



# 通用技术环球医疗 GENERTEC UNIVERSAL MEDICAL

(Incorporated in Hong Kong with limited liability)

Stock code : 2666



# 2025

## ANNUAL REPORT



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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### Chairman and Vice-chairman

Mr. Chen Shisu (*Chairman*)  
Mr. Chan Kai Kong<sup>(1)</sup>  
(*Vice-chairman*)

### Executive Directors

Mr. Chen Shisu  
Mr. Xia Qi<sup>(2)</sup>  
(*Chief Executive Officer*)  
Ms. Wang Lin  
Mr. Wang Wenbing<sup>(3)</sup>  
(*Chief Executive Officer*)

### Non-executive Directors

Mr. Tong Chaoyin  
Mr. Lin Chunhai<sup>(4)</sup>  
Mr. Huang Youjie<sup>(5)</sup>  
Mr. Ma Wanming<sup>(6)</sup>  
Mr. Chan Kai Kong<sup>(1)</sup>  
Mr. Zhu Ziyang<sup>(7)</sup>  
Mr. Xu Ming<sup>(8)</sup>

### Independent Non-executive Directors

Mr. Li Yinquan  
Mr. Chow Siu Lui  
Mr. Xu Zhiming  
Mr. Chan, Hiu Fung Nicholas

## AUDIT COMMITTEE

Mr. Li Yinquan (*Chairman*)  
Mr. Chow Siu Lui  
Mr. Tong Chaoyin

## REMUNERATION COMMITTEE

Mr. Chow Siu Lui (*Chairman*)  
Mr. Lin Chunhai<sup>(4)</sup>  
Mr. Huang Youjie<sup>(5)</sup>  
Mr. Li Yinquan  
Mr. Xu Zhiming  
Mr. Chan Kai Kong<sup>(1)</sup>  
Mr. Xu Ming<sup>(8)</sup>

## NOMINATION COMMITTEE

Mr. Chen Shisu (*Chairman*)  
Ms. Wang Lin<sup>(4)</sup>  
Mr. Li Yinquan  
Mr. Chow Siu Lui  
Mr. Chan, Hiu Fung Nicholas  
Mr. Xu Ming<sup>(8)</sup>

## STRATEGY AND ESG COMMITTEE

Mr. Chen Shisu (*Chairman*)  
Mr. Huang Youjie<sup>(5)</sup>  
Mr. Ma Wanming<sup>(6)</sup>  
Mr. Chan Kai Kong<sup>(1)</sup>  
Mr. Zhu Ziyang<sup>(7)</sup>

## RISK CONTROL COMMITTEE

Mr. Ma Wanming<sup>(6)</sup> (*Chairman*)  
Mr. Xia Qi<sup>(2)</sup>  
Mr. Tong Chaoyin  
Mr. Zhu Ziyang<sup>(7)</sup>  
Mr. Wang Wenbing<sup>(3)</sup>

## COMPANY SECRETARY

Ms. Ng Wai Kam

## AUTHORISED REPRESENTATIVES

Mr. Chen Shisu  
Ms. Ng Wai Kam

## REGISTERED OFFICE

Room 702, Fairmont House  
8 Cotton Tree Drive  
Central  
Hong Kong

## HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN CHINA

20th to 28th Floor,  
No. 90, Side Road of West Third  
Ring Middle Road  
Fengtai District  
Beijing, China

<sup>(1)</sup> Resigned with effect from 25 July 2025

<sup>(2)</sup> Appointed with effect from 25 March 2026

<sup>(3)</sup> Resigned with effect from 25 March 2026

<sup>(4)</sup> Appointed with effect from 25 April 2025

<sup>(5)</sup> Appointed with effect from 17 November 2025

<sup>(6)</sup> Appointed with effect from 18 December 2025

<sup>(7)</sup> Resigned with effect from 17 November 2025

<sup>(8)</sup> Resigned with effect from 25 April 2025

## SHARE REGISTRAR

Computershare Hong Kong  
Investor Services Limited  
Shops 1712-1716, 17th Floor  
Hopewell Centre  
183 Queen's Road East  
Wan Chai  
Hong Kong

## AUDITOR

Shinewing (HK) CPA Limited  
(Public Interest Entity Auditor  
registered in accordance  
with the Financial  
Reporting Council Ordinance)

## LEGAL ADVISER

Jingtian & Gongcheng LLP

## PRINCIPAL BANKERS

Bank of Communications,  
Beijing Fuwai Subbranch  
Bank of China (Hong Kong)  
Limited

## COMPANY'S WEBSITE

[www.umcare.cn](http://www.umcare.cn)

## STOCK CODE

02666.HK

# DEFINITIONS

“2026 AGM”	the annual general meeting of the Company to be held in 2026
“Articles”	the articles of association of the Company
“Audit Committee”	the audit committee of the Board
“Board” or “Board of Directors”	the board of Directors
“CG Code”	the “Corporate Governance Code” contained in Appendix C1 to the Listing Rules
“CNTIC”	China National Technical Import & Export Corporation (中國技術進出口集團有限公司), a company incorporated in the PRC and a wholly-owned subsidiary of GT-PRC
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Company” or “Universal Medical”	Genertec Universal Medical Group Company Limited (通用環球醫療集團有限公司) (formerly known as Universal Medical Financial & Technical Advisory Services Company Limited (環球醫療金融與技術諮詢服務有限公司), Universal Medical Services & Health Management Company Limited (環球醫療服務有限公司) and Universal International Leasing Co., Limited (環球國際租賃有限公司)), a company incorporated with limited liability under the laws of Hong Kong on 19 April 2012
“CULC”	China Universal Leasing Co., Ltd. (中國環球租賃有限公司), a wholly foreign-owned enterprise incorporated in China on 1 November 1984 and a wholly-owned subsidiary of the Company
“Director(s)”	the director(s) of the Company
“ESG”	environmental, social and governance
“Group”, “we” or “us”	the Company and its subsidiaries
“GT-HK”	Genertec Hong Kong International Capital Limited (通用技術集團香港國際資本有限公司), a company incorporated under the laws of Hong Kong on 24 March 1994 with limited liability, an indirect wholly-owned subsidiary of GT-PRC, and one of the controlling shareholders of the Company

“GT-PRC”	China General Technology (Group) Holding Company Limited (中國通用技術(集團)控股有限責任公司), which is a state-owned enterprise under the direct administration of the PRC central government, the ultimate controlling shareholder of the Company
“GT-PRC Finance”	Genertec Finance Co., Ltd (通用技術集團財務有限責任公司), a company established in the PRC and held by GT-PRC and CNTIC as to 95% and 5%, respectively
“HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“JPY”	Japanese Yen, the lawful currency of Japan
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules
“Nomination Committee”	the nomination committee of the Board
“PRC” or “China”	The People’s Republic of China, for the purpose of this report, excluding Hong Kong, Macau and Taiwan
“Prospectus”	the prospectus issued by the Company on 24 June 2015
“Remuneration Committee”	the remuneration committee of the Board
“Risk Control Committee”	the risk control committee of the Board
“RMB”	Renminbi, the lawful currency of the PRC
“Securities Dealing Code”	the Company’s own code of conduct regarding directors’ and employees’ dealings in the Company’s securities

## DEFINITIONS

“Share(s)”	ordinary share(s) in the share capital of the Company
“Shareholder(s)”	holder(s) of Shares
“Share Option Scheme”	the share option scheme adopted by the Company on 31 December 2019
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Strategy and ESG Committee”	the strategy and ESG committee of the Board
“Treasury Share(s)”	has the meaning ascribed thereto under the Listing Rules
“USD”	United States dollars, the lawful currency of the United States
“%”	per cent

# COMPANY PROFILE

Genertec Universal Medical Group Company Limited (通用環球醫療集團有限公司) (“**Universal Medical**”) is controlled by a central state-owned enterprise and listed on the Stock Exchange in July 2015 (stock code: 2666) with focus on healthcare industry. China General Technology (Group) Holding Company Limited (中國通用技術(集團)控股有限責任公司), the controlling shareholder of the Company, is a backbone state-owned enterprise under direct administration of the PRC central government.

Universal Medical has long focused on China’s fast-growing medical and health industry. With comprehensive healthcare as the foundation, specialized medical services as the feature, health technology as the engine, and financial services as the support, we fully leverage the advantages of industry-finance integration to build a shared and win-win large health ecosystem, and strive to build a trustworthy world-class medical and health industry group.

We give full play to the advantages of central state-owned enterprises in operating healthcare, and adhere to the business philosophy of “Safeguarding Life and Health through Quality Healthcare”. We own 67 medical institutions distributed in 14 provinces and municipalities, including Shaanxi, Shanxi, Sichuan, Liaoning, Anhui, Hebei, Beijing, and Shanghai. Among these institutions, there are 6 Grade III Class A Hospitals, 1 Grade III hospital, and 31 Grade II hospitals, with a total capacity of over 16,000 beds. This forms a widely covered, high-quality medical service network, providing the general public with full-cycle medical services that are safe, effective, accessible, and humanistic.

We take specialized medical services as the breakthrough point, relying on the endowment of comprehensive healthcare resources, and adhere to the development path of characteristic, chain-based, and industrialized operations. We focus on key areas such as ophthalmology, rehabilitation, oncology, and traditional Chinese medicine, build flagship specialized hospitals, improve the “1+N” business layout, innovate service models, and forge core competitiveness – all to precisely meet the multi-level and diversified specialized medical needs of the general public. We deploy health technology business and actively respond to the call of the “Digital China” strategy. With empowering people’s livelihood health and fostering new productive forces in the health field as the starting point, we focus on such sectors as full-cycle management of medical equipment, intelligent medical health and elder care, and medical digital technology. By deeply integrating cutting-edge technologies such as cloud computing, big data, and AI, we cultivate characteristic businesses and core capabilities, providing a technological engine for the group’s innovative development.

We deeply engage in financial business, positioned with the dual missions of “Serving the Construction of a Modern Industrial System and Supporting the Development of Core Businesses”. We closely focus on the “Five Priorities” of tech finance, green finance, inclusive finance, pension finance, and digital finance, continuously innovate the service ecosystem, and build the unique advantages of “Finance + Medical and Health” industry-finance integration – injecting financial vitality into the high-quality development of the industry.

In the future, Universal Medical will firmly grasp the good opportunity of China’s medical healthcare industry, actively respond to the “Healthy China” strategy, and industriously contribute the strength of central state-owned enterprises to China’s healthcare undertakings.

# STATEMENT FROM THE CHAIRMAN OF THE BOARD



## STATEMENT FROM THE CHAIRMAN OF THE BOARD

**Dear Shareholders,**

With a decade of relentless effort, we have always stayed true to our original aspiration. In 2015, Universal Medical embarked on its journey in the capital market with the original aspiration of serving Healthy China and safeguarding people's health. Over the past ten years, amidst the robust development of the undertakings of the Party and the country, Universal Medical has firmly moved forward in the reform on state-owned enterprises-affiliated hospitals. The Company has continuously deepened its presence in the healthcare industry, expanded its business layout, and deepened the integration of industry and finance. It has evolved from a financial leasing company initially exploring the medical services sector into a medical and health conglomerate that has over 140 subsidiaries and 24,000 employees and is driven by four growth engines of "Finance + Integrated healthcare + Specialised medical care + Healthcare technology". Taking integrated healthcare as its foundation, specialised medical care as its specialty, healthcare technology as its engine, and finance as its support, the Company actively builds a shared and mutually beneficial Health ecosystem. Through this approach, it has achieved a profound transformation in its business structure and core capabilities, forging a distinctive path to high-quality development that combines central state-owned enterprises' medical care services and industry-finance integration.

**Forging ahead with unwavering determination, we delivered exceptional results through steady growth.** While expanding at a steady pace, we have continued to strengthen our development resilience. The Company's operating revenue increased from RMB2.19 billion at the time of listing to RMB14.94 billion, representing a compound annual growth rate (CAGR) of 21.2%. Consolidated net profit grew from RMB660 million to RMB2.318 billion, with a CAGR of 13.4%. Total assets expanded from RMB23.66 billion to RMB84.33 billion, achieving a CAGR of 13.6%. We have maintained a dividend payout ratio of 30% for 11 consecutive years, with dividends distributions exceeding RMB5 billion in total. Through concrete actions, we have fulfilled our commitment to sharing value with investors and further strengthened our confidence in integrity and innovation for steady and sustainable development.

## STATEMENT FROM THE CHAIRMAN OF THE BOARD

**Through shouldering greater responsibilities, we fulfilled our role as a central state-owned enterprise by strengthening healthcare and benefiting the people.** Deeply integrated into the broader national healthcare system, we have undertaken the significant mission of professionally integrating state-owned medical institutions. Through initiatives such as discipline building, investment in infrastructure, operational improvement, regional coordination and digital transformation, we have promoted quality enhancement and efficiency upgrading of central state-owned enterprises in running medical care. The Company has built a medical service network that comprises nearly 70 medical institutions with 16,000 beds covering 14 provinces and municipalities, and serves over 10 million patients annually. As of the end of 2025, the Company had one state-level key specialty, 22 provincial-level key specialties and 111 municipal-level key specialties, and over 60% of the provincial/municipal-level key specialties were newly added in the past five years. We have invested approximately RMB 5 billion in construction of hospital infrastructure, and a total of 900,000 square meters of floor space has been newly built or renovated, significantly improving the facilities in hospitals and steadily enhancing patient satisfaction. Leveraging digital and intelligent technologies, we have made medical services more efficient and accessible, and completed the integrated transformation of core information systems across our medical institutions and fully put them on cloud. We have promoted the construction of smart hospitals, making breakthroughs in smart healthcare, smart services, and smart management ratings. Additionally, we independently developed an internet health platform, which has served over 52 million users.

**Driven by the synergy of industry and finance, we empowered industrial development with financial resources.** Over the past decade, our finance lease business has achieved steady growth, with core indicators such as profitability and asset quality consistently maintaining industry-leading positions, laying a solid foundation for our expansion into the Health industry. By focusing on our core business, we continued to deepen the integration of industry and finance. We combined finance with medical equipment procurement to provide innovative one-stop services that integrates “finance lease + full lifecycle management”, accelerating the construction of national-level medical centers. Leveraging our business resources and expertise in the elderly care sector, we have developed a new model of “finance + intelligent medical health and elder care platforms + operations”, facilitating the industrial transformation of local state-owned enterprises. Moreover, through finance lease, we successfully introduced the first ultrasound tissue ablation system for tumor treatment in Chinese Mainland, establishing a value loop of “technology introduction + financial support + clinical validation”. This approach continues to remain at the forefront of innovation driven by integration of finance and industry.

## STATEMENT FROM THE CHAIRMAN OF THE BOARD

**Through branching out, we ignited the engine of health with the spark of technology.** By bringing together high-quality industry resources, we cultivate a Health ecosystem driven by market demand and powered by technology, establishing ourselves as a leader in specialized fields such as full lifecycle management of medical equipment and intelligent medical health and elder care. The Universal Technology Services focuses on full lifecycle services encompassing “management, procurement, maintenance, operation and repair”, providing professional support to ensure the safety and efficiency of clinical diagnosis and treatment at over 1,600 medical institutions. It has resolved bottlenecks in 46 core technologies and has been granted more than 90 national patents. Universal Qingniao continues to build the integrated online-and-offline service system for medical health and elder care, targeting governments, institutions and individuals. Its business operations expand into 182 districts and counties across 24 provinces, and provide services for over 5,000 elderly care institutions, boasting national leading network of intelligent medical health and elder care. Meanwhile, we actively expand into sectors such as digital intelligence health technology and intelligent logistics services, building a diversified development pattern for the health industry driven by technology.

**Acting for good, we fulfilled our social responsibilities with warm commitment.** We stick to “aligning our growth with our mission to serve the people, supporting employee development, promoting environmental sustainability, and creating win-win outcomes for all stakeholders”. ESG principles are deeply integrated into our corporate strategy and business practices, becoming an internal driver for long-term value creation. We were included in the CCTV's “ESG Pioneer 100 List of China’s Listed Companies” for three consecutive years. We were recognized by S&P Global as an “Industry Mover” in the Sustainability Yearbook 2024 (China Edition), and our S&P Global ESG Score rose to 68 in 2025, becoming a top-tier player in the industry globally and securing us a place in the Sustainability Yearbook 2025 (Global Edition). We always focus on those in greatest need. The “Universal Medical’s Special Fund for Public Welfare” has supported 1,650 families across 12 provinces. We continue to focus on improving access to healthcare for people in remote areas and the grassroots, and have been deeply involved in medical aid missions in Xinjiang, Tibet and abroad. Our “Roof of the World” Medical Service Team has been awarded as the “Model Central SOE” by the SASAC of the State Council. We firmly believe that only responsible development can earn everlasting trust, and only sustainable development can extend the warmth of enterprise to more corners of the world.

Our achievements would not have been possible without the consistent trust from our shareholders and investors over the years and the partnership and shared commitment of each of our partners. On behalf of the Board of Directors of the Company, I would like to extend our sincerest gratitude and highest respect to all friends who have supported and cared about the development of Universal Medical!

## STATEMENT FROM THE CHAIRMAN OF THE BOARD

At the starting point of the “15th Five-Year Plan”, we feel the pulse of our times. The global political and economic landscape is experiencing profound structural adjustment, demographic structures continue to change, and a new wave of technological revolution and industrial transformation, represented by artificial intelligence, is advancing rapidly. These forces are interacting and undergoing integration at an accelerating pace, reshaping the global economic landscape and social fabric on an unprecedented scale and depth. We understand that amid such profound transformations unseen in a century, only by remaining committed to long-termism, responding to external uncertainties with the certainty of our own development, and continuously nurturing the drive for organic growth can we forge the strength to navigate through cycles and achieve sustained growth in the face of change.

Looking ahead, Universal Medical is charting a course into wider waters. Stormy seas may lie ahead, but we have what it takes to stay the course: the resolve, the roadmap and the resilience. Universal Medical will remain committed to driving high-quality development through deepening reform, and anchor efforts in aligning with national strategies, supporting industrial development and contributing to a better life for the people. With integrated healthcare as our solid foundation, we will continue to strengthen discipline building, enhance service quality, and pursue development in a way that is “integrated, differentiated, specialized, intelligent, and lean”. Through persistent efforts, we aim to build a model for central state-owned enterprises in running medical care. With specialised medical care as a distinctive growth engine, we will accelerate the development of a “1+N” business layout, promoting specialties such as ophthalmology, traditional Chinese medicine, rehabilitation, and oncology towards achieving distinctive, chain-based and industrial development. With healthcare technology as our innovation engine, we will promote the deep integration of digital and intelligent technologies with medical health and elder care, cultivate leading players in each sub-industry, and boost the development of new quality productive forces in the healthcare sector. With financial services as strong support, we will continue to serve the real economy while supporting our core businesses, and constantly innovate models of integrating industry and finance to create a virtuous cycle in which “industry guides finance, and finance nurtures industry”.

