retention rate and strong talent cohesion.

During the Reporting Period, we did not experience any significant issues with our employees due to labor disputes nor did it experience any difficulty in the recruitment and retention of staff.

Industry Outlook

As public awareness of health management continues to grow and demographic shifts advance, the dental services market in China is currently undergoing a critical transition from “scale expansion” to “quality-driven competition”. Driven by both policy support and market demand, the overall penetration rate of the industry is expected to increase further and market capacity is anticipated to gradually expand, demonstrating a long-term development trend of structural optimization and service upgrades. According to the Frost & Sullivan Report, the market size of the dental services market in China is projected to reach RMB200.4 billion by 2029.

As a densely populated region with significant development potential, Central China has seen a continuous release of demand for dental services, particularly in the private dental services market, which is expected to maintain a growth rate higher than the national average level, becoming one of the key drivers of industry growth. The supply of services in this regional market has been continuously enriched, and the degree of specialization, standardization and chain operation has gradually deepened, creating sustainable development space for leading brands.

We have established a relatively solid market foundation and brand influence in Central China. Leveraging our strategic layout of deepening regional roots, highly standardized operating system and rapidly replicable business model, we have established significant network effects and economies of scale. Looking ahead, we will continue to leverage our existing brand recognition and service network to respond to the growing demand for high-quality dental services, strengthen our regional penetration and deepen our service offerings, consolidate and enhance our market position, and actively seize industry development opportunities.

Future Development Directions

1. ***Strategic focus and regional deepening to consolidate our growth foundation***

   We will firmly implement our market strategy of "rooted in Wuhan, covering Hubei, radiating throughout Central China and expanding nationwide", concentrating our resources on enhancing the operational efficiency and profitability of our core markets in the Central China region. Through refined operations and cost control, we will deeply tap into the development potential of our existing network to build a "base area" with solid performance and efficient operations, laying a firm foundation for future nationwide expansion.

2. ***High-quality and efficient expansion to consolidate market position***

   We will fully leverage the capital and branding advantages of the Hong Kong listing platform, focus on return on investment, and prudently seek growth opportunities. Our expansion strategy will remain efficiency-oriented, driven by the dual-wheel strategy of organic growth and strategic acquisitions, with a focus on exploring high-quality regional merger and acquisition targets to continuously enhance our market share and competitiveness in local markets. All expansion decisions will be supported by rigorous pre-investment assessments and post-investment management to ensure that new institutions can be rapidly integrated into the Group's standardized system, generate profits, and achieve high-quality, efficient growth in scale, thereby continuously enhancing our regional market leadership.

3. ***Digital and intelligent upgrades to establish competitive barriers***

   We regard being "driven by digital intelligence" as the core engine for our future development. We will systematically promote the digitalization of the entire chain of diagnosis and treatment, operations, management and customer service. Key initiatives include introducing AI-assisted diagnosis and treatment design tools, upgrading our intelligent operation management systems, and building an integrated customer service management platform. These initiatives will comprehensively enhance medical precision, operational efficiency, customer experience and management standards, transforming our technological advantages into sustainable performance, cost advantages and establishing a new benchmark for smart healthcare.

4. Refined management to comprehensively empower and enhance efficiency

Leveraging our Group's scale advantages, we will deeply integrate resources and implement a standardized and refined management system across all functional management segments. We will also use digital tools to achieve full-process monitoring and closed-loop management. While ensuring medical safety and customer experience, we are committed to realizing the synergistic effects characterized by "optimal system cost, best customer experience and highest employee efficiency".

Deepening the development of our talent and incentive systems, we adhere to the dual-wheel strategy of "internal cultivation and external recruitment" to continuously expand the reserve of medical professionals and management talents. We will improve our career promotion channels and remuneration incentive mechanisms, actively explore diversified employee incentive methods, and launch equity incentive plans at appropriate times based on market and operating conditions. This will effectively bind and motivate our core teams and build the Company into a career platform where employees can realize their value.

5. Brand enhancement and strengthening value communication

We will strive to elevate our brand from a regionally renowned name to one that is widely trusted by the capital markets. Internally, we will consolidate our brand foundation by continuously improving the quality of our medical services and reputation among our customer. Externally, we will establish a systematic and transparent investor relations management system and carry out refined value communication to clearly convey the Group's strategic execution progress and long-term value proposition, thereby continuously promoting market recognition and value realization.