Looking back, we traveled a long and winding road, with challenges never ceasing along the way. Looking ahead, we set our sights high, while the mountains ahead are even more rugged and majestic. On our new journey to “become a trusted world-class medical and healthcare conglomerate”, Universal Medical will stay true to its original aspiration and move forward with unwavering commitment. Through dedicated work and concrete achievements, we will live up to the responsibilities of our generation and accomplish our mission in the next decade.

# PERFORMANCE OVERVIEW

	For the year ended 31 December				
	2025 RMB'000	2024 RMB'000	2023 RMB'000	2022* <sup>4</sup> RMB'000	2021 RMB'000
<b>Operating Results</b>					
<b>Income</b>	<b>14,939,517</b>	13,663,485	13,650,203	12,073,172	9,914,273
Healthcare business income* <sup>1/2</sup>	<b>9,901,835</b>	8,488,276	7,832,842	6,372,252	4,608,377
Finance business income* <sup>1/2</sup>	<b>5,322,473</b>	5,227,167	5,882,032	5,721,203	5,307,546
<b>Cost of sales</b>	<b>(9,909,481)</b>	(9,071,645)	(9,078,344)	(7,578,878)	(5,714,834)
Cost of healthcare business* <sup>2</sup>	<b>(8,328,593)</b>	(7,086,495)	(6,763,527)	(5,581,491)	(4,022,583)
Cost of finance business* <sup>2</sup>	<b>(1,990,329)</b>	(2,199,061)	(2,576,827)	(2,212,900)	(1,829,066)
<b>Profit before tax</b>	<b>3,019,148</b>	2,907,119	2,866,213	2,703,274	2,691,808
<b>Profit for the year</b>	<b>2,317,592</b>	2,258,334	2,199,072	2,085,948	2,030,469
Profit for the year attributable to owners of the parent	<b>2,156,763</b>	2,031,740	2,020,918	1,888,417	1,835,233
<b>Basic earnings per share (RMB)</b>	<b>1.13</b>	1.07	1.07	1.00	0.99
<b>Diluted earnings per share (RMB)*<sup>3</sup></b>	<b>1.08</b>	1.02	0.99	0.93	0.91
<b>Profitability Indicators</b>					
Return on total assets <sup>(1)</sup>	<b>2.72%</b>	2.71%	2.80%	2.84%	3.09%
Return on equity <sup>(2)</sup>	<b>11.83%</b>	12.37%	13.63%	13.95%	15.37%
Net interest margin <sup>(3)</sup>	<b>4.34%</b>	3.58%	3.16%	3.67%	4.05%
Net interest spread <sup>(4)</sup>	<b>3.80%</b>	3.01%	2.64%	3.24%	3.56%

\*1 After taxes and surcharges

\*2 Before inter-segment offset

\*3 The potential dilutive shares of the Company include the shares to be issued under the share option scheme and the shares converted from the convertible bonds in the current period

\*4 The Company adjusted the relevant financial statements for the year of 2022 retrospectively due to the business combinations under common control

(1) Return on total assets = profit for the year/average balance of assets at the beginning and end of the year;

(2) Return on equity = profit for the year attributable to owners of the parent/average balance of equity attributable to owners of the parent at the beginning and end of the year;

(3) Net interest margin = net interest income/average balance of interest-earning assets;

(4) Net interest spread = average yield of interest-earning assets – average cost rate of interest-bearing liabilities. Average balance of interest-earning assets is calculated based on the average balance of net lease receivables and factoring receivables before provision as at each month end within the reporting period; average balance of interest-bearing liabilities is calculated based on the average balance of bank and other borrowings and lease deposits as at each month end within the reporting period.

## PERFORMANCE OVERVIEW

	31 December 2025	31 December 2024	31 December 2023	31 December 2022	31 December 2021
	RMB' 000	RMB' 000	RMB' 000	RMB' 000	RMB' 000
<b>Assets and Liabilities</b>					
Total assets	<b>84,317,664</b>	86,032,295	80,344,744	76,980,328	69,899,801
Net interest-earning assets	<b>69,614,189</b>	71,277,419	67,348,585	65,233,831	61,127,607
Total liabilities	<b>59,278,687</b>	63,162,550	59,976,786	57,259,507	52,276,546
Interest-bearing bank and other borrowings	<b>48,227,349</b>	52,014,954	47,649,600	46,911,383	44,172,571
Total equity	<b>25,038,977</b>	22,869,745	20,367,958	19,720,821	17,623,255
Equity attributable to owners of the parent	<b>19,280,621</b>	17,175,729	15,677,741	13,980,382	13,103,989
Net assets per share (RMB)	<b>9.58</b>	9.08	8.29	7.39	7.05
<b>Financial Indicators</b>					
Debt ratio <sup>(1)</sup>	<b>70.30%</b>	73.42%	74.65%	74.38%	74.79%
Gearing ratio <sup>(2)</sup>	<b>1.93</b>	2.27	2.34	2.38	2.51
Current ratio <sup>(3)</sup>	<b>1.37</b>	1.16	1.02	1.06	1.33
<b>Asset Quality</b>					
Non-performing assets ratio <sup>(4)</sup>	<b>0.99%</b>	0.99%	0.98%	0.99%	0.98%
Provision coverage ratio <sup>(5)</sup>	<b>339.18%</b>	301.86%	284.55%	263.11%	238.29%
Write-off of non-performing assets ratio <sup>(6)</sup>	<b>7.79%</b>	10.43%	0.00%	7.00%	0.00%
Ratio of overdue interest-earning assets (over 30 days) <sup>(7)</sup>	<b>0.86%</b>	0.97%	0.89%	0.86%	0.76%

(1) Debt ratio = total liabilities/total assets;

(2) Gearing ratio = interest-bearing bank and other borrowings/total equity;

(3) Current ratio = current assets/current liabilities;

(4) Non-performing assets ratio = non-performing assets/net interest-earning assets;

(5) Provision coverage ratio = Provision for interest-earning assets/non-performing assets;

(6) Write-off of non-performing assets ratio = written-off assets/non-performing assets at the end of the previous year;

(7) Ratio of overdue interest-earning assets (over 30 days) is calculated based on net interest-earning assets which are more than 30 days overdue divided by net interest-earning assets.

# MANAGEMENT DISCUSSION AND ANALYSIS

## 1. BUSINESS REVIEW

Universal Medical is a medical and healthcare business group controlled by a central state-owned enterprise. As of 31 December 2025, the Group (i) operated 67 medical institutions, and provided the public with quality medical services; (ii) provided healthcare technology businesses such as life cycle management of medical care equipment, intelligent medical health and elder care, intelligent logistics, and health digital intelligence technology; and (iii) offered clients comprehensive financial solutions centered on finance leasing, supported by its prominent strengths in the integration of industry and finance.

Since 2025, the macroeconomic environment has undergone profound and complex changes, with strategic opportunities, risks and challenges coexisting. China's economy has forged ahead under pressure, moving toward innovation -driven and high-quality development. The Group has overcome difficulties, forged ahead in unity and gone all out to stabilize growth, optimize its layout, push forward reforms, and prevent risks, elevating high-quality development to a new stage and bringing the work of the 14th Five-Year Plan period to a successful conclusion. In 2025, the Group recorded a revenue of RMB14,939.5 million in total, up by 9.3% as compared to the previous year. In particular, the healthcare business recorded a revenue of RMB9,901.8 million, up by 16.7% as compared to the previous year, with its proportion to the total revenue increasing to 66.3%; the Group recorded a profit for the period of RMB2,317.6 million, up by 2.6% as compared to the previous year. The Group recorded a profit attributable to owners of the parent of RMB2,156.8 million, up by 6.2% as compared to the previous year; and the Group recorded a return on total assets (ROA) of 2.72% and a return on equity attributable to ordinary Shareholders (ROE) of 11.83%. The indicators of income and the assets conditions demonstrated a sound and steady performance. The Board recommends a dividend distribution of HKD0.36 per share for 2025, with a dividend payout ratio of 30%, continuing to reward Shareholders with stable returns.

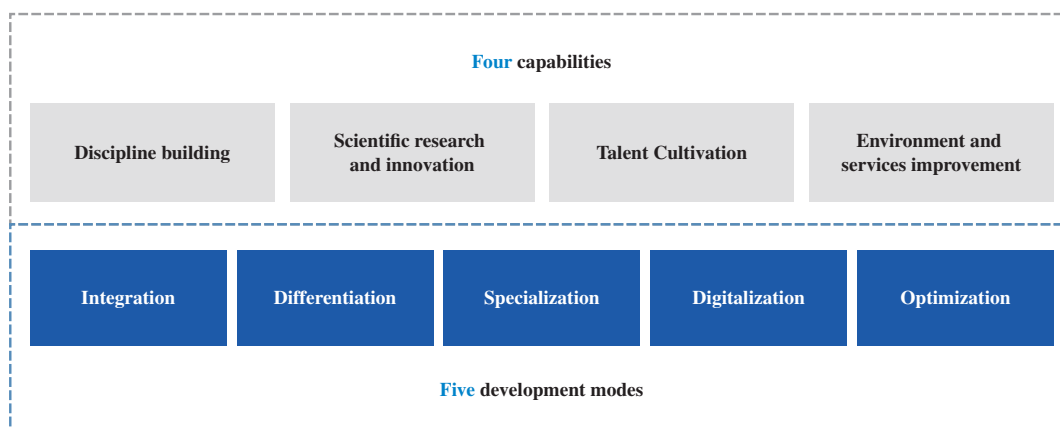
In 2025, the Group's equity structure and financial structure were further optimised. As evidenced by the full conversion of US\$90 million of convertible bonds into shares and the introduction of two central enterprises strategic Shareholders, namely CNCB (Hong Kong) Investment Limited (信銀(香港)投資有限公司) and China Cinda (HK) Asset Management Co., Ltd. The asset-liability ratio has been further improved to 70.30%, and liquidity remains safe and controllable.

# MANAGEMENT DISCUSSION AND ANALYSIS

## 1.1 Integrated healthcare business

Currently, the domestic medical service industry is at a critical stage of policy-driven transformation. DRG/DIP payment reforms, the development of medical alliances, and the promotion of the “Sanming Model (三明模式)” are driving the development model of integrated medical institutions to shift from scale expansion to quality improvement and refined management. As an important part of China’s medical and health system and a beneficial supplement to government-run public hospitals, medical institutions owned by state-owned enterprises urgently need to accelerate the enhancement of their own service capabilities and management levels to actively adapt to the requirements of high-quality development.

Integrated medical care serves as the “soil” for the Group’s development, representing the core support and strategic resource for building a medical health industry ecosystem and satisfying the people’s health needs. It is also the foundational customer base for the Group’s business units and a co-creation base for industrial innovation practice. In 2025, faced with external challenges such as stricter medical insurance supervision, the continuous advancement of payment reforms, and the gradual tightening of payment standards, domestic medical institutions generally came under operational pressure. Adhering to the concept of “Patient-centered” quality medical service, focusing on discipline building, scientific research innovation, talent cultivation, and environment and services improvement, the Group is firmly committed to implementing the development approach of “integration, differentiation, specialization, digitalization and optimization”. We lead our medical institutions to accelerate the enhancement of their service capabilities and management levels, actively adapt to the requirements of high-quality development, strengthen cost control, and improve operational efficiency. 2025 saw steady expansion in the scale of our integrated healthcare business and consistent improvement in healthcare service capacity.



## MANAGEMENT DISCUSSION AND ANALYSIS

### ***In terms of financial performance:***

In 2025, there were 65 consolidated integrated medical institutions (comprising 5 Grade III Class A hospitals, 1 Grade III specialised hospital and 30 Grade II hospitals) under the integrated healthcare business segment, with a capacity of 15,628 beds in total. They contributed to the Group a revenue of RMB8,182.6 million, up by 7.5% as compared to the previous year; recorded a profit for the year of RMB287.4 million, down by 39.3% as compared to the previous year. This decline was primarily attributable to two factors: first, the reform of medical insurance payment policies resulted in a decline in average cost per treatment; second, the commissioning of new infrastructure projects expanded the operation scale of medical institutions, leading to an increase in depreciation and amortization expenses as well as labor costs.

### ***In terms of operation performance:***

In 2025, the Group recorded patient visits of approximately 10.616 million in aggregate of its 65 consolidated integrated medical institutions, up by 1.9% as compared to the previous year; and outpatient and emergency visits reached 9.466 million, representing a year-on-year increase of 1.9%. During the reporting period, medical business income amounted to RMB7,715.5 million in total, and income per bed amounted to approximately RMB0.49 million, of which income per bed of Grade III Class A hospitals was approximately RMB0.67 million. Medical examination income amounted to RMB448.1 million in total, representing a year-on-year increase of 10.2%. The development of the hospital group is described as follows:

- **Promoting the in-depth implementation of “Integration”:** In 2025, the Group continued to deepen unified procurement and unified management, and comprehensively promoted the integration of finance, operations and information technology construction, so as to effectively reduce operating costs and enhance overall operational efficiency. We achieved an expansion in scope and quality improvement in internal paired assistance, advancing two batches involving 10 groups of hospitals to form “Big Hospitals Supporting Small Hospitals” (大幫小) and “Strong Hospitals Supporting Weak Hospitals” (強幫弱) twinning assistance relationships, thereby promoting the enhancement of discipline and operations in the assisted hospitals.

## MANAGEMENT DISCUSSION AND ANALYSIS

- **Clarifying the “Differentiation” development positioning:** The Group’s medical institutions achieved new breakthroughs in transformation and upgrading. Several hospitals have formed distinctive “Major specialty” features in areas such as specialized women’s and children’s services, integrated medical and elderly care, and rehabilitation. We are gradually building a differentiated outpatient service ecosystem, deepening the core strategy of “Expanding outpatient services, broadening outpatient services, optimizing outpatient services, and strengthening emergency services”. Based on the normalization of all-year-round outpatient services and the full coverage of extended hours outpatient services, we actively drive a dual improvement in service scale and revenue quality and efficiency.
- **Consolidating core “Specialization” capabilities:** The Group continues to refine its discipline development. In 2025, the Group added 2 provincial-level key specialties (Obstetrics and Gynecology of MCC17 Hospital, Nephrology Department of XD Hospital), bringing the total to 22, and added 4 municipal-level key specialties, bringing the total to 111. The Orthopedics Department of Yangmei General Hospital and the Cardiovascular Department of Ansteel General Hospital were identified as national clinical key specialty cultivation projects and their construction was launched. Two teaching hospitals were inaugurated, and the implementation of GCP contract was advanced. Scientific research outputs included 70 SCI papers, 45 Chinese core journal papers and 26 authorized patents. The Group increased its support for scientific research projects, and now has 45 provincial-level projects.
- **Forging a leading “Digitalization” advantage:** All hospitals under the Group have fully completed the standardization and cloud migration of their core business systems. The Group’s unified internet platform has accumulated more than 6 million registered users, with a total service volume exceeding 50 million visits. The healthcare data middle platform covers 16 business domains with a total data volume of nearly 7TB. The Group has established a group-wide AI-enabled platform and completed the coordinated construction and unified deployment of four core modules including “AI+ imaging diagnosis”, which further improves operational management efficiency, intelligent diagnosis and treatment, as well as service quality.

## MANAGEMENT DISCUSSION AND ANALYSIS

- Elevating the management level of “Optimization”:** The Group has actively promoted the development of a lean operation and management system. In 2025, the bed occupancy rate remained high at around 90%, and the average length of stay was optimized to 9.4 days. The Group implemented targeted initiatives including the optimization of admission and discharge procedures and the cross-departmental allocation of medical resources, which significantly reduced the pre-admission dropout rate, and notably improved both the same-day discharge settlement rate and the 30-day outpatient follow-up rate. With lean projects as the focus, the Group has systematically carried out cost reduction and efficiency enhancement initiatives to achieve efficiency optimization and cost savings.

In the future, the Group will further implement the “five strategies”, namely integration, differentiation, specialization, digitalization and optimization. It will comprehensively enhance its medical service and support capacity, and strive to become a new model of high-quality medical institutions operated by central state-owned enterprises.

### 1. *The geographical location of consolidated integrated medical institutions as of 31 December 2025*

Province	Grade III hospitals	Grade II hospitals	Others (note)	Total
Shaanxi	2	8	10	20
Shanxi	1	4	4	9
Sichuan	1	4	1	6
Anhui	1	2	3	6
Liaoning	1	1	1	3
Hebei		5	3	8
Henan		1	2	3
Shandong		1		1
Hunan		1		1
Jiangsu		1		1
Shanghai		1		1
Chongqing		1		1
Beijing			4	4
Zhejiang			1	1
<b>Total</b>	<b>6</b>	<b>30</b>	<b>29</b>	<b>65</b>

## MANAGEMENT DISCUSSION AND ANALYSIS

### 2. The operating performance of the 65 consolidated integrated medical institutions during the relevant periods

2025

Medical institution	Patient visits			Medical business income (RMB ten thousand)				Average index			
	Capacity	Outpatient and Emergency visits	Discharged	Visits for medical examination	Outpatient and emergency income	Inpatient income	Medical examination income	Total medical business income (including financial subsidy)	Income per bed (RMB ten thousand)	Outpatient fee per visit (RMB)	Inpatient fee per visit (RMB)
Grade III hospitals	5,331	3,944,530	244,081	293,160	115,142	214,911	19,661	350,004	66	292	8,805
Grade II hospitals	9,185	4,193,809	267,349	715,252	116,559	223,972	21,199	364,345	40	278	8,378
Others (note)	1,112	1,327,380	17,288	142,224	38,584	8,904	3,954	57,206	51	291	5,151
<b>Total</b>	<b>15,628</b>	<b>9,465,719</b>	<b>528,718</b>	<b>1,150,636</b>	<b>270,285</b>	<b>447,788</b>	<b>44,813</b>	<b>771,554</b>	<b>49</b>	<b>286</b>	<b>8,469</b>

2024

Medical institution	Patient visits			Medical business income (RMB ten thousand)				Average index			
	Capacity	Outpatient and Emergency visits	Discharged	Visits for medical examination	Outpatient and emergency income	Inpatient income	Medical examination income	Total medical business income (including financial subsidy)	Income per bed (RMB ten thousand)	Outpatient fee per visit (RMB)	Inpatient fee per visit (RMB)
Grade III hospitals	5,564	3,833,001	239,488	301,518	121,181	220,255	17,969	360,344	65	316	9,197
Grade II hospitals	8,936	4,029,157	260,080	712,900	114,350	229,905	18,674	362,576	41	284	8,840
Others (note)	1,332	1,423,998	21,510	113,685	45,401	11,872	4,013	67,222	50	319	5,519
<b>Total</b>	<b>15,832</b>	<b>9,286,156</b>	<b>521,078</b>	<b>1,128,103</b>	<b>280,932</b>	<b>462,031</b>	<b>40,656</b>	<b>790,142</b>	<b>50</b>	<b>303</b>	<b>8,867</b>

## MANAGEMENT DISCUSSION AND ANALYSIS

2023

Medical institution	Patient visits				Medical business income (RMB ten thousand)				Average index		
	Capacity	Outpatient and Emergency visits	Discharged	Visits for medical examination	Outpatient and emergency income	Inpatient income	Medical examination income	Total medical business income (including financial subsidy income)	Income per bed (RMB ten thousand)	Outpatient fee per visit (RMB)	Inpatient fee per visit (RMB)
Grade III hospitals	5,515	3,841,836	226,183	302,934	121,704	221,761	16,564	361,061	65	317	9,804
Grade II hospitals	8,749	3,742,636	242,292	628,072	115,229	219,583	15,945	352,281	40	308	9,063
Others (note)	1,294	1,314,829	21,846	133,333	50,998	12,629	2,886	71,694	55	388	5,781
<b>Total</b>	<b>15,558</b>	<b>8,899,301</b>	<b>490,321</b>	<b>1,064,339</b>	<b>287,931</b>	<b>453,973</b>	<b>35,395</b>	<b>785,035</b>	<b>50</b>	<b>324</b>	<b>9,259</b>

Note: Including Grade I hospitals, community service centers and other non-rated medical institutions.

### 1.2 Specialised medical care business

While developing integrated healthcare business, the Group takes as its starting point the goal of satisfying the people's multi-level and diversified medical and health service needs and adheres to the development direction of specialisation, chain operation and industrialisation. Centered around the specialised medical care fields of ophthalmology, TCM, rehabilitation and oncology, the Group made strenuous efforts in building flagship hospitals, refined its "1+N" business layout, innovated service modes, and extended the value of healthcare.

## MANAGEMENT DISCUSSION AND ANALYSIS

As of now, the Group has further laid a solid foundation for the development of specialized medical business, of which:

- **Ophthalmology:** The Group plans to build a first-class in China and internationally renowned ophthalmic industry platform for central enterprises, led by flagship hospitals and supported by chain ophthalmic institutions including regional eye hospitals and optometry centers. Currently, the Group has successfully acquired Shandong University of Traditional Chinese Medicine Affiliated Ophthalmology Hospital (山東中醫藥大學附屬眼科醫院) as its flagship ophthalmology hospital. The Ophthalmology Department of XD Group Hospital (西電集團醫院) has developed into a national-level Brightness Center. Furthermore, Genertec Universal Ophthalmology Beijing Flagship Hospital (通用眼科北京旗艦醫院) was officially put into operation in early 2026. Relying on internal collaboration with the Shandong University of Traditional Chinese Medicine Affiliated Ophthalmology Hospital and external support from top-tier teams like Beijing Tongren Hospital, Genertec Universal Ophthalmology Beijing Flagship Hospital will focus on high-end ophthalmic services and the development of specialized disciplines, while also ensuring accessible medical care, promoting the integration of traditional Chinese and Western medicine and multi-specialty collaboration to comprehensively build the ophthalmology brand operated by central state-owned medical group.
- **TCM:** The Group aims to build an integrated online and offline TCM diagnosis and treatment model, supported by internet hospitals and TCM AI digital intelligence, with offline chain TCM hospitals and clinics as the carrier. In 2025, the Group added 15 standardized TCM hospitals, 3 nationally renowned TCM expert studios and completed the standardized construction of 30 TCM hospitals to date, and is actively exploring collaborations with Chengdu University of Traditional Chinese Medicine (成都中醫藥大學) and Shandong University of Traditional Chinese Medicine (山東中醫藥大學) to jointly establish “University-Affiliated TCM Hospital (大學附屬國醫館)”.
- **Rehabilitation:** The Group aspires to build a leading domestic full-scenario digital intelligence rehabilitation industry platform, with comprehensive medical rehabilitation as its “core”, supported by a network of specialized chain rehabilitation centers and intelligent rehabilitation equipment and aids as its “two wings”. Leveraging its advantages in centralized group, specialized, regional, and collaborative development, the Group actively expands cooperation with top-tier industry resources. It has signed cooperation agreements with institutions such as Beijing Rehabilitation Hospital (北京康復醫院), Capital Medical University and the University of Electronic Science and Technology of China (電子科技大學) to promote the cultivation of rehabilitation talent and the integrated development of industry, academia, and research. To date, the Group has established a three-tiered rehabilitation specialty management system and service network, led by the flagship hospital (Shanghai MCC Hospital (上海中冶醫院)) and supported by regional centers for collaboration, with the total number of rehabilitation beds exceeding 2,000.

## MANAGEMENT DISCUSSION AND ANALYSIS

- **Oncology:** The Group will focus on precision oncology diagnosis and treatment, and is committed to developing into a high-level service platform for precision oncology. The Group has actively promoted cooperation between hospitals and enterprises to integrate industry, education, research and medical care, and carried out comprehensive cooperation with Tsinghua Changgung Hospital (清華長庚醫院) in areas such as the joint development of flagship hospitals and the construction of research and development platforms. It introduced the first set of Edison Histotripsy ultrasonic tissue fragmentation tumor treatment equipment in Chinese Mainland and completed the first clinical operation on patient, and continued to conduct clinical research and translational medical research and development.

In the future, the Group will continue to build its core competitiveness through the introduction of cutting-edge equipment, the integration of flagship hospitals, and the pooling of top experts. We will strive to build ourselves into a leader in the specialized medical chain segment, with specialized medical services as our distinctive feature, and drive the chain operation and industrialisation development of our business.

### 1.3 Healthcare technology business

Against the backdrop of the synergy of the “Healthy China” and “Digital China” strategies, demographic changes and the implementation of policies supporting the silver economy, the health technology sector is embracing dual opportunities driven by both “policy impetus” and “demand traction”. More enterprises are deeply integrating digital technologies into scenarios such as diagnosis and treatment, elderly care and health management, propelling the industry toward smarter, more systematic and sustainable development.

With the fundamental goal of meeting the people’s health needs and fostering new productive forces in the health sector, the Group continues to consolidate its leading position in the niche segments of equipment life cycle management and intelligent medical health and elder care. We will further expand our intelligent logistics and health digital intelligence technology business segments to build core capabilities in health technology and self-sustaining growth capacity, and develop replicable and scalable models and products.

## MANAGEMENT DISCUSSION AND ANALYSIS

### *The Life Cycle Management of Medical Equipment*

The life cycle management of medical equipment industry is currently in a critical development phase, driven by both “policy impetus” and the “internal demands of hospitals.” First, at the national policy level, clear regulatory requirements mandate full-cycle, professional, and intelligent management for the quality and safety of medical equipment. Second, at the medical institutions level, the pursuit of high-quality development necessitates cost reduction, quality improvement, and efficiency gains through refined management. Consequently, the full-hospital trusteeship model featuring life cycle management has increasingly become the core option. Third, regarding industry competition, although the current market is characterized by a fragmented, scattered and mixed competitive landscape, the low-price competition model is unsustainable. In the future, industry resources will gradually concentrate toward leading enterprises with strong capital, technology, brand and professional service capabilities, leading the industry into a new stage of standardized and specialized development.

Taking Genertec Universal Medical Technology Services (Tianjin) Co., Ltd. (通用環球醫療技術服務(天津)有限公司) (“**Universal Technology Services**”) as its industrial platform, the Group provides hospital customers with life cycle house-keeping services centered around “Management”, covering the entire process of “Management, Procurement, Maintenance, Utilisation and Repair” (管、採、養、用、修). This effectively improves the operational efficiency and management level of medical equipment, extends equipment lifespan, and helps hospitals to reduce costs, improve quality and increase efficiency. As a national high-tech enterprise, provincial innovative small-and-medium enterprise, gazelle enterprise as well as specialised and sophisticated enterprise, Universal Technology Services currently serves over 1,600 clients with the assets under management exceeding RMB40 billion. Universal Technology Services has successfully expanded its maintenance business overseas, and its technical lines coverage spans equipment areas such as medical imaging, life emergency, blood dialysis, ultrasound, linear accelerator equipment and endoscopes. It holds 33 CNAS quality control certifications and coordinates the management of spare parts and accessories across its entire system. In 2025, the Group’s equipment life cycle management business continued to expand, with operating performance steadily improving. It contributed consolidated revenue of RMB921.8 million, representing an increase of 32.3% as compared to the previous year; and recorded profit for the year of RMB89.5 million in aggregate, representing an increase of 3.4% as compared to the previous year.

## MANAGEMENT DISCUSSION AND ANALYSIS

Upholding the “dual-wheel drive” path of endogenous growth + outreach mergers and acquisitions, Universal Technology Services has continuously strengthened its capability building and business footprint expansion while pursuing the merger and integration of industrial resources. To date, it has successfully established China’s only end-to-end medical equipment service matrix encompassing procurement consulting, financial leasing, maintenance services, and operational management. The resulting organizational structure features Universal Technology Services as the operation and management center and the technology-oriented and business-based subsidiaries as the operating entities, playing a professional supporting role on the industrial side in the industrial and financing synergy project of “financial leasing + life cycle management of medical equipment” of Universal Medical.

Going forward, adhering to the development philosophy of “Innovation-driven, Specialized technologies, and Lean operations”, Universal Technology Services will accelerate efforts to break through the “bottleneck” technologies in core components for high-end medical equipment, and foster an innovation ecosystem featuring deep integration of industry, universities, research institutes and hospitals, so as to effectively safeguard the security and stability of industrial and supply chains, and upgrade the industrial system for full life-cycle management of medical equipment toward high-quality, high-value-added and high-tech development. These efforts will make patients safer, hospitals more cost-effective and the industry more standardized, enable us to fully play the “three roles” of scientific and technological innovation, industrial control and security support, and position us as a key force in the development of China’s strategic emerging industries.

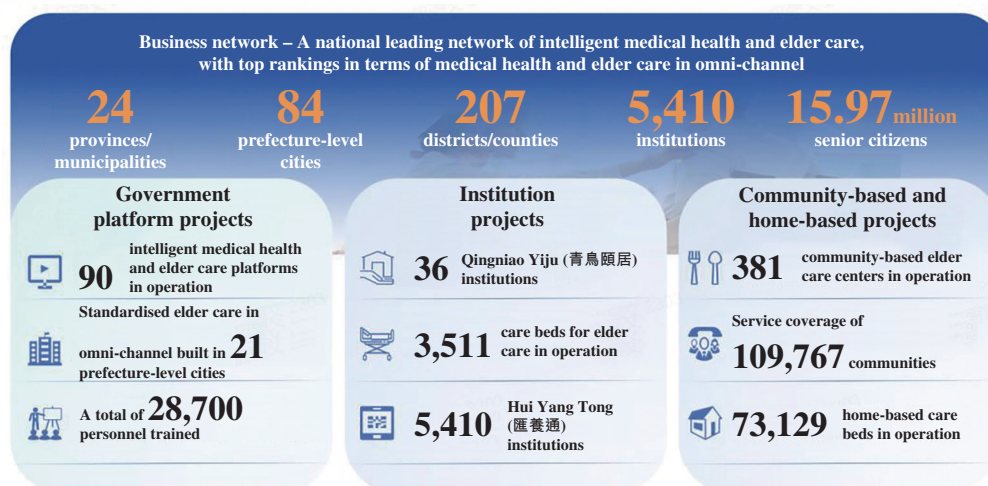
### ***Intelligent Medical Health and Elder Care***

Amidst the surge of the silver economy, the health technology market boasts vast opportunities. Most intelligent medical health and elder care companies possess rich industry experience in information system construction or entity service operations, yet they generally lack the medical resources and strong financial strength required for nationwide business deployment. Participants equipped with the systematic integration capability of “Medical + Finance + Technology + Operation” are better positioned to extend medical resources to communities and households, and ultimately drive the industry to upgrade from a single elderly care service model to a new smart elderly care ecosystem featuring whole-region coverage and full-chain integration.

## MANAGEMENT DISCUSSION AND ANALYSIS

In order to actively respond to the ageing of population and serve the silver economy, the Group takes its subsidiary General Universal Qingniao Health Technology Co., Ltd. (“**Universal Qingniao**”, NEEQ: 831718) as the industrial platform, and leverages its 67 medical institutions and 0.016 million beds as a key foundation. The Group has established a city-level medical health and elder care system featuring “one digital network in the cloud, one physical network on the ground, and industrial finance empowerment”, positioning itself as a leading domestic integrated service provider of medical health and elder care in omni-channel.

Universal Qingniao is a high-tech enterprise which integrates digital intelligence services and medical health and elder care and a pilot application demonstration enterprise for national smart health and elder care. Listed on the National Equities Exchange and Quotations (NEEQ), Universal Qingniao is a leading enterprise in the domestic smart healthcare and elderly care sector. In 2025, Universal Qingniao accelerated its national market expansion, with its intelligent medical health and elderly care business covering 24 provinces, and built and operated 90 cloud platforms of intelligent medical health and elder care. Its intelligent elderly care system covered 5,410 elderly care institutions, a year-on-year increase of 20%, with a leading national market share. Universal Qingniao achieved 3,511 self-operated medical and nursing care beds, and constructed and operated over 73,000 home-based care beds, maintaining a leading national position. In 2025, Universal Qingniao has contributed a total revenue of RMB499.2 million and realised a net profit of RMB25.8 million during the year<sup>1</sup>.



<sup>1</sup> The 2025 Financial Report has been uploaded to the National Equities Exchange and Quotations (NEEQ) system for Small and Medium-sized Enterprises (SMEs) on 24 March 2026. The data is prepared in accordance with the HKFRS Accounting Standards, with the revenue after deduction of business taxes and surcharges.

## MANAGEMENT DISCUSSION AND ANALYSIS

Looking forward, the Group will seize the policy opportunities presented by the silver economy. Building upon replicable systematic models and intelligent project management, we will coordinate the development of intelligent medical health and elder care platforms, medical health and elder care institutions, and home-based healthcare and elderly care services, and actively promote the implementation of merger and acquisition projects that align with the Company's strategic direction, aiming to build a data-driven, software and hardware integrated leader in intelligent medical health and elder care. Our goal is to become a leading domestic provider of city-level integrated medical health and elderly care services, seamlessly integrating online and offline operations.

### 1.4 Finance Business

Currently, China's finance leasing industry is at a critical stage of structural transformation and regulatory deepening. Alongside the continuous advancement of national strategies such as "Building China's strength in manufacturing" and "New industrialization", finance leasing is being entrusted with a more significant role in serving the real economy and promoting equipment upgrades and technological transformation. Simultaneously, compared with mature markets in developed countries, the penetration rate of China's finance leasing industry remains relatively low, indicating substantial long-term development potential. Refinement and specialization are becoming key development directions, with leading leasing companies transforming from mere capital providers into integrators of the industrial ecosystem.

The Group's financial business primarily focuses on finance leasing services. Centered on excelling in the "Five Priorities" and grounded in the principle of "serving the construction of the modern industrial system and serving the development of core business areas", we strive to stabilize growth, deepen transformation, and control risks to achieve greater results in structural adjustment and industry-finance integration. In 2025, the Group concentrated on business areas such as medical health and elderly care, equipment manufacturing, chemicals and pharmaceuticals, and specialty industries, solidly advancing the planning and implementation of the financial business's transformation and upgrading to ensure safe and stable business development. Furthermore, the Group actively innovates the mode of "finance lease + life cycle management of medical equipment" which integrates industry and finance, promotes the development of ageing finance and digital financing business by leveraging the industrial resources, and establishes a supply chain finance platform of "Genertec E Chain (小通 e 鏈)", laying a solid foundation for the high-quality sustainable development of the Group. Among them, Genertec E Chain is the only authorized supply chain finance platform under the GT-PRC, serving more than 300 core enterprises and upstream and downstream suppliers inside and outside the GT-PRC. Committed to integrating financial resources through technology empowerment and digital-intelligent operation, it provides efficient, convenient and secure comprehensive financial solutions for core enterprises and their upstream and downstream supply chain enterprises, so as to promote the coordinated development, transformation, upgrading and value enhancement of the internal and external industrial chains of the GT-PRC.

## MANAGEMENT DISCUSSION AND ANALYSIS

In 2025, revenue from finance business amounted to RMB5,322.5 million in aggregate, representing an increase of 1.8% as compared to the previous year. Profit for the year amounted to RMB1,886.0 million, representing an increase of 7.9% as compared to the previous year. The average yield of interest-earning assets was 7.12%, representing an increase of 0.38 percentage point as compared to the previous year. The average cost rate of interest-bearing liabilities was 3.32%, representing a decrease of 0.41 percentage point as compared to the previous year. The net interest spread was 3.80%, representing an increase of 0.79 percentage point as compared to the previous year; and the net interest margin was 4.34%, representing an increase of 0.76 percentage point as compared to the previous year.

We continued to strengthen asset management while maintaining steady operation, so as to keep robust and sound asset quality. As of 31 December 2025, the net interest-earning assets reached RMB69,614.2 million, representing a decrease of 2.3% as compared to that at the beginning of the year; the non-performing asset ratio was 0.99%; the overdue ratio (30 days) was 0.86%, and the provision coverage ratio was 339.18%.

Going forward, the Group will continue to accelerate the transformation and upgrading of its financial business, and build an industrial development ecosystem with financial empowerment as the bond, with the aim of becoming a medical and health industry group that features prominent advantages in industry-finance integration, achieves remarkable results in industrial empowerment, and possesses comprehensive solution capabilities.

### 1.5 Prospect

A broad journey lies ahead, and the time to strive is now. Standing at the new starting point of the commencement of the “15th Five-Year Plan” period and the tenth anniversary of listing, the Group remains firmly committed to implementing the directives from the State-owned Assets Supervision and Administration Commission of the State Council and other bodies regarding enhancing the development quality of listed companies, always aligns itself with major national strategies such as building a strong financial sector, Healthy China Initiative, building a strong country in science and technology, and Digital China Initiative, while comprehensively advancing core capability building and portfolio optimisation of listed companies. We are determined to build a trustworthy world-class healthcare industry group, consistently driving market recognition through intrinsic value enhancement. Through multi-pronged implementation of the Measures for Market Value Management of Genertec Universal Medical Group Company Limited 《通用環球醫療集團有限公司市值管理辦法》 and the Valuation Enhancement Plan of Genertec Universal Medical Group Company Limited 《通用環球醫療集團有限公司估值提升計劃》, we will facilitate capital market value realization and deliver greater value returns to all Shareholders.

## 2. ANALYSIS OF STATEMENT OF PROFIT OR LOSS

### 2.1 Overview

In 2025, the Group remained steadfast in its strategic resolve amid a complex and ever-changing internal and external environment, fully committed to driving business innovation and development, and focused on preventing and mitigating major risks, resulting in sound and steady performance as a whole. In 2025, the Group recorded a revenue of RMB14,939.5 million in total, representing an increase of 9.3% as compared to the corresponding period of the previous year. Profit before tax was RMB3,019.1 million, representing an increase of 3.9% as compared to the corresponding period of the previous year. Profit for the year attributable to owners of the parent was RMB2,156.8 million, representing an increase of 6.2% as compared to the corresponding period of the previous year.