FINANCIAL REVIEW

Revenue

Our revenue decreased by 8.7% from RMB407.1 million for the year ended 31 December 2024 to RMB371.6 million for the year ended 31 December 2025.

Revenue by dental service category

we generated revenue from provision of a comprehensive range of dental services, including (i) general dentistry services, (ii) implantology services, and (iii) orthodontics services.

General dentistry services

Our revenue from general dentistry services decreased by 6.8% from RMB217.3 million for the year ended 31 December 2024 to RMB202.5 million for the year ended 31 December 2025. The decrease was primarily due to the decrease of 2.7% of the number of customer visits from 516,000 for the year ended 31 December 2024 to 503,000 for the year ended 31 December 2025. Revenue from general dentistry services accounted for 54.5% of our total revenue, as compared to 53.4% for the year ended 31 December 2024.

Implantology services

Our revenue from implantology services decreased by 14.9% from RMB115.6 million for the year ended 31 December 2024 to RMB98.4 million for the year ended 31 December 2025. The decrease was primarily due to the decrease of 7.9% of number of customer visits from 87,000 for the year ended 31 December 2024 to 80,000 for the year ended 31 December 2025. Revenue from implantology services accounted for 26.5% of our total revenue, as compared to 28.4% for the year ended 31 December 2024.

Orthodontics services

Our revenue from orthodontics services decreased by 4.7% from RMB74.1 million for the year ended 31 December 2024 to RMB70.6 million for the year ended 31 December 2025. The decrease was primarily due to a decline in average spending per customer. The number of customer visits increased by 1.1% from 145,000 for the year ended 31 December 2024 to 147,000 for the year ended 31 December 2025. Revenue from orthodontics services accounted for 19.0% of our total revenue, as compared to 18.2% for the year ended 31 December 2024.

Cost of Sales

Our cost of sales primarily consists of (i) staff costs, mainly including salaries, bonuses and benefit expenses for dentists and other medical professionals working at our dental service network; (ii) costs of consumables and customized products, mainly representing costs to procure dental consumables and customize products used in our dental services, mainly including implant fixtures, porcelain crowns and dental braces; (iii) depreciation and amortization, mainly representing depreciation of right of use assets and medical equipment; (iv) office and property management expenses; and (v) share-based payments to medical professionals employed by us under the Pre-IPO Restricted Share Scheme.

Our cost of sales decreased by 9.1% from RMB254.7 million for the year ended 31 December 2024 to RMB231.5 million for the year ended 31 December 2025. The decrease was primarily due to (i) the decrease in consumables and customized products; (ii) the decrease in staff costs; and (iii) the decrease in depreciation and amortization.

Gross Profit and Gross Profit Margin

Our gross profit decreased by 8.0% from RMB152.3 million for the year ended 31 December 2024 to RMB140.1 million for the year ended 31 December 2025. The decrease in our gross profit was primarily due to the decrease in our revenue. Our gross profit margin increased from 37.4% for the year ended 31 December 2024 to 37.7% for the year ended 31 December 2025. The increase in our gross profit margin was primarily due to our effective cost control.

Other Income and Gains, Net

Our other income and gains, net primarily consists of (i) investment income from wealth management products we purchased; (ii) government grants mainly representing certain government grants by the relevant government authorities; (iii) gain arising from lease termination, representing gains arising from adjustment on the lease terms; (iv) bank interest income; (v) rental income, representing income generated from lease of certain properties owned by us or sublease of our right of use assets. Our other income and gains, net increased by 1.6% from RMB5.5 million for the year ended 31 December 2024 to RMB5.6 million for the year ended 31 December 2025.

Selling and Distribution Expenses

Our selling and distribution expenses primarily consist of (i) advertising and promotion expenses; and (ii) staff costs, mainly representing salaries, bonuses and benefit expenses for our branding and marketing staff. Our selling and distribution expenses increased by 4.8% from RMB40.5 million for the year ended 31 December 2024 to RMB42.4 million for the year ended 31 December 2025, primarily due to the increase in advertising and promotion expenses resulting from strategic adjustments to marketing activities in 2025.