The following table sets forth the Group's statement of profit or loss for the indicated years:

	For the year ended		
	31 December		
	2025	2024	% of Change
	RMB' 000	RMB' 000	
<b>Income</b>	<b>14,939,517</b>	13,663,485	9.3%
Cost of sales	<b>(9,909,481)</b>	(9,071,645)	9.2%
<b>Gross profit</b>	<b>5,030,036</b>	4,591,840	9.5%
Other income and gains	<b>334,368</b>	614,514	-45.6%
Selling and distribution costs	<b>(362,446)</b>	(375,391)	-3.4%
Administrative expenses	<b>(1,441,052)</b>	(1,333,871)	8.0%
Impairment of financial assets	<b>(331,323)</b>	(322,980)	2.6%
Loss on derecognition of financial assets measured at amortised cost	–	(519)	-100.0%
Financial costs	<b>(69,346)</b>	(50,711)	36.7%
Other expenses	<b>(131,997)</b>	(242,327)	-45.5%
Share of losses of associates	<b>(8,761)</b>	(5,467)	60.3%
Share of (loss)/profit of a joint venture	<b>(331)</b>	32,031	-101.0%
<b>Profit before tax</b>	<b>3,019,148</b>	2,907,119	3.9%
Income tax expense	<b>(701,556)</b>	(648,785)	8.1%
<b>Profit for the year</b>	<b>2,317,592</b>	2,258,334	2.6%
<b>Profit for the year attributable to owners of the parent</b>	<b>2,156,763</b>	2,031,740	6.2%
Basic earnings per Share (RMB)	<b>1.13</b>	1.07	5.6%
Diluted earnings per Share (RMB)	<b>1.08</b>	1.02	5.9%

## MANAGEMENT DISCUSSION AND ANALYSIS

### 2.2 Analysis of Business Revenue

In 2025, the Group recorded revenue of RMB14,939.5 million, among which the healthcare business recorded revenue of RMB9,901.8 million, representing an increase of 16.7% as compared to the corresponding period of the previous year, with its proportion to the total revenue increasing to 66.3%, and the finance business recorded revenue of RMB5,322.5 million, representing an increase of 1.8% as compared to the corresponding period of the previous year. The Group recorded gross profit from operations of RMB5,030.0 million, among which the healthcare business recorded gross profit of RMB1,573.2 million, representing an increase of 12.2% as compared to the corresponding period of the previous year and a rise of 0.8 percentage point in proportion from the corresponding period of the previous year, while the finance business recorded gross profit from operations of RMB3,332.1 million, representing an increase of 10.0% as compared to the corresponding period of the previous year.

The following table sets forth the Group's revenue from the two major business segments:

	For the year ended 31 December				
	2025		2024		% of Change
	RMB' 000	% of total	RMB'000	% of total	
Healthcare business	9,901,835	66.3%	8,488,276	62.1%	16.7%
Finance business	5,322,473	35.6%	5,227,167	38.3%	1.8%
Offset	(284,791)	-1.9%	(51,958)	-0.4%	448.1%
<b>Total</b>	<b>14,939,517</b>	<b>100.0%</b>	13,663,485	100.0%	9.3%

The following table sets forth the Group's gross profit from the two major business segments:

	For the year ended 31 December				
	2025		2024		% of Change
	RMB' 000	% of total	RMB'000	% of total	
Healthcare business	1,573,242	31.3%	1,401,781	30.5%	12.2%
Finance business	3,332,144	66.2%	3,028,106	65.9%	10.0%
Offset	124,650	2.5%	161,953	3.6%	-23.0%
<b>Total</b>	<b>5,030,036</b>	<b>100.0%</b>	4,591,840	100.0%	9.5%

## MANAGEMENT DISCUSSION AND ANALYSIS

### 2.2.1 Healthcare business

The Group's healthcare business includes hospital group business, healthcare technology business and specialty business. In 2025, the healthcare business recorded a revenue of RMB9,901.8 million, representing an increase of RMB1,413.6 million or 16.7% as compared to the previous year, and recorded gross profit of RMB1,573.2 million, representing an increase of RMB171.5 million or 12.2% as compared to the previous year.

The following table sets forth the Group's income from healthcare business:

	For the year ended 31 December				
	2025		2024		% of Change
	RMB'000	% of total	RMB'000	% of total	
<b>Healthcare business</b>					
Integrated healthcare business	8,182,595	82.6%	7,613,015	89.7%	7.5%
Healthcare technology business	1,487,044	15.0%	847,335	10.0%	75.5%
Specialty business	302,918	3.1%	85,921	1.0%	252.6%
Offset	(70,722)	-0.7%	(57,995)	-0.7%	21.9%
<b>Total</b>	<b>9,901,835</b>	<b>100.0%</b>	<b>8,488,276</b>	<b>100.0%</b>	<b>16.7%</b>

The following table sets forth the Group's gross profit from healthcare business:

	For the year ended 31 December				
	2025		2024		% of Change
	RMB'000	% of total	RMB'000	% of total	
<b>Healthcare business</b>					
Integrated healthcare business	1,032,900	65.7%	1,080,057	77.0%	-4.4%
Healthcare technology business	458,401	29.1%	326,173	23.3%	40.5%
Specialty business	80,503	5.1%	(2,091)	-0.1%	3,950.0%
Offset	1,438	0.1%	(2,358)	-0.2%	161.0%
<b>Total</b>	<b>1,573,242</b>	<b>100.0%</b>	<b>1,401,781</b>	<b>100.0%</b>	<b>12.2%</b>

## MANAGEMENT DISCUSSION AND ANALYSIS

In 2025, the healthcare business of the Group demonstrated steady growth compared to the previous year, which was attributable to three key factors. First, the medical institutions under the Group actively responded to adverse factors such as national medical insurance payment policy reforms, focusing on operations, adjusting structures, controlling costs, and striving to improve quality and efficiency to enhance core competitiveness and lay a solid foundation for development. Second, the Group continued to enhance collaboration across various regions and constantly improve its core competency which laid a further solid foundation for the development of the hospital group business, as well as the rapid improvement in the business scale due to the combined effect of upfront resource investments and improvement in operation and management. Third, the layout of the healthcare technology business and specialties business has been further improved, and business development has achieved new breakthroughs so that the equipment life cycle management business has capitalized on the momentum to advance, facilitating steady development of the intelligent medical health and elder care and improvement in the profitability of the ophthalmology business.

### *2.2.1.1 Integrated healthcare business*

The Group's integrated healthcare business mainly comes from the healthcare services and supply chain business provided by the integrated medical institutions. Revenue from healthcare services mainly includes revenue generated from the healthcare and examination, medicine and hygiene materials, physical examination and other services provided for outpatients, emergency patients and inpatients. Costs of healthcare services include costs of medicine and hygiene materials, labor costs as well as depreciation and amortization expenses.

In 2025, factors such as the increase in the collection rate of national pharmaceuticals and medical consumables, the reform of the medical insurance payment policy and the intensification of regional competition had a significant impact on the healthcare industry. Each of the medical institutions of the Group responded positively to the policy changes, strengthened its business development and enhanced the refined management level, resulting in a steady improvement in business scale. In 2025, this business recorded revenue of RMB8,182.6 million, representing an increase of RMB569.6 million or 7.5% as compared to the corresponding period of the previous year; and gross profit of RMB1,032.9 million, representing a decrease of RMB47.2 million or 4.4% as compared to the corresponding period of the previous year.

### *2.2.1.2 Healthcare technology business*

The healthcare technology business mainly includes the provision of life cycle management of medical equipment, intelligent medical health and elder care and Internet-based healthcare services to medical institutions within and outside the Group. In 2025, this business recorded a revenue of RMB1,487.0 million, representing an increase of RMB639.7 million or 75.5% as compared to the corresponding period of the previous year; and gross profit of RMB458.4 million, representing an increase of RMB132.2 million or 40.5% as compared to the corresponding period of the previous year.

In 2025, the Group continued to promote merger and acquisition projects in the healthcare technology segment. For life cycle management of medical equipment, following the successful acquisition of Shandong Tuozhuang and Beijing ZTH projects in the previous year, the Group successfully acquired Jinxu Yike project during the year. With the maintenance capacity covering the fields of medical imaging, life emergency, hemodialysis, ultrasound, and linear accelerator equipment, the Group further expanded its business footprint. Looking forward, the Group will continue to enhance the development capabilities of healthcare technology business, accelerate the establishment of a health industry ecosystem, and focus on advancing equipment life cycle management and promoting its core competitiveness of intelligent medical health and elder care business, further increasing the value of healthcare industry business units.

### *2.2.1.3 Specialties business*

The Group's specialties business mainly consists of medical services provided from specialised medical institutions focusing on ophthalmology, oncology, etc., and management services provided for the empowerment of general hospitals within the Group.

In 2025, centering around the specialized medical care fields of ophthalmology and oncology, the specialties business consolidated its service capabilities and strengthened internal hospital empowerment. In 2025, this business recorded a revenue of RMB302.9 million, representing an increase of RMB217.0 million or 252.6% as compared to the corresponding period of the previous year.

## MANAGEMENT DISCUSSION AND ANALYSIS

### 2.2.2 Finance business

The finance business segment includes comprehensive financial solutions centered on finance leasing provided by us for customers, and services such as industry, equipment and financing consulting, and department upgrades in medical institutions. In 2025, the finance business segment recorded a revenue of RMB5,322.5 million, representing an increase of 1.8% as compared to the previous year, and gross profit of RMB3,332.1 million, representing an increase of 10.0% as compared to the previous year.

The following table sets forth the Group's income from finance business:

	For the year ended 31 December				
	2025		2024		% of Change
	RMB' 000	% of total	RMB'000	% of total	
<b>Finance business income</b>	<b>5,322,473</b>		5,227,167		1.8%
Including:					
Finance service	<b>5,083,200</b>	<b>95.5%</b>	4,744,451	90.8%	7.1%
Advisory service	<b>206,700</b>	<b>3.9%</b>	442,053	8.5%	-53.2%

The following table sets forth the gross profit of the Group's finance business:

	For the year ended 31 December				
	2025		2024		% of Change
	RMB' 000	% of total	RMB'000	% of total	
<b>Gross profit of finance business</b>	<b>3,332,144</b>		3,028,106		10.0%
Including:					
Finance service	<b>3,102,877</b>	<b>93.1%</b>	2,545,759	84.1%	21.9%
Advisory service	<b>206,700</b>	<b>6.2%</b>	442,053	14.6%	-53.2%

## MANAGEMENT DISCUSSION AND ANALYSIS

### 2.2.2.1 Finance service business

The income from finance service business of the Group is the interest income generated by providing comprehensive financial solutions centered on finance leasing for customers in public hospitals, urban public utility, cultural tourism, engineering construction and other fields in PRC. In 2025, the financial leasing industry saw stricter industry regulation and intensified competition among peers. Under a complex and challenging external environment, and with the risk control as a top priority, we stepped up efforts in developing quality customers and continued to optimise our business portfolio, so as to steadily advance the finance business segment. The Group recorded interest income of RMB5,083.2 million, representing an increase of 7.1% as compared to the corresponding period of the previous year, and our gross profit amounted to RMB3,102.9 million, representing an increase of 21.9% as compared to the corresponding period of the previous year.

The following table sets forth the Group's finance service income by industry:

	For the year ended 31 December				
	2025		2024		% of Change
	RMB' 000	% of total	RMB'000	% of total	
Healthcare	455,776	9.0%	612,034	12.9%	-25.5%
Urban public utility	4,012,550	78.9%	3,814,539	80.4%	5.2%
Other	614,874	12.1%	317,878	6.7%	93.4%
<b>Total</b>	<b>5,083,200</b>	<b>100.0%</b>	<b>4,744,451</b>	<b>100.0%</b>	<b>7.1%</b>

The following table sets forth the indicators of income from finance service business of the Group:

	31 December 2025			31 December 2024		
	Average balance	Interest income <sup>(1)</sup> / expense <sup>(2)</sup>	Average yield <sup>(3)</sup> / cost rate <sup>(4)</sup>	Average balance	Interest income <sup>(1)</sup> / expense <sup>(2)</sup>	Average yield <sup>(3)</sup> / cost rate <sup>(4)</sup>
	RMB' 000	RMB' 000		RMB'000	RMB'000	
Interest-earning assets	71,345,860	5,083,200	7.12%	70,548,866	4,758,454	6.74%
Interest-bearing liabilities	59,822,487	1,987,717	3.32%	59,857,655	2,234,638	3.73%
Net interest margin <sup>(5)</sup>			4.34%			3.58%
Net interest spread <sup>(6)</sup>			3.80%			3.01%

## MANAGEMENT DISCUSSION AND ANALYSIS

- (1) Interest income represents the interest income from finance service business;
- (2) Interest expense represents financial cost of capital for finance service business;
- (3) Average yield = interest income/average balance of interest-earning assets;
- (4) Average cost rate = interest expense/average balance of interest-bearing liabilities, taking into account the effect of perpetual bonds;
- (5) Net interest margin = net interest income/average balance of interest-earning assets;
- (6) Net interest spread = average yield of interest-earning assets – average cost rate of interest-bearing liabilities.

In 2025, the Group's net interest spread of finance service business was 3.80%, representing an increase of 0.79 percentage point from 3.01% in the corresponding period of the previous year. Net interest spread is the difference between average yield of interest-earning assets and average cost rate of interest-bearing liabilities. The average yield of interest-bearing assets and the average cost rate of interest-bearing liabilities of the Group both improved as compared to the corresponding period of the previous year, among which:

- (1) the average yield of interest-earning assets was 7.12%, representing an increase of 0.38 percentage point from 6.74% in the corresponding period of the previous year. Facing the adverse impact of the overall downturn in the finance leasing market and intensified competition in the industry, the Group exercised strong control over risks, made every effort to overcome challenges, selected high-quality projects, actively expanded its high-quality customer base, and continued to optimize its business structure, which effectively supported the period-to-period increase in the average yield of interest-bearing assets.

## MANAGEMENT DISCUSSION AND ANALYSIS

- (2) the average cost rate of interest-bearing liabilities of the Group was 3.32%, representing a decrease of 0.41 percentage point from 3.73% for the corresponding period of the previous year. The Group fully capitalized on the policy environment to actively optimize its financing structure. By flexibly combining various financing instruments, optimizing the scheduling of bond issuances, increasing the proportion of direct financing in China, expanding access to high-quality credit resources both domestically and internationally, and proactively repaying high-cost existing loans or negotiating lower interest rates through multiple approaches the Group drove its financing costs to continuously decline, strongly supporting its sustained profit growth. Control on funding cost is one of the Group's core advantages to carry out our finance business, and we will continue to deepen cooperation with financial institutions, make great effort in building efficient financing channels, accelerate the improvement of a diversified financing system, and comprehensively utilize multiple financing tools to reasonably and effectively control financing costs on the premise of ensuring sufficient capital liquidity.

### *2.2.2.2 Advisory services business*

The Group's advisory services business includes industry, equipment and financing advisory services as well as clinical department upgrade advisory services. Leveraging on our expanding resources platform, and in accordance with the characteristics of clients' operation at each stage, we provided them with valuable, flexible and diversified comprehensive services comprising finance services, equipment replacement, technology and management advice, clinical department upgrade advisory so as to improve the technical service capabilities and management efficiency of customers, thereby strengthening finance customers' stickiness. In 2025, while scaling back the business on strategic grounds, the Group recorded revenue from advisory services of RMB206.7 million, representing a decrease of 53.2% as compared to the corresponding period of the previous year.

## MANAGEMENT DISCUSSION AND ANALYSIS

### ***2.2.3 Operating cost***

In 2025, the Group's sales and distribution costs amounted to RMB362.4 million, representing a decrease of 3.4% as compared to the previous year.

Administrative expenses amounted to RMB1,441.1 million, representing an increase of 8.0% as compared to the previous year. Administrative expenses from finance and advisory business segment amounted to RMB464.3 million, accounting for 32.2% and representing an increase of 0.1% as compared to the previous year. Administrative expenses from healthcare business segment amounted to RMB996.1 million, accounting for 69.1% and representing an increase of 13.6% as compared to the previous year, which was attributable to the following factors. First, the expansion of business development team in the healthcare sector, the adjustment of performance incentive policies and new acquisition have brought a period-to-period growth in labor costs. Second, with the effective promotion of hospital infrastructure construction, the service environment continued to improve, the information construction comprehensively developed, and other operating expenses such as labor costs, depreciation and amortization recorded a period-to-period growth.

### ***2.2.4 Profit before tax***

In 2025, the Group recorded profit before tax of RMB3,019.1 million, representing an increase of RMB112.0 million or 3.9% as compared to the previous year. The growth in profit before tax was due to the steady improvement of economic benefits driven by the medical and health business through external mergers and acquisitions coupled with internal quality and efficiency enhancement; and the profit growth resulting from the continuous optimization of financing structure in terms of financial business which significantly reduced the financing costs.

### ***2.2.5 Profit for the period attributable to owners of the parent***

In 2025, the Group recorded profit for the year attributable to owners of the parent of RMB2,156.8 million, representing an increase of RMB125.0 million or 6.2% as compared to the previous year.

### 2.3 The profit or loss of the integrated healthcare business

As of 31 December 2025, the Group had completed the acquisition of 65 general hospitals. The profit or loss of the integrated healthcare business is set out below.

In 2025, the integrated healthcare business of the Group recorded revenue of RMB8,182.6 million, representing an increase of RMB569.6 million or 7.5% as compared to the corresponding period of the previous year; and recorded profit for the year of RMB287.4 million, representing a decrease of RMB186.1 million or 39.3% as compared to the corresponding period of the previous year. Policy factors such as medical insurance payment reforms and centralized procurement of pharmaceuticals and consumables posed significant adverse impacts on the operations of medical institutions during the year. Each medical institutions improved operation performance, optimized structure and implemented cost control through various measures such as extensive diagnosis and treatment service projects, surgery projects and refined management. All these efforts have, to a certain extent, mitigated the adverse impact of policies such as medical insurance payment reforms on operations.

The following table sets forth the profit or loss of the integrated healthcare business of the Group:

	For the year ended		% of Change
	31 December		
	2025	2024	
	RMB' 000	RMB'000	
<b>Revenue</b>	<b>8,182,595</b>	7,613,015	7.5%
Costs	<b>(7,149,694)</b>	(6,532,958)	9.4%
<b>Gross profit</b>	<b>1,032,901</b>	1,080,057	-4.4%
Other income and gains	<b>227,672</b>	267,486	-14.9%
Selling and distribution costs	<b>(23,087)</b>	(20,372)	13.3%
Administrative expenses	<b>(783,339)</b>	(715,760)	9.4%
Impairment on financial assets	<b>(6,939)</b>	(8,885)	-21.9%
Other expenses	<b>(24,550)</b>	(18,784)	30.7%
Share of profit of an associate	<b>147</b>	660	-77.7%
Share of profit of a joint venture	<b>–</b>	(31,905)	-100.0%
Financial costs	<b>(67,375)</b>	(76,227)	-11.6%
<b>Profit before tax</b>	<b>355,429</b>	540,081	-34.2%
Income tax expense	<b>(67,998)</b>	(66,594)	2.1%
<b>Profit for the year</b>	<b>287,431</b>	473,487	-39.3%

## MANAGEMENT DISCUSSION AND ANALYSIS

### 2.4 The profit or loss of the equipment life cycle management business

As of 31 December 2025, with “Universal Technology Services” as its industrial platform, the Group had 6 subsidiaries engaged in the equipment life cycle management business. The profit or loss of the equipment life cycle management business during the consolidation period is set out below.

In 2025, the Group’s equipment life cycle management business recorded revenue of RMB921.8 million, representing an increase of RMB224.8 million, or 32.3%, as compared to the corresponding period of the previous year; recorded profit for the year of RMB89.5 million, representing an increase of RMB3.0 million or 3.4% as compared to the corresponding period of the previous year.

The following table sets forth the profit or loss of the equipment life cycle management business of the Group during the consolidation period:

	For the year ended 31 December		% of Change
	2025 RMB' 000	2024 RMB' 000	
<b>Revenue</b>	<b>921,795</b>	696,952	32.3%
Costs	<b>(583,671)</b>	(419,316)	39.2%
<b>Gross profit</b>	<b>338,124</b>	277,636	21.8%
Other income and gains	<b>9,794</b>	11,725	-16.5%
Selling and distribution costs	<b>(127,137)</b>	(92,948)	36.8%
Administrative expenses	<b>(107,180)</b>	(96,811)	10.7%
Impairment on financial assets	<b>(5,600)</b>	(1,671)	235.1%
Other expenses	<b>(791)</b>	(349)	126.6%
Financial costs	<b>(1,554)</b>	(1,169)	33.0%
<b>Profit before tax</b>	<b>105,656</b>	96,413	9.6%
Income tax expense	<b>(16,199)</b>	(9,880)	64.0%
<b>Profit for the year</b>	<b>89,457</b>	86,533	3.4%

### 3. FINANCIAL POSITION ANALYSIS

#### 3.1 Overview of Assets

As at 31 December 2025, the Group's total assets were RMB84,317.7 million, representing a decrease of 2.0% as compared to the end of the previous year. In particular, our restricted deposits were RMB621.7 million, representing a decrease of 25.5% as compared to the end of the previous year and accounting for 0.7% of the total assets; our cash and cash equivalents were RMB2,107.8 million, representing a decrease of 11.4% as compared to the end of the previous year and accounting for 2.5% of the total assets; our loans and accounts receivables were RMB70,022.3 million, representing a decrease of 2.2% as compared to the end of the previous year and accounting for 83.0% of the total assets.

The following table sets forth the assets analysis of the Group for the dates indicated:

	31 December 2025		31 December 2024		% of Change
	RMB' 000	% of total	RMB'000	% of total	
Restricted deposits	621,685	0.7%	833,960	1.0%	-25.5%
Cash and cash equivalents	2,107,784	2.5%	2,379,306	2.8%	-11.4%
Inventories	931,063	1.1%	506,786	0.6%	83.7%
Loans and accounts receivables	70,022,291	83.0%	71,577,284	83.2%	-2.2%
Prepayments, other receivables and other assets	1,053,176	1.2%	1,189,558	1.4%	-11.5%
Property, plant and equipment	6,117,891	7.3%	5,886,511	6.8%	3.9%
Intangible assets	284,108	0.3%	303,792	0.4%	-6.5%
Investment in a joint venture	753	0.0%	1,085	0.0%	-30.6%
Investment in associates	100,309	0.1%	107,765	0.1%	-6.9%
Deferred tax assets	872,134	1.0%	773,883	0.9%	12.7%
Derivative financial assets	93,403	0.1%	303,204	0.4%	-69.2%
Right-of-use asset	1,659,295	2.0%	1,740,394	2.0%	-4.7%
Goodwill	384,301	0.5%	380,996	0.4%	0.9%
Investment property	28,147	0.0%	19,192	0.0%	46.7%
Contract assets	8,845	0.0%	4,519	0.0%	95.7%
Financial assets at fair value through profit or loss	20,000	0.0%	20,500	0.0%	-2.4%
Financial assets at fair value through other comprehensive income	12,479	0.0%	3,560	0.0%	250.5%
<b>Total</b>	<b>84,317,664</b>	<b>100.0%</b>	<b>86,032,295</b>	<b>100.0%</b>	<b>-2.0%</b>

## MANAGEMENT DISCUSSION AND ANALYSIS

The following table sets forth the assets of the Group by business segment for the dates indicated:

	31 December 2025		31 December 2024		% of Change
	RMB' 000	% of total	RMB'000	% of total	
Healthcare business	16,896,197	20.0%	16,457,247	19.1%	2.7%
Finance business	72,542,668	86.0%	74,811,321	87.0%	-3.0%
Inter-segment offset	(5,121,201)	-6.0%	(5,236,273)	-6.1%	-2.2%
<b>Total</b>	<b>84,317,664</b>	<b>100.0%</b>	<b>86,032,295</b>	<b>100.0%</b>	<b>-2.0%</b>

### 3.1.1 Restricted deposits

As at 31 December 2025, the Group had restricted deposits of RMB621.7 million, representing a decrease of 25.5% as compared to the end of the previous year. Restricted deposits mainly comprised restricted project refunds from factoring business, fix-term deposits and financing deposits, the decrease compared to the end of the previous year was mainly attributable to the improvement of the entity's credit and the optimisation of its financing structure: (i) the increase in the proportion of unsecured bank loans led to a corresponding reduction in the demand for pledged financing; and (ii) the expansion of direct financing channels such as bond issuance and equity financing further reduced the reliance on pledged financing.

### 3.1.2 Cash and cash equivalents

As at 31 December 2025, the Group had cash and cash equivalents of RMB2,107.8 million, representing a decrease of 11.4% as compared to the end of the previous year. During the year, the Group strengthened its overall fund coordination and arrangements, regularly formulated funding plans, and used the funding plan deviation rate as a key analytical indicator, significantly enhancing the efficiency of fund utilisation.

### 3.1.3 Loans and accounts receivables

As at 31 December 2025, the balance of the Group's loans and accounts receivables was RMB70,022.3 million, representing a decrease of 2.2% as compared to the end of the previous year. The net interest-earning assets was RMB67,273.6 million, accounting for 96.1 % of the loans and accounts receivables; and net accounts receivables was RMB2,746.8 million, accounting for 3.9% of the loans and accounts receivables.

## MANAGEMENT DISCUSSION AND ANALYSIS

### 3.1.3.1 Interest-earning assets

In 2025, the Group strengthened its risk management and control in a prudent manner, and conducted the lease business with caution while ensuring asset security. As at 31 December 2025, the Group's net interest-earning assets was RMB69,614.2 million, representing a decrease of RMB1,663.2 million or 2.3% as compared to the end of the previous year.

#### Net interest-earning assets by industry

In 2025, the Group continued to lay emphasis on risk prevention and control of interest-earning assets. The Group focused on further exploration and development in the fields such as public hospitals, urban public utility, cultural tourism, engineering construction based on the development prospect, profitability, revenue/risk profile, cash flow stability of the industry and other criteria, and on the basis of effective control of risks, it actively explored finance lease business in new sectors.

The following table sets forth the net interest-earning assets by industry:

	31 December 2025		31 December 2024		% of Change
	RMB' 000	% of total	RMB'000	% of total	
Healthcare	6,902,415	9.9%	8,303,649	11.7%	-16.9%
Urban public utility	48,254,781	69.3%	54,633,286	76.6%	-11.7%
Cultural tourism	4,677,200	6.7%	2,823,243	4.0%	65.7%
Project construction	3,456,198	5.0%	1,954,943	2.7%	76.8%
Chemical equipment	1,744,709	2.5%	47,807	0.1%	3,549.5%
Others	4,578,886	6.6%	3,514,491	4.9%	30.3%
<b>Net interest-earning assets</b>	<b>69,614,189</b>	<b>100.0%</b>	<b>71,277,419</b>	<b>100.0%</b>	<b>-2.3%</b>
<b>Less: Provision for interest-earning assets</b>	<b>(2,340,614)</b>		<b>(2,122,906)</b>		<b>10.3%</b>
<b>Net value of interest-earning assets</b>	<b>67,273,575</b>		<b>69,154,513</b>		<b>-2.7%</b>

## MANAGEMENT DISCUSSION AND ANALYSIS

The maturity profile of the net interest-earning assets

The Group formulated reasonable business investment strategies according to its strategic plan so as to ensure sustainable and steady cash inflow. As at 31 December 2025, the maturity profile of the Group's net interest-earning assets was relatively balanced.

The following table sets forth the maturity profile of the net interest-earning assets:

	31 December 2025		31 December 2024		
	RMB' 000	% of total	RMB' 000	% of total	% of Change
Within 1 year	29,914,155	43.0%	27,115,624	38.0%	10.3%
1-2 years	22,765,574	32.7%	21,571,220	30.3%	5.5%
2-3 years	12,376,522	17.8%	13,111,740	18.4%	-5.6%
Over 3 years	4,557,938	6.5%	9,478,835	13.3%	-51.9%
<b>Net interest-earning assets</b>	<b>69,614,189</b>	<b>100.0%</b>	<b>71,277,419</b>	<b>100.0%</b>	<b>-2.3%</b>

Quality of interest-earning assets

The Group has been implementing robust asset management policies and continuously adopting stringent and prudent asset classification policies. As at 31 December 2025, the Group had non-performing assets of RMB690.1 million, representing a decrease of RMB13.2 million as compared to 31 December 2024. The Group continuously improved its risk management system, adopted effective risk prevention measures and stepped up efforts to recover non-performing assets. As at 31 December 2025, the Group's non-performing assets ratio was 0.99%.

## MANAGEMENT DISCUSSION AND ANALYSIS

The following table sets forth the classification of five categories of the net interest-earning assets of the Group:

	31 December 2025		31 December 2024		% of Change
	RMB' 000	% of total	RMB'000	% of total	
Pass	62,019,330	89.09%	62,985,736	88.37%	-1.5%
Special attention	6,904,780	9.92%	7,588,418	10.64%	-9.0%
Substandard	315,644	0.45%	461,677	0.65%	-31.6%
Doubtful	192,143	0.28%	137,398	0.19%	39.8%
Loss	182,292	0.26%	104,190	0.15%	75.0%
<b>Net interest-earning assets</b>	<b>69,614,189</b>	<b>100.00%</b>	71,277,419	100.00%	-2.3%
Non-performing assets <sup>(1)</sup>	690,079		703,265		-1.9%
Non-performing assets ratio <sup>(2)</sup>	0.99%		0.99%		

(1) Non-performing assets are defined as those interest-earning assets having objective evidence of impairment as a result of one or more events that occur after initial recognition and that event has an impact on the future cash flows of interest – earning assets that can be reliably estimated. These interest-earning assets are classified as “substandard”, “doubtful” or “loss”.

(2) The non-performing assets ratio is the percentage of non-performing assets over net interest-earning assets as at the dates indicated.

*Note:* Please refer to “Management Discussion and Analysis – 8. Risk Management” in this report for more details of the five-category classification.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Ratio of overdue interest-earning assets

In 2025, the Group implemented prudent risk control and asset management policy, maintaining a stable performance of the risk management system. As at 31 December 2025, the overdue ratio (over 30 days) was 0.86%, decreased by 0.11 percentage point as compared to 0.97% at the end of the previous year.

The following table sets forth the ratio of the Group's interest-earning assets overdue for over 30 days:

	31 December 2025	31 December 2024
Overdue ratio (over 30 days) <sup>(1)</sup>	<b>0.86%</b>	0.97%

(1) Calculated as net interest-earning assets (overdue for over 30 days) divided by net interest-earning assets.

### Provision for interest-earning assets

As at 31 December 2025, the Group's provision coverage ratio was 339.18%, representing an increase of 37.32 percentage points as compared to the end of the previous year. With the expansion of its business, the Group's management believes that it is imperative to take prudent measures to protect the Group against systematic risks and move towards the international standards and practices. As such, the Group's asset provision coverage maintained an upward trend.

## MANAGEMENT DISCUSSION AND ANALYSIS

The following table sets forth the breakdown of provisions by the Group's assessment methodology:

	As at 31 December 2025			
	Stage 1 (12-month expected credit loss) RMB' 000	Stage 2 (Lifetime expected credit loss) RMB' 000	Stage 3 (Lifetime expected credit loss- impaired) RMB' 000	Total RMB' 000
Net interest-earning assets	62,019,330	6,904,780	690,079	69,614,189
Provision for interest- earning assets	(907,046)	(996,335)	(437,233)	(2,340,614)
Net book value of interest- earning assets	61,112,284	5,908,445	252,846	67,273,575

	As at 31 December 2024			
	Stage 1 (12-month expected credit loss) RMB'000	Stage 2 (Lifetime expected credit loss) RMB'000	Stage 3 (Lifetime expected credit loss- impaired) RMB'000	Total RMB'000
Net interest-earning assets	62,985,736	7,588,418	703,265	71,277,419
Provision for interest- earning assets	(992,197)	(766,068)	(364,641)	(2,122,906)
Net book value of interest- earning assets	61,993,539	6,822,350	338,624	69,154,513

## MANAGEMENT DISCUSSION AND ANALYSIS

### Write-off of interest-earning assets

The following table sets forth the write-off of interest-earning assets as of the dates indicated:

	2025 31 December RMB' 000	2024 31 December RMB'000
Write-off	<b>54,799</b>	69,064
Non-performing assets as at the end of last year	<b>703,265</b>	662,443
Write-off ratio <sup>(1)</sup>	<b>7.79%</b>	10.43%

- (1) The write-off ratio is calculated as the percentage of amount written-off of bad debts of interest-earning assets over the net non-performing assets as at the end of the previous year.

### 3.1.3.2 Accounts receivables

As at 31 December 2025, the Group's net accounts receivables was RMB2,746.8 million, representing an increase of RMB336.0 million or 13.9% as compared to the end of the previous year. The increase in accounts receivables was mainly due to the increase in revenue from integrated healthcare business segment, revenue contributed by newly acquired healthcare technology enterprises and the growth in the scale of equipment life cycle management business.

### 3.1.4 Other assets

As at 31 December 2025, the Group's balance of right-of-use assets was RMB1,659.3 million, representing a decrease of RMB81.1 million or 4.7% as compared to the end of the previous year.

As at 31 December 2025, the Group's balance of property, plant and equipment was RMB6,117.9 million, representing an increase of RMB231.4 million as compared to the end of the previous year, which was mainly due to the increase in the balance of property, plant and equipment from the renovation and expansion works of the Group's affiliated medical institutions and the new merger and acquisition of healthcare technology corporations.

## MANAGEMENT DISCUSSION AND ANALYSIS

As at 31 December 2025, the balance of the Group's investment in joint ventures was RMB0.8 million, which was the investment in Fuzhou Qingsheng Yijiafu Health Elderly Care Industry Co., Ltd. (福州青盛億家福健康養老產業有限公司); the balance of investment in associates was RMB100.3 million, which was the investment in Genertec Digital Health Technology (Beijing) Co., Ltd. (通用技術集團健康數字科技(北京)有限公司), GT-PRC Healthcare Company Limited (通用技術集團醫療健康有限公司) and Beijing Tongrentang Anshan Traditional Chinese Medicine Hospital Co., Ltd. (北京同仁堂鞍山中醫醫院有限公司).

As at 31 December 2025, the Group's balance of goodwill was RMB384.3 million, including goodwill of RMB182.5 million arising from the acquisition of Casstar Medical Technology Wuxi Co., Ltd. (凱思軒達醫療科技無錫有限公司), goodwill of RMB58.9 million arising from the acquisition of Xi'an XD Group Hospital (西電集團醫院), goodwill of RMB52.9 million arising from the acquisition of Sichuan Huankang (四川環康醫院管理有限公司), goodwill of RMB37.5 million arising from the acquisition of Shandong Jb Softinfo Technology Co. Ltd. (山東青島軟通信息技術股份有限公司), goodwill of RMB32.3 million arising from the acquisition of Pangang Group Xichang Hospital (攀鋼西昌醫院), goodwill of RMB9.2 million arising from the acquisition of Shaanxi Huahong Pharmaceutical Co., Ltd. (陝西華虹醫藥有限公司), goodwill of RMB4.1 million arising from the acquisition of Shandong Tuozhuang (山東拓莊醫療科技有限公司), goodwill of RMB3.3 million arising from the acquisition of Beijing Jinxu Yike Medical Equipment Co., Ltd. (北京金旭儀科醫療器械有限公司), goodwill of RMB1.8 million arising from the acquisition of Genertic Universal (Chengdu) Nephrology Hospital Co., Ltd. (畢士大(成都)腎病專科醫院), goodwill of RMB1.0 million arising from the acquisition of Xianyang Caihong Hospital (咸陽彩虹醫院) and goodwill of RMB0.8 million arising from the acquisition of Ansteel General Hospital (鞍鋼總醫院) by the Group.

### 3.2 Overview of Liabilities

As at 31 December 2025, the Group's total liabilities amounted to RMB59,278.7 million, representing a decrease of RMB3,883.9 million, or 6.1%, as compared to the end of the previous year. The balance of interest-bearing bank and other borrowings amounted to RMB48,227.3 million, representing a decrease of RMB3,787.6 million, or 7.3%, as compared to the end of the previous year, accounting for 81.4% of the total liabilities; balance of other payables and accruals amounted to RMB7,882.3 million, representing a decrease of RMB242.5 million, or 3.0%, as compared to the end of the previous year, accounting for 13.3% of the total liabilities.

## MANAGEMENT DISCUSSION AND ANALYSIS

The following table sets forth the Group's liabilities as at the dates indicated:

	31 December 2025		31 December 2024		
	RMB' 000	% of total	RMB'000	% of total	% of Change
Interest-bearing bank and other borrowings	48,227,349	81.4%	52,014,954	82.4%	-7.3%
Trade payables	2,904,927	4.9%	2,775,795	4.4%	4.7%
Other payables and accruals	7,882,256	13.3%	8,124,715	12.8%	-3.0%
Derivative financial instruments	110,010	0.2%	7,379	0.0%	1,390.9%
Tax payable	131,905	0.2%	164,374	0.3%	-19.8%
Financial liabilities at fair value through profit or loss	22,240	0.0%	75,333	0.1%	-70.5%
Other non-current liabilities	-	0.0%	-	0.0%	-
<b>Total</b>	<b>59,278,687</b>	<b>100.0%</b>	<b>63,162,550</b>	<b>100.0%</b>	<b>-6.1%</b>

### 3.2.1 Interest-bearing bank and other borrowings

This year, facing the complex and ever-changing domestic and international economic environment, the Group has continued to maintain a prudent and flexible financing strategy, improving its multi-level, multi-channel, diversified and varied financing system, continuously expanding its range of financing products, optimizing its financing structure, strengthening innovation in financing tools, and maintaining its competitive advantage in terms of liabilities. In the direct financing market, the Group actively cultivated a "dual-entity" bond issuance model, took advantage of favorable conditions in the bond market, continuously promoted bond product innovation, and comprehensively enhanced our proactive issuance capabilities in the bond market by issuing multiple tranches of long- and short-term bonds in the interbank market and the Shanghai Stock Exchange in a timely and efficient manner, receiving widespread and high recognition from investors. In the indirect financing market, the Group focused on core financial institutions such as large state-owned commercial banks, joint-stock commercial banks, city commercial banks and foreign banks, and continuously deepened and broadened our cooperation by closely aligning with policy support directions. Specialized, high-quality merger and acquisition loans, sustainability-linked loans, and innovative supply chain finance projects have been successively implemented, resulting in a significant improvement in bank credit quality. Meanwhile, the Group continued to closely monitor the international market, actively expanded cross-border direct lending channels, and steadily promoted offshore syndicated and bilateral loans business to strongly support diversified and stable funding sources.