Administrative Expenses

Our administrative expenses primarily consist of (i) staff costs, mainly representing salaries, bonuses and benefit expenses for our management and administrative personnel; (ii) depreciation and amortization; (iii) consultation and professional service expenses; (iv) office expenses; (v) listing expenses; (vi) share-based payment expenses for Restricted Shares granted to our directors and employees under the Pre-IPO Restricted Share Scheme; and (vii) entertainment expenses. Our administrative expenses decreased by 16.3% from RMB34.9 million for the year ended 31 December 2024 to RMB29.2 million for the year ended 31 December 2025, primarily due to the optimization of functional and personnel structures.

Enterprise Income Tax

Our enterprise income tax expense decreased from RMB8.3 million for the year ended 31 December 2024 to RMB7.2 million for the year ended 31 December 2025, primarily due to the decrease in profit before tax during the Reporting Period.

Net Profit

As a result of the foregoing, our net profit decreased by 19.0% from RMB62.5 million for the year ended 31 December 2024 to RMB50.6 million for the year ended 31 December 2025. Our net profit margin (i.e., the percentage of net profit to revenue during the Reporting Period) decreased from 15.4% for the year ended 31 December 2024 to 13.6% for the year ended 31 December 2025. Our adjusted net profit[1] (non-IFRS measure) decreased by 11.1% from RMB68.3 million for the year ended 31 December 2024 to RMB60.7 million for the year ended 31 December 2025. The following table reconciles our adjusted net profit (non-IFRS measure) for the periods indicated:

	Year ended December 31	
	2025	2024
	RMB'000	*RMB'000*
Net profit for the year	**50,609**	62,500
Add:		
Fair value losses/(gains) on redeemable preference shares	**–**	(1,716)
Share-based payment expenses [2]	**4,340**	2,355
Listing expenses	**5,783**	5,207
Adjusted net profit for the year (non-IFRS measure)	**60,732**	68,346

Notes:

(1) **Adjusted net profit for the year (non-IFRS measure)** – We define adjusted net profit (non-IFRS measure), as net profit for the period adjusted by adding (i) fair value losses or gains on redeemable preference shares; (ii) share-based payment expenses; and (iii) listing expenses. Our redeemable preference shares represent shares issued by us in connection with Series A Investment and Series B Investment to Independent Third-Party investors. All special rights granted to such investors have been terminated in September 2024. We ceased to recognize any further loss or gain on fair value changes of redeemable preference shares thereafter, because there were no more redeemable preference shares upon the termination of all special rights.

(2) **Share-based payment expenses** – representing expenses arising from Restricted Shares granted to our employees and former employees under the Pre-IPO Restricted Share Scheme.

Prepayments, Other Receivables and Other Assets

Our prepayments, other receivables and other assets decreased by 44.5% from RMB21.8 million as of 31 December 2024 to RMB12.1 million as of 31 December 2025, primarily due to the transfer of relevant listing expenses from prepayments to capital reserves upon the Listing of our company.

Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognized for non-controlling interests and any fair value of our previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. As of 31 December 2025, the carrying amount of our goodwill remained stable at RMB63.1 million.

Contingent Liabilities

As at 31 December 2025 and 31 December 2024, we had no material contingent liabilities.

Liquidity, Financial Resources and Capital Structure

During the Reporting Period, we financed our capital expenditure and working capital requirements mainly through cash generated from operations. Our cash and deposits increased from RMB95.0 million as at 31 December 2024 to RMB251.5 million as at 31 December 2025, primarily due to the increase of proceeds from the Listing.

As at 31 December 2025, we had no bank loans and we had obtained undrawn bank loan facilities of RMB50.0 million.

As at 31 December 2025, we had net current assets of RMB213.9 million, as compared to net current liabilities of RMB13.5 million as at 31 December 2024; as at 31 December 2025, our liquidity as represented by current ratio[(1)] was 3.4 times, compared to 0.9 times as at 31 December 2024; as we had no bank loans and other borrowings, the gearing ratio (total bank loans and other borrowings to total equity) was 0% as at 31 December 2025 (31 December 2024: 0%).

The primary objectives of the Group's capital management are to maintain the Group's stability and growth, safeguard its normal operations and maximize shareholders' value.

Note: (1) Current ratio = total current assets/total current liabilities

Capital Expenditures

Our capital expenditures primarily consist of expenditures on (i) property, plant and equipment; (ii) acquisition of subsidiaries; and (iii) other intangible assets. Our capital expenditures decreased from RMB24.3 million for the year ended 31 December 2024 to RMB13.9 million for the year ended 31 December 2025, primarily due to the decrease in our expenditures on property, plant and equipment.