## MANAGEMENT DISCUSSION AND ANALYSIS

The Group's interest-bearing bank and other borrowings were mainly used to finance the capital requirement for our finance lease business. As at 31 December 2025, the balance of the Group's interest-bearing bank and other borrowings was RMB48,227.3 million, representing a decrease of RMB3,787.6 million or 7.3% as compared to that as at 31 December 2024. The borrowings of the Group are dominated in RMB, USD, HKD and JPY.

Breakdown of interest-bearing bank and other borrowings by type:

	31 December 2025		31 December 2024		
	RMB'000	% of total	RMB'000	% of total	% of Change
Bank loans	<b>27,197,776</b>	<b>56.4%</b>	28,136,857	54.1%	-3.3%
Due to related parties	<b>2,005,760</b>	<b>4.2%</b>	2,337,680	4.5%	-14.2%
Bonds	<b>18,479,747</b>	<b>38.3%</b>	20,285,920	39.0%	-8.9%
Other loans	<b>544,066</b>	<b>1.1%</b>	1,254,497	2.4%	-56.6%
<b>Total</b>	<b>48,227,349</b>	<b>100.0%</b>	52,014,954	100.00%	-7.3%

As at 31 December 2025, the balance of the Group's bank bonds amounted to RMB18,479.8 million, which accounted for 38.3% of the total interest-bearing bank and other borrowings, representing a decrease of 0.7 percentage point as compared to 39.0% as at 31 December 2024. The Group continuously expands the dimensions of its cooperation with banks and steadily enriches its credit product matrix, thereby building a solid foundation to support high-quality business development.

## MANAGEMENT DISCUSSION AND ANALYSIS

Breakdown of interest-bearing bank and other borrowings by currency:

	31 December 2025		31 December 2024		
	RMB' 000	% of total	RMB'000	% of total	% of Change
RMB	<b>39,224,651</b>	<b>81.3%</b>	41,498,042	79.8%	-5.5%
USD	<b>3,671,244</b>	<b>7.6%</b>	5,320,107	10.2%	-31.0%
HKD	<b>5,014,963</b>	<b>10.4%</b>	5,196,805	10.0%	-3.5%
JPY	<b>316,491</b>	<b>0.7%</b>	–	0.0%	0.0%
<b>Total</b>	<b>48,227,349</b>	<b>100.0%</b>	52,014,954	100.0%	-7.3%

As at 31 December 2025, the balance of the Group's interest-bearing bank and other borrowings denominated in USD, HKD and JPY was RMB9,002.7 million, which accounted for 18.7% of its total interest-bearing bank and other borrowings, representing a slight decrease as compared to 20.2% at the end of last year. The Group continued its diversified financing strategy, controlled the scale of foreign currency financing in a reasonable and appropriate manner, and objectively managed the foreign exchange risk with foreign exchange derivatives.

## MANAGEMENT DISCUSSION AND ANALYSIS

Breakdown of the interest-bearing bank and other borrowings by region:

	31 December 2025		31 December 2024		% of Change
	RMB' 000	% of total	RMB'000	% of total	
Domestic	<b>38,811,618</b>	<b>80.5%</b>	40,230,883	77.3%	-3.5%
Overseas	<b>9,415,731</b>	<b>19.5%</b>	11,784,071	22.7%	-20.1%
<b>Total</b>	<b>48,227,349</b>	<b>100.0%</b>	52,014,954	100.0%	-7.3%

As at 31 December 2025, the Group's domestic financing balance was RMB38,811.6 million, accounting for 80.5% of the total interest-bearing bank and other borrowings, representing an increase of 3.2 percentage points as compared to 77.3% as at 31 December 2024. The Group proactively expanded domestic and overseas financing markets, and made concerted efforts to consolidate quality financing resources to support high-quality development of the Company's businesses.

Breakdown of the current and non-current interest-bearing bank and other borrowings:

	31 December 2025		31 December 2024		% of Change
	RMB' 000	% of total	RMB'000	% of total	
Current	<b>19,761,353</b>	<b>41.0%</b>	22,188,635	42.7%	-10.9%
Non-current	<b>28,465,996</b>	<b>59.0%</b>	29,826,319	57.3%	-4.6%
<b>Total</b>	<b>48,227,349</b>	<b>100.0%</b>	52,014,954	100.0%	-7.3%

## MANAGEMENT DISCUSSION AND ANALYSIS

As at 31 December 2025, the total balance of the Group's current interest-bearing bank and other borrowings amounted to RMB19,761.4 million, which accounted for 41.0% of its total interest-bearing bank and other borrowings, representing a decrease of 1.7 percentage points as compared to 42.7% at the end of the previous year. The Group continued to optimise maturity structure of financing, therefore, the overall structure of assets and liabilities continued to maintain stable and favorable.

Breakdown of the secured and unsecured interest-bearing bank and other borrowings:

	31 December 2025		31 December 2024		
	RMB'000	% of total	RMB'000	% of total	% of Change
Secured	<b>7,519,916</b>	<b>15.6%</b>	11,053,993	21.3%	-32.0%
Unsecured	<b>40,707,433</b>	<b>84.4%</b>	40,960,961	78.7%	-0.6%
<b>Total</b>	<b>48,227,349</b>	<b>100.0%</b>	52,014,954	100.0%	-7.3%

As at 31 December 2025, the Group's total secured interest-bearing bank and other borrowings amounted to RMB7,519.9 million, accounting for 15.6% of its total interest-bearing bank and other borrowings, down by 5.7 percentage points as compared to 21.3% at the end of the previous year. The Group was committed to optimizing financing conditions. The proportion of the secured interest-bearing bank and other borrowings slightly decreased.

## MANAGEMENT DISCUSSION AND ANALYSIS

Breakdown of the direct financing and indirect financing in interest-bearing bank and other borrowings:

	31 December 2025		31 December 2024		% of Change
	RMB' 000	% of total	RMB'000	% of total	
Direct financing	19,023,813	39.4%	20,899,667	40.2%	-9.0%
Indirect financing	29,203,536	60.6%	31,115,287	59.8%	-6.1%
<b>Total</b>	<b>48,227,349</b>	<b>100.0%</b>	52,014,954	100.0%	-7.3%

As at 31 December 2025, the total balance of the direct financing of the Group's interest-bearing bank and other borrowings amounted to RMB19,023.8 million, which accounted for 39.4% of its total interest-bearing bank and other borrowings, representing a decrease of 0.8 percentage point as compared to 40.2% at the end of the previous year. The Group made coordinated efforts to promote the synergistic development of direct and indirect financing while actively broadening its financing channels, in order to drive a continuous decline in overall financing costs.

### 3.2.2 Other payables and accruals

Other payables and accruals primarily comprise the collection of payments related to asset-backed securities, the lease deposits paid by customers, the accrued interests on borrowings, as well as the accrued salary and welfare payables. As at 31 December 2025, other payables and accruals amounted to RMB7,882.3 million in total, representing a decrease of RMB242.5 million as compared to the end of the previous year, mainly due to a decrease in the collection of payments related to asset-backed securities of the Group.

## MANAGEMENT DISCUSSION AND ANALYSIS

### 3.3 Shareholders' Equity

As at 31 December 2025, the Group's total equity was RMB25,039.0 million, representing an increase of RMB2,169.3 million or 9.5% as compared to the end of the previous year, among which the non-controlling interests were RMB4,096.1 million, representing an increase of RMB80.1 million or 2.0% as compared to the end of the previous year, which was mainly due to the increase of non-controlling interests from the acquisition of Jinxu Yike and business accumulation.

The following table sets forth the equities as of the dates indicated:

	31 December 2025		31 December 2024		
	RMB' 000	% of total	RMB'000	% of total	% of Change
Share capital	<b>5,983,893</b>	<b>23.9%</b>	5,297,254	23.2%	13.0%
Equity attributable to holders of convertible corporate bonds <sup>(1)</sup>	–	<b>0.0%</b>	42,649	0.2%	-100.0%
Reserves	<b>13,296,728</b>	<b>53.1%</b>	11,835,826	51.8%	12.3%
Equity attributable to owners of the parent	<b>19,280,621</b>	<b>77.0%</b>	17,175,729	75.1%	12.3%
Equity attributable to holders of renewable corporate bonds <sup>(2)</sup>	<b>1,662,250</b>	<b>6.6%</b>	1,678,008	7.3%	-0.9%
Non-controlling interests	<b>4,096,106</b>	<b>16.4%</b>	4,016,008	17.6%	2.0%
<b>Total</b>	<b>25,038,977</b>	<b>100.0%</b>	22,869,745	100.0%	9.5%

## MANAGEMENT DISCUSSION AND ANALYSIS

- (1) On 25 March 2021, a wholly-owned subsidiary of the Company, Genertec Universal Medical Development (BVI) Co., Ltd., issued convertible bonds with a principal amount of USD150 million (the “Convertible Bonds”) under specific mandate. The Convertible Bonds are unconditionally and irrevocably guaranteed by the Company. Bondholders may, at any time from 25 March 2021 (the “Issue Date”) or thereafter up to 5:00 p.m. on the date falling fifteen days prior to the maturity date of 25 March 2026 (the “Maturity Date”), convert the Convertible Bonds into ordinary shares of the Company at the initial conversion price of HKD6.56 per share. Due to the declaration and payment of dividends for the year ended 31 December 2020, the conversion price of the Convertible Bonds was adjusted from HKD6.56 per share to HKD6.47 per share with effect from 18 June 2021. Due to the declaration and payment of dividends for the year ended 31 December 2021, the conversion price was adjusted from HKD6.47 per share to HKD6.28 per share with effect from 16 June 2022. Due to the declaration and payment of dividends for the year ended 31 December 2022, the conversion price was adjusted from HKD6.28 per share to HKD6.09 per share with effect from 16 June 2023. Due to the declaration and payment of dividends for the year ended 31 December 2023, the conversion price was adjusted from HKD6.09 per share to HKD5.89 per share with effect from 19 June 2024. Due to the declaration and payment of dividends for the year ended 31 December 2024, the conversion price was adjusted from HKD5.89 per share to HKD5.7 per share with effect from 19 June 2025. Each bondholder has the right to require the issuer to redeem such Convertible Bonds at 100% of the principal amount on 25 March 2024 or 25 March 2025. Pursuant to a notice issued by the bondholders on 22 February 2024, the Group redeemed USD60 million of the bonds on 25 March 2024 at 100.00% of the principal amount plus accrued but unpaid interest. Pursuant to a notice issued by the bondholders on 7 November 2025, the Group allotted and issued conversion shares to the bondholders on 12 November 2025 under specific mandate, and the remaining USD90 million of the bonds were fully converted. As at 31 December 2025, all Convertible Bonds have been fully redeemed or converted.
- (2) On 19 April 2024, China Universal Leasing Co., Ltd. (“CULC”), a wholly-owned subsidiary of the Company, issued the first tranche of 2024 renewable corporate bonds with a principal amount of RMB500 million, with a basic term of three years. The initial interest rate of these renewable corporate bonds is 2.99% per annum, and the issue price is RMB100 per bond, equal to 100% of the principal amount.
- (3) On 7 March 2025, CULC issued the first tranche of 2025 renewable corporate bonds with a principal amount of RMB300 million, with a basic term of two years. The initial interest rate of these renewable corporate bonds is 2.68% per annum, and the issue price is RMB100 per bond, equal to 100% of the principal amount.

## MANAGEMENT DISCUSSION AND ANALYSIS

- (4) On 7 August 2025, CULC issued the second tranche of 2025 renewable corporate bonds with a principal amount of RMB550 million, with a basic term of three years. The initial interest rate of these renewable corporate bonds is 2.35% per annum, and the issue price is RMB100 per bond, equal to 100% of the principal amount.
- (5) On 27 October 2025, CULC issued the third tranche of 2025 renewable corporate bonds with a principal amount of RMB300 million, with a basic term of one year. The initial interest rate of these renewable corporate bonds is 2.05% per annum, and the issue price is RMB100 per bond, equal to 100% of the principal amount.
- (6) At the end of each bond term and each extended bond term, CULC has the right to elect to extend the bond term. Interest on the renewable corporate bonds is payable annually, unless a mandatory interest payment event occurs (including dividend distributions to shareholders of China Universal Leasing Co., Ltd.), in which case CULC may defer payment at its discretion, with interest to be accrued. As the Group has no contractual obligation to deliver cash or other financial assets, or to exchange financial assets or financial liabilities under potentially unfavorable conditions with other entities, the renewable corporate bonds issued by the Group are classified as equity instruments.
- (7) During the financial year ended 31 December 2025, the amount of distributions attributable to holders of the renewable bonds based on the applicable interest rates was RMB52,188,000 (2024: RMB72,217,000), while the Group paid interest of RMB64,525,000 (2024: RMB66,475,000) to holders of the renewable bonds.

## 4. CASH FLOWS ANALYSIS

In 2025, the Group's net cash inflow from operating activities amounted to RMB5,776.3 million, representing an increase of inflow of RMB4,638.0 million as compared to that of the previous year, which was mainly due to (i) there was an increase in principal repayments by customers (including early settlements), and the amount of ABS brought back onto the balance sheet decreased compared to the previous year; (ii) during the year, the Group deepened its lean cost management, resulting in a year-on-year decrease in cash outflows such as costs and expenses. Net cash outflow from investing activities amounted to RMB958.8 million, representing a decrease of outflow of RMB126.2 million as compared to the previous year, which was mainly due to the year-on-year decrease in investment in and construction of large-scale infrastructure projects and the purchase of medical equipment by its subsidiary medical institutions during the year in line with project progress. Net cash outflow from financing activities amounted to RMB5,094.4 million, representing an increase of outflow of RMB4,573.8 million compared to the previous year, which was mainly due to the Group's continuous optimisation of its capital structure during the year, whereby it reasonably controlled the scale of its liabilities in accordance with actual business needs, resulting in a decrease in the balance of interest-bearing liabilities and a year-on-year increase in principal repayments.

## MANAGEMENT DISCUSSION AND ANALYSIS

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

	For the year ended 31 December		% of Change
	2025 RMB' 000	2024 RMB'000	
Net cash flows generated from operating activities	<b>5,776,332</b>	1,138,308	407.4%
Net cash flows used in investing activities	<b>(958,753)</b>	(1,084,963)	-11.6%
Net cash flows used in financing activities	<b>(5,094,451)</b>	(520,670)	878.4%
Effect of exchange rate changes on cash and cash equivalents	<b>5,350</b>	(2,342)	-328.4%
Net increase in cash and cash equivalents	<b>(271,522)</b>	(469,667)	-42.2%

## 5. CAPITAL MANAGEMENT

The primary objective of the Group's capital management activities is to ensure that it maintains healthy capital ratios, so as to support the Group's business and maximise its Shareholders' value. The Group uses debt ratio and gearing ratio to monitor its capital status. As at 31 December 2025, no change was made to the Group's objectives, policies or processes for capital management.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Debt ratio

	31 December 2025 RMB' 000	31 December 2024 RMB'000
Total assets	<b>84,317,664</b>	86,032,295
Total liabilities	<b>59,278,687</b>	63,162,550
Total equity	<b>25,038,977</b>	22,869,745
Debt ratio	<b>70.30%</b>	73.42%

### Gearing ratio

	31 December 2025 RMB' 000	31 December 2024 RMB'000
Interest-bearing bank and other borrowings	<b>48,227,349</b>	52,014,954
Total equity	<b>25,038,977</b>	22,869,745
Gearing ratio	<b>1.93</b>	2.27

As at 31 December 2025, the Group's debt ratio and gearing ratio decreased slightly as compared to the end of the previous year.

## 6. CAPITAL EXPENDITURE

The Group's capital expenditure primarily consists of expenditure on the purchase of medical equipment, other equipment expenditure relating to the Group's operating lease business, construction expenditure on hospital projects and expenditure relating to office facilities. In 2025, the Group had capital expenditure of RMB988.9 million.

## 7. FURTHER INFORMATION ON THE FINANCE BUSINESS

The Group's finance business mainly comprises (a) direct finance leases; (b) sale-and-leasebacks; (c) factoring; (d) operating leases; and (e) advisory services. Further details on the business models of the financing services business and their respective performance during the reporting period are as below:

### (i) Business Models of Finance Lease Business

#### **(a) Direct finance leases**

In a direct finance lease, the Group purchases specific asset from the equipment supplier which is normally selected by customers, and then the Group leases the asset to customers for use in return for periodic lease payments. A typical direct finance lease transaction is a tri-party arrangement involving a lessor, a lessee and an equipment supplier. The Group would receive one-off handling fees from the equipment supplier or the lessee prior to payment of equipment price in direct finance leases.

#### **(b) Sale-and-leaseback**

In a sale-and-leaseback transaction, the Group's customer sells the relevant asset to the Group for a negotiated purchase price, and the Group then leases the asset back to the customer in return for periodic lease payments, so that the customer may cover its funding needs and continue to use the asset as a lessee. A typical sale-and-leaseback transaction involves a lessor and a lessee.

### (ii) Information on customers

As at 31 December 2025, the Group's direct finance lease business served customers in approximately 10 provinces, municipalities and autonomous regions in China, the sale-and-leaseback business served customers in approximately 26 provinces, municipalities and autonomous regions in China, the factoring business served customers in approximately 4 provinces, municipalities and autonomous regions in China, and the operating lease business served customers in 1 province in China.

## MANAGEMENT DISCUSSION AND ANALYSIS

### (iii) The approval process and risk assessment policy

The Group has built a systematic risk management framework to manage risks by using a multi-dimensional risk assessment model, taking into account factors including but not limited to:

- (a) the industry in which the customer operates;
- (b) the underlying qualification of the customer;
- (c) the operation and financial status of the customer;
- (d) information about existing credit facilities and credit history;
- (e) transaction structure and the use of funds;
- (f) the guarantee capability and guarantee intention of the guarantor;
- (g) information on the leased assets, etc.

In terms of approval mechanism, we set up a specialised risk control department to execute the hierarchical authorization and approval system, implement assessment in accordance with the standardized due diligent process of the Company for ordinary business. The amount of credit line is assessed under the business credit assessment model based on the project details to determine credit exposure, while the amount of credit line for non-standard industry projects or complicated projects is determined based on the recommendation of the dedicated evaluation committee after passing the due diligent review. We have established an evaluation framework encompassing industry risk assessment, customer qualification verification, strengths and weaknesses analysis of project, etc., and eventually generated a due diligence report and formed risk assessment opinions as the basis for decision-making to ensure the objectivity and risk controllability of credit approval decisions.

### (iv) Number of lessees/borrowers

For the year ended 31 December 2025, the Group had 15 new direct finance lease agreements in aggregate, serving a total of 12 customers; 402 new sale-and-leaseback agreements in aggregate, serving a total of 240 customers.