Contractual Commitments

As at 31 December 2025, our capital commitments in respect of contracts for property, plant and equipment, intangible assets, etc. were nil, as compared to RMB0.4 million as at 31 December 2024.

Pledge of Assets

As at 31 December 2025, we did not have any pledged assets.

Foreign Exchange Risk

As we primarily operate our business in the PRC with most transactions settled in RMB, however, some of our assets (in particular, the net proceeds from the Global Offering) are denominated in Hong Kong dollars. As at the end of the Reporting Period, these Hong Kong dollar-denominated assets accounted for more than 50% of the Group's total cash, constituting significant assets denominated in a currency other than the functional currency; therefore, the Group is exposed to a certain degree of foreign exchange risk. Fluctuations in the exchange rate between the Hong Kong dollar against RMB may have a potential impact on the Group's financial position. The Board will from time to time review analyses prepared by our accounting department and assess whether there will be any material adverse impact on our financial performance and whether we should enter into any hedging or derivative financial instruments to manage such foreign exchange risk exposures. As at 31 December 2025, the Group did not engage in hedging activities for managing the foreign exchange risk.

Employees and Remuneration Policy

As at 31 December 2025, we had a total of 1,015 employees, compared to 1,164 employees as of 31 December 2024. The remuneration package we provide to employees mainly includes basic salaries and performance bonuses. We conduct annual performance reviews for them, and the review results will be used in their salary determination, bonus awards and promotion assessments.

We highly value the recruitment, management, training and retainment of our employees, especially medical professionals. In particular, we arrange diversified training sessions for our employees, including pre-job training, training on basic medical theory, basic medical knowledge, and basic medical skills, advanced training and special training focused on selected specialties. We also encourage our employees to participate in a wide range of academic exchange activities and professional studies to enrich their technical know-how and develop their capabilities and skills.

We also adopted the Pre-IPO Restricted Share Scheme in July 2017 to incentivize employees and align their interests with ours. Employee benefit expenses mainly include salaries, bonuses and allowances we provide to employees in the PRC. For the year ended 31 December 2025, employee benefit expenses amounted to RMB154.3 million (year ended 31 December 2024: RMB160.7 million). In particular, under the employee incentive schemes, we recognized share-based payment expenses of RMB4.3 million for the year ended 31 December 2025 (year ended 31 December 2024: RMB2.4 million).

Material Acquisitions and Disposals of Subsidiaries, Associates or Joint Ventures

During the Reporting Period, there were no material acquisitions or disposals of our subsidiaries, associates or joint ventures.

Events After the Reporting Period

The Directors are not aware of other significant events affecting the Company and its subsidiaries which have occurred after the end of the Reporting Period.

Future Plans for Material Investments and Capital Assets

Save as disclosed in the section headed "Future Plans and Use of Proceeds" in the Prospectus, as of 31 December 2025, we did not have detailed future plans for material investments or capital assets.

Compliance with Relevant Laws and Regulations

As far as the Board and management are aware, the Group complied in all material aspects with the relevant laws and regulations that have a significant impact on the business and operation of the Group during the Reporting Period. For the year ended 31 December 2025, there was no material breach of, or non-compliance with, applicable laws and regulations by the Group.

Corporate Governance Practices

The Company is committed to maintaining and promoting stringent corporate governance. The principle of the Company's corporate governance is to promote effective internal control measures, uphold a high standard of ethics, transparency, responsibility and integrity in all aspects of business, to ensure that its affairs are conducted in accordance with applicable laws and regulations and to enhance the transparency and accountability of the Board to all Shareholders.

As the H Shares were listed on the Stock Exchange on 9 July 2025, the Corporate Governance Code as set out in Appendix C1 to the Listing Rules was not applicable to the Company during the period from 1 January 2025 to 8 July 2025. The Board is of the view that, from the Listing Date to 31 December 2025, the Company has complied with all applicable code provisions as set out in Part 2 of the Corporate Governance Code, save as disclosed below:

Code provision C.5.1 of Part 2 of the Corporate Governance Code provides that Board meetings shall be convened at least four times annually. As the H Shares were listed on the Stock Exchange on 9 July 2025, the period during which the Board was required to fulfill its legal and governance responsibilities did not cover the entire financial year. During this period, the Board effectively discharged its responsibilities, reviewed and approved all key matters through two formal meetings. In addition, the members of the Board ensured the continuous and effective execution of the Board's management functions through various informal yet efficient communication channels, including regular receipt of management reports and teleconferences.