### (v) Principal terms of transactions

The principal terms of the Group's direct finance lease agreement include:

- (a) leased assets: for direct finance lease, the lessee selects the supplier of leased assets based on its own requirement;
- (b) ownership of leased assets: ownership of leased assets shall be transferred to us after we paid the consideration for the leased assets. We retain the ownership of the leased assets while the lessee holds the right to use the leased assets within the lease period. The lessee shall not, without our consent, sell, transfer, sublease or sublet the leased assets, or set up any charge, security interest or other encumbrance on the leased assets, or undertake any other act that violate our ownership rights;
- (c) lease payments: the lease payments consist of lease cost and interests, the lessee shall settle the lease payment in installments on time in accordance with the lease payment schedule attached to the direct finance lease agreement;
- (d) Pledge/guarantee information: the leased assets under the direct finance lease agreement shall be registered and publicly disclosed in the unified Registration Formula System for Movables Financing Registry of the Credit Reference Center of the People's Bank of China. In addition, we also require the lessee to provide joint liability guarantee, mortgage, pledge and others based on its credit rating;
- (e) Default clauses: if the lessee fails to pay any lease payment or any other amount payable after the due date, we shall be entitled to exercise the remedies such as the accelerated expiration, termination of the agreement, recovery of all reasonable costs incurred in enforcing our rights, suspension of any unpaid payment, and shall have the right to demand the lessee to pay liquidated damages for late payments;
- (f) Dispute Resolution: the direct finance lease agreement shall be construed in accordance with the PRC laws, any dispute caused by or related to the agreement shall be submitted to the competent People's Court with jurisdiction over the place where it was signed;
- (g) Termination: the agreement shall terminate upon the full performance and discharge of all rights and obligations by both parties.

## MANAGEMENT DISCUSSION AND ANALYSIS

The principal terms of the Group's sale-and-leaseback agreement include:

- (a) leased assets: mainly comprise the equipment fixed asset used by the lessee in its production and operation;
- (b) ownership of leased assets: ownership of leased assets shall be transferred to us after we paid the consideration for the leased assets. We retain the ownership of the leased assets while the lessee holds the right to use the leased assets within the lease period. The lessee shall not, without our consent, sell, transfer, sublease or sublet the leased assets, or set up any charge, security interest or other encumbrance on the leased assets, or undertake any other act that violate our ownership rights;
- (c) lease payments: the lease payments consist of lease cost and interests, the lessee shall settle the lease payment in installments on time in accordance with the lease payment schedule attached to the sale-and-leaseback agreement;
- (d) Pledge/guarantee information: the leased assets under the sale-and-leaseback agreement shall be registered and publicly disclosed in the unified Registration Formula System for Movables Financing Registry of the Credit Reference Center of the People's Bank of China. In addition, we also require the lessee to provide joint liability guarantee, mortgage, pledge and others based on its credit rating;
- (e) Default clauses: if the lessee fails to pay any lease payment or any other amount payable after the due date, we shall be entitled to exercise the remedies such as the accelerated expiration, termination of the agreement, recovery of all reasonable costs incurred in enforcing our rights, suspension of any unpaid payment, and shall have the right to demand the lessee to pay liquidated damages for late payments;
- (f) Dispute Resolution: the sale-and-leaseback agreement shall be construed in accordance with the PRC laws, any dispute caused by or related to the agreement shall be submitted to the competent People's Court with jurisdiction over the place where it was signed;
- (g) Termination: the agreement shall terminate upon the full performance and discharge of all rights and obligations by both parties.

## MANAGEMENT DISCUSSION AND ANALYSIS

The principal terms of the Group's operating lease agreements include:

- (a) Terms on equipment purchase: list of equipment, purchase price, delivery time, acceptance criteria, post-sale services provided by the suppliers and other terms stipulated in the purchase contracts;
- (b) Terms on equipment lease: details on the leased assets, lease term, lease rental and payment methods, delivery, installation, commission and acceptance of the leased assets and other terms stipulated in the lease contracts;
- (c) Equipment service agreements: terms on engagement of the equipment service suppliers by us to provide the lessees with relevant services to ensure smooth operation of the equipment, equipment inspection, equipment recovery and warehousing storage, equipment treatment, and payment of service fees.

During the reporting period, the Group's factoring business remained dormant.

### **(vi) Scale and diversity of lessees**

As of 31 December 2025, no single customer contributed (a) more than 5.0% of the total revenue of our finance lease business, and no single customer contributed (b) more than 1.0% of the Group's total revenue.

As of 31 December 2025, in terms of investment amount, the amount we invested for the provision of finance lease services to the top five customers of our finance lease business represented approximately 5.6% of the total amount invested for the provision of finance lease services.

### **(vii) Interest**

As of 31 December 2025, we charged interest rates ranging from 3.0% to 9.65% per annum.

### **(viii) Maturity profile of interest-earning assets**

Please refer to paragraph 3.1.3.1 headed "Interest-earning assets" of this report for details.

## MANAGEMENT DISCUSSION AND ANALYSIS

### (ix) Changes in impairment or write-offs of loans receivable and the basis for impairment assessment

In accordance with Hong Kong Financial Reporting Standard 9 – Financial Instruments (“HKFRS 9”), provisions for the interest-earning assets are made by implementing impairment tests either on an individual or collective basis, and impairment allowances for the interest-earning assets are recognised under a 12-month expected credit losses (“ECLs”) or a lifetime ECLs model in light of the specific assessment methods under the general approach.

For impairment test on an individual basis, each interest-earning asset is subject to impairment test by using the future cashflow discount model, and loss allowances are provided in accordance with the calculation results. For impairment test on a collective basis, provisions are made for interest-earning assets with similar characteristics as a whole by using migration matrix model based on the analysis of changes in the rating of interest-earning assets and historic loss data. In making the aforementioned provisions, ECLs are assessed in light of forward-looking information, and appropriate models and a number of assumptions are used in the measurement of ECLs. These models and assumption relate to the future macroeconomic situation and the debtors’ creditworthiness. For Stage 1 and Stage 2 assets, loss allowances are provided by implementing impairment tests on a collective basis. For Stage 3 assets, loss allowances are provided by implementing impairment tests on an individual basis.

As of 31 December 2025, the net interest-earning assets was RMB69,614.2 million, and the provision for interest-earning assets was RMB2,340.6 million, representing a provision coverage rate of 339.18%. The increase in provision for interest-earning assets was mainly due to the further improvement of risk resistance capability upon the careful consideration of the Group.

## 8. RISK MANAGEMENT

The Group's principal financial instruments include interest-earning assets, trade receivables, trade payables, interest-bearing bank and other borrowings, and cash and cash equivalents. The main purpose of cash and cash equivalents and interest-bearing bank and other borrowings is to finance the Group's operations while other financial assets and financial liabilities such as trade receivables and trade payables are directly related to the Group's operating activities.

The Group is exposed to various types of market risks in the ordinary course of business, primarily including interest rate risk, currency risk, credit risk and liquidity risk.

### 8.1 Interest Rate Risk

Interest rate risk is the risk arising from the fluctuation of financing instrument or future cash flows as a result of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates primarily relates to the Group's interest-bearing bank and other borrowings and interest-earning assets.

A principal part of the Group's management of interest rate risk is to monitor the sensitivity of projected net interest income under varying interest rate scenarios (simulation modeling). The Group aims to mitigate the impact of prospective interest rate movements which could reduce future net interest income, while balancing the cost of such risk mitigation measure.

The following table sets forth a sensitivity analysis on the Group's profit before tax affected by a reasonably possible change in interest rate, with all other variables unchanged. The sensitivity of the profit before tax is the effect of the assumed changes in interest rates on profit before tax, based on the financial assets and financial liabilities held at the end of each reporting period subject to repricing within the coming year.

	Increase/(decrease) in profit before tax	
	31 December 2025 RMB' 000	31 December 2024 RMB' 000
Change in base points		
+100 base points	<b>(103,826)</b>	(104,359)
- 100 base points	<b>103,826</b>	104,359

## MANAGEMENT DISCUSSION AND ANALYSIS

### 8.2 Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in exchange rates.

The Group's exposure to the risk of changes in foreign exchange relates primarily to the financing activities of the Group. The Group conducts its business mainly in RMB, with certain financing activities denominated in USD and other currencies pegged to the USD. The Group's currency risk mainly arises from the transactions denominated in currencies other than RMB. In order to control currency risk, the Group adopted prudent currency risk management strategies which hedges risk exposures one by one under comprehensive risk exposure management. It proactively hedged against foreign exchange exposure based on the currency and terms through using the operation of financial instruments such as forward exchange rate. As of 31 December 2025, the Group's exposure to foreign exchange risk amounted to approximately USD1,353.1 million, of which USD1,344.0 million or 99.3% had been hedged against by various financial instruments. Thus, the Group's exposure to foreign exchange risk is basically covered.

The table below sets forth a sensitivity analysis on the Group's profit before tax affected by a reasonably possible change in exchange rate:

	Change in exchange rate %	Increase/(decrease) in profit before tax	
		31 December 2025 RMB' 000	31 December 2024 RMB'000
If RMB strengthens against USD/HKD	(1)	640	1,562
If RMB weakens against USD/HKD	1	(640)	(1,562)

The exchange rate of RMB to USD is managed under a floating exchange rate system. The HKD exchange rate has been linked to the USD and therefore the exchange rate of RMB to HKD has fluctuated and will fluctuate in line with the changes in the exchange rate of RMB to USD. The analysis calculates the effect on profit before tax of a reasonably possible movement in the currency rate against RMB, with all other variables held constant.

### 8.3 Credit Risk

Credit risk is the risk of loss arising from a lessee's or counterparty's inability to meet its obligations. The Group enters into transactions only with recognised and creditworthy third parties. In accordance with the policy of the Group, the Group examines and verifies the credit risk of all customers with whom the Group has credit transactions. Besides, the Group monitors and controls the interest-earning assets regularly to mitigate the risk of significant exposure to bad debts. Other financial assets of the Group include cash and bank deposits, accounts receivables and other receivables. The credit risk of these financial assets arises from the counterparty's inability to meet its obligations. The maximum exposure to credit risk equals to the carrying amounts of these assets.

In determining the classification of its interest-earning assets, the Group applies a set of criteria pursuant to its internal policies. These criteria are designed to assess the likelihood of repayment by the borrower and the collectability of principal and interest on the interest earning assets of the Group. Interest-earning assets classification criteria of the Group focus on a number of factors, to the extent applicable, and include the following criteria:

#### ***Classification criteria***

**Pass.** The debtor is able to fulfil the contract, and there is no objective evidence indicating the debtor is not able to repay the principal and interests in full on time.

**Special Mention.** Although there exists some factors that might have adverse impacts on the debtor's ability in performing the contract, the debtor is currently able to repay the principal and interests.

**Substandard.** The debtor is not able to repay the principal and interests in full, and the interest-earning assets have been credit-impaired.

**Doubtful.** The debtor is not able to repay the principal and interests in full, and the interest-earning assets have been significantly credit-impaired.

**Loss.** After taking all possible measures, only very little or none of the principal and interests could be recovered.

## MANAGEMENT DISCUSSION AND ANALYSIS

### ***Asset management measures***

Under the overall risk management framework, the Group fully participated in the asset management works, with multi-sectorial coordination and collaboration, to maintain the safety of assets and improve the asset quality. During the whole process of each of the finance lease project, the Group took risk management measures to monitor the quality of its asset portfolio, the quality of the assets underlying its leases and the efficiency of its credit assessment workflow. These measures are integrated into on-going asset management efforts of the Group with the following key features:

### ***Continuously improving the management process after the lease and regularly monitoring the asset portfolio***

The Group continued to improve the management process after lease and strengthened the coordination of various departments to ensure the rent collection and the collateral security, as well as enhancing asset quality. During the year, the Group constantly monitored the collection of rental payments from our customers. For projects with overdue lease receivables, we would adopt a variety of measures to collect the overdue receivables and collect data to facilitate our classification of risky assets.

### ***On-site customer visits***

The Group formulated and implemented an annual on-site visit plan and inspected the business development and financial conditions of its customers on a continuing basis, during which cross-selling opportunities could also be explored for providing more value-added services. Through on-site visits, the customers would be urged to pay the rent on time more consciously and they would be more willing to communicate with the Group.

### ***Material events handling and reporting procedures***

The Group implemented a material events reporting system. If any material adverse event occurs to customers, a responsible department should take the lead and collaborate and coordinate with various departments to actively respond to the situation. Meanwhile, such event would need to be reported to the senior management and the Board.

## MANAGEMENT DISCUSSION AND ANALYSIS

### ***Regular assessments on asset quality and update on reclassification***

The Group adopted the expected credit loss model to classify its assets related to interest earning assets. Under this categorisation system, the Group's assets related to interest-earning assets are divided into five categories, namely "pass", "special mention", "substandard", "doubtful" and "loss". The last three categories of assets are considered as non-performing assets. The Group applied a series of criteria in determining the classification of each of its assets, which focus on a number of factors, including (1) the customer's ability to make lease payments; (2) the customer's payment history; (3) the customer's willingness to make lease payments; (4) the collateral provided for the lease; and (5) the possibility of legal enforcement in the event of delinquent lease payments. The Group closely monitored the asset quality by focusing on the aforementioned factors, and would decide whether to reclassify such assets and adopt appropriate measures to improve their management. The Group has also established concrete management measures for making relevant provisions for impairment to the extent such impairment is reasonably envisaged.

### ***Credit Risk Analysis***

#### *Analysis on the industry concentration of interest-earning assets*

Credit risk is often greater when lessees are concentrated in one single industry or geographical location or have comparable economic characteristics. Customers of the Group are diversely located in different regions of the Chinese mainland, and its lessees are from different industries as follows:

	31 December 2025		31 December 2024	
	RMB' 000	% of total	RMB'000	% of total
Healthcare	6,902,415	9.9%	8,303,649	11.7%
Urban public utility	48,254,781	69.3%	54,633,286	76.6%
Cultural tourism	4,677,200	6.7%	2,823,243	4.0%
Project construction	3,456,198	5.0%	1,954,943	2.7%
Chemical equipment	1,744,709	2.5%	47,807	0.1%
Others	4,578,886	6.6%	3,514,491	4.9%
<b>Total</b>	<b>69,614,189</b>	<b>100.0%</b>	71,277,419	100.0%

Although the customers of the Group are mainly concentrated in the healthcare industry and urban public utility industry, there is no significant credit risk concentration within the Group as healthcare industry relates closely to people's basic livelihood and is weakly correlated to the economic cycle, the development fundamentals of urban public utility are sound, and systematic risks are under control.

## MANAGEMENT DISCUSSION AND ANALYSIS

The data of exposure to credit risk arises from loans and accounts receivables, other receivables, derivative financial instruments and credit commitments. The analysis of financial assets which are neither past due nor impaired is as follows:

	31 December 2025 RMB' 000	31 December 2024 RMB'000
Net interest-earning assets	<b>68,738,993</b>	70,238,596
Accounts receivables	<b>2,746,794</b>	2,410,768
Other receivables	<b>67,273,575</b>	69,154,513
Derivative financial assets	<b>93,403</b>	303,204
Notes receivable	<b>1,922</b>	12,003

### 8.4 Liquidity Risk

Liquidity risk is the risk arising from funds not being available to meet liabilities as they fall due. This may arise from mismatches in amounts or duration with regard to the maturity of financial assets and liabilities.

The Group manages its liquidity risk through daily, monthly and quarterly monitoring with the following objectives: maintaining flexibility in funding by keeping sufficient available loan facilities or loan commitments provided by banks and other financial institutions, making projections of cash flows and evaluating the appropriateness of current asset/liability position, and maintaining an efficient internal funds transfer mechanism.

## MANAGEMENT DISCUSSION AND ANALYSIS

The table below summarises the maturity profile of the Group's financial assets and liabilities based on the contractual undiscounted cash flows:

	On demand	Within 3 months	3 to 12 months	1 to 5 years	Over 5 years	Infinite	Total
RMB' 000							
31 December 2025							
Total financial assets	2,797,287	9,443,434	25,233,608	43,901,900	27,885	2,778	81,406,892
Total financial liabilities	(1,464,603)	(9,512,236)	(15,488,412)	(31,963,868)	(749,467)	-	(59,178,586)
Net liquidity gap	1,332,684	(68,802)	9,745,196	11,938,032	(721,582)	2,778	22,228,306
31 December 2024							
Total financial assets	2,677,446	10,979,184	23,415,090	48,558,081	20,000	2,778	85,652,579
Total financial liabilities	(91,613)	(10,443,982)	(17,515,148)	(34,968,117)	(939,856)	-	(63,958,716)
Net liquidity gap <sup>(1)</sup>	2,585,833	535,202	5,899,942	13,589,964	(919,856)	2,778	21,693,863

(1) A positive liquidity gap indicates financial assets are more than financial liabilities and there is no funding gap, while a negative net liquidity gap indicates otherwise.

The Group will reasonably arrange the term of financial liabilities to control the liquidity risk.

## 9. PLEDGE OF GROUP ASSETS

As at 31 December 2025, the Group had interest-earning assets of RMB9,648.5 million and cash of RMB261.8 million pledged or paid to banks to secure the bank borrowings.

## 10. MATERIAL INVESTMENTS, ACQUISITIONS AND DISPOSALS

On 1 May 2025, Genertec Universal Medical Technology Services (Tianjin) Co., Ltd., a wholly-owned subsidiary of the Group, acquired 67% equity interest in Beijing Jinxu Yike Medical Instrument Co., Ltd. at a consideration of RMB12,000,000.

## 11. Future Plans for Material Investments or Acquisition of Capital Assets

The Group will actively explore investment opportunities in and outside the PRC (with internal funds and external borrowings) to diversify its source of income, which may or may not include any acquisition or disposal of assets and/or business by the Group. Any such plans will comply with the applicable requirements under the Listing Rules (where appropriate).

## 12. Circumstances Including Contractual Obligations, Contingent Liabilities and Capital Commitments

### 12.1 Contingent Liabilities

	31 December 2025 RMB' 000	31 December 2024 RMB'000
Legal proceedings	–	–
Claimed amounts	–	–

### 12.2 Capital Commitments and Credit Commitments

The Group had the following capital commitments and credit commitments as at each of the dates indicated:

	31 December 2025 RMB' 000	31 December 2024 RMB'000
Capital expenditure under signed contracts but not appropriated <sup>(1)</sup>	<b>341,648</b>	583,683
Credit commitments <sup>(2)</sup>	<b>1,529,500</b>	2,639,324

(1) Capital expenditure under signed contracts but not appropriated during the year mainly represents unpaid amounts for medical equipment under contracts signed by hospitals and the unpaid amounts for construction and operation projects contracted by hospitals.

(2) Credit commitments refer to the amount, conditional and revocable, under approved lease contracts but not appropriated by settlement date.

## 13. Human Resources

As at 31 December 2025, we had a total of 23,791 employees, representing an increase of 1,176 employees or 5.2% as compared to 22,615 employees as at 30 June 2025, which is mainly due to the transfer of employees from acquired hospitals.