The Board will continue to enhance its corporate governance practices appropriate to the conduct and growth of its business and to review such practices from time to time to ensure that they comply with statutory and professional standards and align with the latest development.

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, they have complied with the Model Code from the Listing Date to 31 December 2025.

Final Dividend

The Board recommends the payment of the final dividend for the year ended 31 December 2025 (the "**Final Dividend**"). Based on the total share capital of 49,379,042 Shares as of the date of this announcement, a cash dividend of RMB0.668 (tax-inclusive) per Share will be distributed to all Shareholders. The total proposed cash dividend to be distributed is RMB32,985,200 (tax-inclusive). The above proposal is subject to consideration and approval at the 2025 AGM of the Company. Details regarding the dividend distribution will be set forth in the circular to be issued and despatched to Shareholders by the Company.

Subject to the approval of the proposed Final Dividend by the Shareholders at the forthcoming 2025 AGM, it is expected that the payment date of the proposed Final Dividend will be no later than 30 June 2026.

The proposed Final Dividend will be declared in Renminbi and paid in Renminbi to Shareholder of Unlisted Shares, and in Hong Kong dollars to Shareholder of H Shares. The exchange rate from Renminbi to Hong Kong dollars will be based on the average of the middle exchange rates published by the People's Bank of China during the calendar week preceding the announcement of the proposed Final Dividend (i.e., the date of the 2025 AGM).

Purchase, Sale or Redemption of the Listed Securities of the Company

The H Shares were first listed on the Stock Exchange on 9 July 2025. From the Listing Date to 31 December 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company (including the sale of treasury shares, if any). As of 31 December 2025, the Company did not hold any treasury shares.

Scope of Work of the Auditor

The financial information in respect of the announcement of the Group's results for the year ended 31 December 2025 has been agreed by the Group's auditors, Ernst & Young, to the amounts set out in the Group's draft consolidated financial statements for the year ended 31 December 2025. The work performed by Ernst & Young in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Ernst & Young on the results announcement.

Audit Committee

The Audit Committee of Company has reviewed the Group's final results for 2025 and the consolidated financial statements for the year ended 31 December 2025 prepared in accordance with IFRS.

Annual General Meeting

The 2025 AGM will be held on Friday, 29 May 2026. The circular (including notice of the 2025 AGM) will be published on the websites of the Company and the Stock Exchange and despatched to the Shareholders in due course, if applicable.

Closure of Register of Members

In order to determine the list of the Shareholders entitled to attend and vote at the 2025 AGM, the register of members of the Company will be closed from Tuesday, 26 May 2026 to Friday, 29 May 2026 (both days inclusive), during which period no transfer of Shares will be registered. To ascertain the Shareholders' entitlement to attend and vote at the 2025 AGM, all properly completed share transfer forms accompanied by the relevant share certificates must be lodged with the Company's H Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (in respect of H Shareholders) or the Company's Board office at Room 5, 11/F and Rooms 601, 608-612, 6/F, Huayin Building, No. 786 Minzhu Road, Zhongnan Road Sub-District, Wuchang District, Wuhan, Hubei Province, PRC (in respect of Shareholders of Unlisted Shares), no later than 4:30 p.m. on Friday, 22 May 2026. Shareholders whose names appear on the register of members of the Company on Friday, 29 May 2026 are entitled to attend and vote at the 2025 AGM.

In order to determine the list of the Shareholders eligible for the Final Dividend, the register of members of the Company will be closed from Thursday, 4 June 2026 to Friday, 5 June 2026 (both days inclusive), during which period no transfer of Shares will be registered. To qualify for the proposed Final Dividend, all properly completed share transfer forms accompanied by the relevant share certificates must be lodged with the Company's H Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong (in respect of H Shareholders) or the Company's Board office at Room 5, 11/F and Rooms 601, 608-612, 6/F, Huayin Building, No. 786 Minzhu Road, Zhongnan Road Sub-District, Wuchang District, Wuhan, Hubei Province, PRC (in respect of Shareholders of Unlisted Shares), no later than 4:30 p.m. on Wednesday, 3 June 2026. Shareholders whose names appear on the register of members of the Company on Friday, 5 June 2026 are entitled to receive the aforementioned Final Dividend.

PUBLICATION OF THE ANNUAL RESULTS AND ANNUAL REPORT

This announcement is published on the website of the Stock Exchange at www.hkexnews.hk as well as the website of the Company at www.chinadzyl.com. The Company's annual report for the year ended 31 December 2025 will be dispatched to the Shareholders, if applicable, 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, business partners and customers for their support and contribution to the Group.

DEFINITIONS

"2025 AGM"	the 2025 annual general meeting of the Company to be held on 29 May 2026
"Audit Committee"	the audit committee of the Board
"Board" or "Board of Directors"	the board of Directors of the Company
"China" or "PRC"	the People's Republic of China, but for the purpose of this announcement and for geographical reference only and except where the context requires, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Company" or "our Company"	Wuhan Dazhong Dental Medical Co., Ltd. (武漢大眾口腔醫療股份有限公司), formerly known as Wuhan Dazhong Dental Clinic Co., Ltd. (武漢大眾口腔門診部股份有限公司) and Wuhan Dazhong Dental Clinic Co., Ltd. (武漢大眾口腔門診部有限公司), established as a limited liability company in the PRC on 10 July 2007 and converted into a joint stock company with limited liability on 24 December 2014
"Corporate Governance Code"	Corporate Governance Code contained in Appendix C1 to the Listing Rules
"direct chain model"	under the direct chain model, chain institutions are wholly owned or having the majority of equity interests controlled by the headquarters, operating under the unified management and direct supervision of the headquarters
"Director(s)"	director(s) of our Company
"Global Offering"	the Hong Kong public offering and the international offering of the Company
"Group", "our Group", "our", "we" or "us"	our Company and its subsidiaries or, where the context so requires, our Company and any one or more of its subsidiaries
"H Share(s)"	the overseas listed foreign Share(s) in the share capital of the Company with nominal value of RMB1.00 each, to be subscribed for and traded in Hong Kong dollars and to be listed on the Stock Exchange

"HK$" or "Hong Kong dollars"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"IAS"	International Accounting Standards
"IFRS"	International Financial Reporting Standards as issued by the International Accounting Standards Board, which include IFRS Accounting standards, IAS Standards and Interpretations developed by the IFRS Interpretations Committee (IFRIC Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC Interpretations)
"Independent Third Party(ies)"	a person or entity which, to the best of our Directors' knowledge, information, and belief, having made all reasonable enquiries, is not a connected person of the Company within the meaning of the Listing Rules
"Listing"	listing of our H Shares on the main board of the Stock Exchange
"Listing Date"	9 July 2025, being the date on which the H Shares were listed on the main board of the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
"Main Board"	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the GEM of the Stock Exchange. For the avoidance of doubt, the Main Board does not include the GEM of the Stock Exchange
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules
"Pre-IPO Restricted Share Scheme"	the pre-IPO restricted share scheme adopted by our Company on 27 July 2017 and amended on 28 October 2024, the principal terms of which are summarized in "Appendix VI — Statutory and General Information — D. Pre-IPO Restricted Share Scheme" in the Prospectus
"Prospectus"	the prospectus of the Company dated 30 June 2025

"Reporting Period"	the year ended 31 December 2025
"Restricted Share(s)"	the Share(s) granted under the Pre-IPO Restricted Share Scheme with transfer restrictions, and have been converted into H Shares upon the completion of the Global Offering and the conversion of Unlisted Shares into H Shares
"RMB" or "Renminbi"	the lawful currency of the PRC
"Shareholder(s)"	holder(s) of our Shares
"Share(s)"	shares in the share capital of our Company, with a nominal value of RMB1.00 each, comprising Unlisted Shares and H Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed thereto under the Listing Rules
"Unlisted Shares"	Shares of our Company with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi, and are not currently listed or traded on any stock exchange
"%"	per cent

By order of the Board
Wuhan Dazhong Dental Medical Co., Ltd.
Mr. Yao Xue
Chairman and Executive Director

Wuhan, Hubei Province, PRC
31 March 2026

As at the date of this announcement, the Board of the Company comprises: (i) Mr. Yao Xue, Ms. Shen Hongmin, Mr. Guo Jiaping and Ms. Liu Hongchan as executive Directors; and (ii) Mr. Shu Yijie, Ms. Huang Suzhen and Mr. Xie Dong as independent non-executive Directors.