We have a highly-educated and high-quality work force, with about 66.53% of our employees holding bachelor's degrees and above, about 7.45% holding master's degrees and above, about 39.77% with intermediate title and above, and about 12.72% with senior vice title and above as at 31 December 2025.

We have established and implemented a flexible and efficient employee incentive compensation plan to link the remuneration of our employees to their overall performance and contribution to the Group. We have established a performance-based remuneration and award system based on their overall performance and accomplishment of work targets. We promote employees based on their positions, service term and overall performance by categorising them into professional or managerial group, which provides our employees with a clear career development path. We perform a comprehensive performance evaluation over our employees at different positions and levels on an annual basis according to business objective obligations and achievement of key objectives.

In accordance with applicable PRC regulations, we have made contributions to social security insurance funds (including pension insurance, medical insurance, work-related injury insurance, unemployment insurance and maternity insurance) and housing funds for our employees. We also provide other insurance plans for eligible employees such as supplementary pension, additional medical insurance and accident insurance in addition to those required under the PRC regulations. As of 31 December 2025, the Group complied with all statutory social insurance and housing fund obligations applicable to the Group under the PRC laws in all material respects.

The Group also emphasises employee trainings and career development, and invest in the education and training programs for its employees with the purpose of upgrading their knowledge on the latest trends and developments of the industry.

# CORPORATE GOVERNANCE REPORT

## CORPORATE GOVERNANCE CULTURE

The Company is committed to ensuring that its affairs are conducted in accordance with high ethical standards. This reflects its belief that, in the achievement of its long-term objectives, it is imperative to act with probity, transparency and accountability. By so acting, the Company believes that Shareholder wealth will be maximised in the long term and that its employees, those with whom it does business and the communities in which it operates will all benefit.

Corporate governance is the process by which the Board instructs management of the Group to conduct its affairs with a view to ensuring that its objectives are met. The Board is committed to maintaining and developing robust corporate governance practices that are intended to ensure:

- satisfactory and sustainable returns to Shareholders;
- that the interests of those who deal with the Company are safeguarded;
- that overall business risk is understood and managed appropriately;
- the delivery of high-quality products and services to the satisfaction of customers; and
- that high standards of ethics are maintained.

## CORPORATE GOVERNANCE PRACTICES

The Board has been committed to achieving good corporate governance standards.

The Board believes that good corporate governance standards are essential in providing a framework for the Company to safeguard the interests of Shareholders and to enhance corporate value and accountability. The Company's corporate governance practices are based on the principles and code provisions as set out in the CG Code contained in Appendix C1 to the Listing Rules\* and the Company has adopted the CG Code as its own code of corporate governance.

\* The amendments to the CG Code effective on 1 July 2025 will apply to the corporate governance reports of the Company for financial years commencing on or after 1 July 2025.

In the opinion of the Directors, the Company has complied with all applicable code provisions as set out in the CG Code throughout the year ended 31 December 2025 save for the deviation from code provision B.2.2 which is explained in the relevant paragraph of this Corporate Governance Report.

The Board will from time to time, review and enhance its corporate governance practices to ensure that the Company continues to meet the requirements of the CG Code.

## DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Securities Dealing Code on terms no less exacting than the Model Code, to regulate the Directors' and employees' dealings in the Company's securities.

The Securities Dealing Code applies to all Directors and to all employees of the Company and/or its subsidiaries who, because of such office or employment, are likely to possess inside information in relation to the Company or its securities, receive the code and are informed that they are subject to its provisions.

Having made specific enquiry to all the Directors (including Mr. Xu Ming, Mr. Chan Kai Kong and Mr. Zhu Ziyang who resigned during the accounting period covered by this report), we confirmed that they have complied with the Model Code and the Securities Dealing Code throughout the period from 1 January 2025 or the date of appointment as Director (as the case may be) and up to the date of resignation as Director (as the case may be) or to the date of this report.

No incident of non-compliance of the Securities Dealing Code by the relevant employees was noted by the Company.

## BOARD OF DIRECTORS

The Company is headed by an effective Board which assumes responsibility for its leadership and control and be collectively responsible for promoting the Company's success by directing and supervising the Company's affairs. Directors take decisions objectively in the best interests of the Company.

The Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business and regularly reviews the contribution required from a Director to perform his/her responsibilities to the Company and whether the Director is spending sufficient time performing them that are commensurate with their role and the Board responsibilities. The Board includes a balanced composition of executive Directors and non-executive Directors (including independent non-executive Directors) so that there is a strong independent element on the Board, which can effectively exercise independent judgement.

### Board Composition

The Board currently comprises eleven members, which consists of three executive Directors, four non-executive Directors, and four independent non-executive Directors.

## CORPORATE GOVERNANCE REPORT

The Board comprises the following Directors during the year ended 31 December 2025 and as of the date of this annual report:

### Executive Directors:

Mr. Chen Shisu (*Chairman*)

Mr. Xia Qi (*Chief Executive Officer*)<sup>(7)</sup>

Ms. Wang Lin

Mr. Wang Wenbing (*Chief Executive Officer*)<sup>(8)</sup>

### Non-executive Directors:

Mr. Tong Chaoyin

Mr. Lin Chunhai <sup>(4)</sup>

Mr. Huang Youjie <sup>(5)</sup>

Mr. Ma Wanming <sup>(6)</sup>

Mr. Chan Kai Kong (*Vice-chairman*) <sup>(2)</sup>

Mr. Xu Ming <sup>(1)</sup>

Mr. Zhu Ziyang <sup>(3)</sup>

### Independent Non-executive Directors:

Mr. Li Yinquan

Mr. Chow Siu Lui

Mr. Xu Zhiming

Mr. Chan, Hiu Fung Nicholas

### Notes:

<sup>(1)</sup> Resigned with effect from 25 April 2025

<sup>(2)</sup> Resigned with effect from 25 July 2025

<sup>(3)</sup> Resigned with effect from 17 November 2025

<sup>(4)</sup> Appointed with effect from 25 April 2025

<sup>(5)</sup> Appointed with effect from 17 November 2025

<sup>(6)</sup> Appointed with effect from 18 December 2025

<sup>(7)</sup> Appointed with effect from 25 March 2026

<sup>(8)</sup> Resigned with effect from 25 March 2026

The list of Directors (by category) is also disclosed in all corporate communications issued by the Company pursuant to the Listing Rules from time to time. The independent non-executive Directors are expressly identified in all corporate communications pursuant to the Listing Rules.

Mr. Lin Chunhai, Mr. Huang Youjie and Mr. Ma Wanming, who have been appointed as the non-executive Directors during the financial year ended 31 December 2025 and Mr. Xia Qi, who has been appointed as the executive Director on 25 March 2026, have obtained the legal advice referred to in Rule 3.09D of the Listing Rules/on Hong Kong law as regards the requirements under the Listing Rules that are applicable to them as directors of a listed issuer and the possible consequences of making a false declaration or giving false information to the Stock Exchange on 24 April 2025, 20 October 2025, 10 December 2025 and 23 March 2026 respectively, and they have confirmed that they understood their obligations as a director of a listed issuer.

The biographical information of the Directors is set out in the section headed “Biography of Directors and Senior Management” on pages 101 to 111 of this annual report.

None of the members of the Board has financial, business, family or other material/relevant relationships with one another.

## CORPORATE GOVERNANCE REPORT

### Chairman and Chief Executive Officer

During the reporting period, the positions of chairman and chief executive officer are held by Mr. Chen Shisu and Mr. Wang Wenbing respectively. On 25 March 2026, Mr. Wang Wenbing resigned as the chief executive officer, and on the same day, Mr. Xia Qi was appointed as the chief executive officer. The chairman provides leadership and is responsible for the effective functioning and leadership of the Board. The chief executive officer focuses on the Company's business development and daily management and operations generally. Their respective responsibilities are clearly defined and set out in writing.

### Independent Non-executive Directors

During the year ended 31 December 2025, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors representing at least one-third of the Board with one of whom possessing appropriate professional qualifications or accounting or related financial management expertise.

The Company has received written annual confirmation from each independent non-executive Director of his independence in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules. The Company considers that all independent non-executive Directors are independent.

### Board Independence Evaluation

The Company has established internal policies (including but not limited to the Articles, Policy for the Nomination of Directors, and Terms of Reference of the Remuneration and Nomination Committee) to ensure that the Board has access to independent views and opinions. These policies cover the Company's procedures and selection criteria for the election and appointment of Directors (including independent non-executive Directors), the mechanism for Directors to abstain from voting on relevant proposals considered by the Board, and the authority of the independent board committee to engage independent financial advisors or other professional consultants. The Company has reviewed the implementation and effectiveness of the aforesaid mechanisms and believes that the aforesaid mechanisms can ensure the independent views and opinions of the Board.

The objectives of the internal policies are to improve Board effectiveness, maximise strengths, and identify the areas that need improvement or further development, clarify what actions of the Company need to be taken to maintain and improve the Board performance, for instance, addressing individual training and development needs of each Director.

### Appointment and Re-election of Directors

Code provision B.2.2 states that every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

Each of the executive Directors has entered into a service contract with the Company for a term of three years. Each of the non-executive Directors and independent non-executive Directors has entered into a letter of appointment with the Company for a term of three years and is subject to retirement provision pursuant to the Articles.

Except for executive Directors, at each annual general meeting, one-third of the Directors or the number which is nearest to and is at least one-third, shall retire from office by rotation and be eligible for re-election. The executive Directors are not subject to retirement provision of the Articles, but the Articles shall not prejudice the power of Shareholders in general meeting to remove any such Director. To ensure continuity of leadership and stability for growth of the Company, the Board is of the view that the executive Directors should hold office on a continuous basis.

### Responsibilities, Accountabilities and Contributions of the Board and Management

The Board is responsible for leadership and control of the Company and is collectively responsible for directing and supervising the Company's affairs.

The Board, directly and indirectly through its committees, leads and provides direction to management by laying down strategies and overseeing their implementation, monitors the Group's operational and financial performance, and ensures that sound internal control and risk management systems are in place.

All Directors, including non-executive Directors and independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. The independent non-executive Directors are responsible for ensuring a high standard of regulatory reporting of the Company and providing a balance in the Board for bringing effective independent judgement on corporate actions and operations.

All Directors have full and timely access to all the information of the Company and may, upon request, seek independent professional advice in appropriate circumstances, at the Company's expenses for discharging their duties to the Company.

The Directors shall disclose to the Company details of other offices held by them and the Board regularly reviews the contribution required from each Director to perform his/her responsibilities to the Company.

## CORPORATE GOVERNANCE REPORT

The Board reserves for its decision all major matters relating to policy matters, strategies and budgets, internal control and risk management, material transactions (in particular those which may involve conflict of interests), financial information, appointment of Directors and other significant operational matters of the Company. Responsibilities relating to implementing decisions of the Board, directing and coordinating the daily operation and management of the Company are delegated to the management.

### Continuous Professional Development of Directors

The Directors shall keep abreast of regulatory developments and changes in order to effectively perform their responsibilities and make comprehensive and informed contribution to the Board.

Every newly appointed Director has received formal, comprehensive and tailored-made induction on the first occasion of his/her appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of director's responsibilities and obligations under the Listing Rules and other relevant statutory requirements.

Directors should participate in appropriate continuous professional development to develop and refresh their knowledge and skills. Internally-facilitated briefings for Directors would be arranged and reading materials on relevant topics would be provided to Directors where appropriate. All Directors are encouraged to attend relevant training courses at the Company's expenses.

During the year, all the Directors have participated in continuous professional training, including reading guidance materials provided and published by the Stock Exchange, as well as onsite and online training provided by external legal advisors.

## BOARD COMMITTEES

The Board has established five committees, namely the Audit Committee, the Remuneration Committee, the Nomination Committee, the Risk Control Committee and the Strategy and ESG Committee to oversee particular aspects of the Company's affairs. All Board committees of the Company are established with specific written terms of reference which deal with their authorities and duties. The terms of reference of the Audit Committee, the Remuneration Committee and the Nomination Committee have been posted on the websites of the Stock Exchange and the Company, respectively.

The list of the chairman and members of each Board committee is set out under "Corporate Information" on page 2 of this annual report.

### Audit Committee

The Audit Committee consists of one non-executive Director, and two independent non-executive Directors, namely Mr. Li Yinquan, Mr. Chow Siu Lui and Mr. Tong Chaoyin. Mr. Li Yinquan is the chairman of the Audit Committee.

The terms of reference of the Audit Committee are no less exacting than those set out in the CG Code. The main duties of the Audit Committee include monitoring the integrity of the Company's financial statements, annual report and interim report, and reviewing significant financial reporting judgements contained therein; reviewing the Company's financial controls, risk management and internal control systems; making recommendations to the Board on the appointment, re-appointment and removal of external auditor, and approving the remuneration and terms of engagement of external auditor, as well as reviewing arrangements which can be secretly utilized by employees of the Company, to raise concerns about possible improprieties in financial reporting, internal control or other matters.

The Audit Committee is also responsible for performing the functions set out in the code provision A.2.1 of the CG Code which include developing and reviewing the Company's policies and practices on corporate governance and making recommendations to the Board; reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements; reviewing and monitoring the training and continuous professional development of Directors and senior management of the Company; and reviewing the Company's compliance with the CG Code, the Model Code and the Securities Dealing Code adopted by the Company from time to time and the disclosure in the Corporate Governance Report to be contained in the Company's annual reports.

During the year, the Audit Committee held three meetings to review the annual financial results and reports in respect of the year ended 31 December 2024 and the interim financial results and reports in respect of the six months ended 30 June 2025, respectively. The Audit Committee also passed written resolutions during the year to make recommendations to the Board on the appointment of Shinewing (HK) CPA Limited as the new auditor of the Company and resolve matters relating to the audit fees and terms of engagement of the external auditor.

Together with all the other Directors, the Audit Committee also reviewed the Company's corporate governance policies and practices, Directors' time commitments and contribution, training and continuous professional development of Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the Model Code and the Securities Dealing Code, and the Company's compliance with the CG Code and disclosure in this Corporate Governance Report, as well as the effectiveness of the Shareholders' communication policy.

## CORPORATE GOVERNANCE REPORT

The Audit Committee met with the external auditor twice during the year for reviewing the Company's annual and interim financial results. The Audit Committee also met with the retiring auditor Ernst & Young during the year to discuss outstanding matters from prior audits and ensure orderly transition of the audits.

### Remuneration Committee

The Remuneration Committee currently consists of two non-executive Directors and three independent non-executive Directors, namely Mr. Chow Siu Lui, Mr. Lin Chunhai, Mr. Huang Youjie, Mr. Li Yinquan and Mr. Xu Zhiming. Mr. Chow Siu Lui is the chairman of the Remuneration Committee.

The terms of reference of the Remuneration Committee are no less exacting than those set out in the CG Code. The primary functions of the Remuneration Committee include making recommendations to the Board on the Company's policy and structure for the remuneration of all Directors and senior management and establishing a formal and transparent procedure for developing the remuneration policy; making recommendations to the Board on the remuneration packages of individual executive Directors and senior management; and ensuring that no Director or any of his/her close associates is involved in deciding his/her own remuneration and/or approving matters relating to share schemes under Chapter 17 of the Listing Rules.

During the year, the Remuneration Committee met twice to review the Company's policy and structure for the remuneration of all Directors and senior management, the remuneration packages of the executive Directors and senior management of the Company and the remuneration of non-executive Directors as well as the service contracts of the executive Directors and the renewed letters of appointment of the non-executive Directors. The Remuneration Committee also passed written resolutions during the year to recommend to the Board the appointment of new Directors and reviewed the letters of appointment.

The Company's remuneration policy is to ensure that the remuneration offered to employees, including Directors and senior management, is based on skill, knowledge, responsibilities and involvement in the Company's affairs. The remuneration packages of executive Directors are also determined with reference to the Company's performance and profitability, the prevailing market conditions and the performance or contribution of each executive Director. The remuneration for the executive Directors comprises basic salary, pensions and performance/discretionary bonus. Executive Directors shall receive options to be granted under the Company's share option scheme. The remuneration policy for non-executive Directors and independent non-executive Directors is to ensure that non-executive Directors and independent non-executive Directors are adequately compensated for their efforts and time dedicated to the Company's affairs, including their participation in Board committees. The remuneration for the non-executive Directors and independent non-executive Directors mainly comprises Director's fee which is determined with reference to their duties and responsibilities by the Board. Non-executive Directors and independent non-executive Directors shall not receive options to be granted under the Company's share option scheme. Individual Directors and senior management have not been involved in deciding their own remuneration.

## Nomination Committee

The Nomination Committee currently consists of two executive Directors and three independent non-executive Directors, namely Mr. Chen Shisu, Ms. Wang Lin, Mr. Li Yinquan, Mr. Chow Siu Lui and Mr. Chan, Hiu Fung Nicholas. Mr. Chen Shisu is the chairman of the Nomination Committee.

The terms of reference of the Nomination Committee are no less exacting than those set out in the CG Code. The principal duties of the Nomination Committee include reviewing the structure, size and composition of the Board and assisting the Board in maintaining a board skills matrix; identifying individuals suitably qualified to become members of the Board and selecting or making recommendations to the Board on the selection of individuals nominated for directorship; making recommendations to the Board on the appointment, re-appointment and succession planning of Directors; and assessing the independence of independent non-executive Directors; reviewing the policy concerning the diversity of Board members and workforce (including senior management) and the Director Nomination Procedures as well as assisting the Company in evaluating the performance of the Board regularly.

## Board Diversity Procedure

The Board has adopted a board diversity policy which sets out the approach to achieve diversity on the Board in terms of skills, professional experience, educational background, knowledge, expertise, culture, independence, age and gender. The Company recognises and embraces the benefits of having a diverse Board to enhance the quality of its performance. In accordance with the board diversity policy, a truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, race, gender and other qualities of directors. These differences will be taken into account in determining the optimum composition of the Board. All Board appointments will be based on merit while taking into account diversity (including gender diversity). The Nomination Committee will review the board diversity policy, as appropriate, to ensure the effectiveness of the policy. The Nomination Committee will discuss any revisions that may be required and recommend any revision to the Board for consideration and approval.

An analysis of the Board's current composition based on the measurable objectives is set out below:

Gender	Age Group
Male: 10 Directors	41-50: 3 Directors
Female: 1 Director	51-60: 4 Directors
	61-70: 3 Directors
	71-80: 1 Director

## CORPORATE GOVERNANCE REPORT

Designation	Educational Background
Executive Directors: 3 Directors	Business Administration: 1 Director
Non-executive Directors: 4 Directors	Account and Finance: 6 Directors
Independent Non-executive Directors: 4 Directors	Legal: 2 Directors
	Other: 2 Directors

Nationality	Business Experience
Chinese: 11 Directors	Accounting & Finance: 6 Directors
	Legal: 2 Directors
	Experience Related to the Company's Business: 3 Directors

The Nomination Committee and the Board considered that the current composition of Board is sufficiently diverse.

The Nomination Committee will review the Board Diversity Policy, as appropriate, to ensure its effectiveness. Our current Nomination Policy and Board Diversity Policy ensure that the Board will have potential successor candidates to maintain the existing gender diversity of the Board.

### Gender Diversity

The Company values gender diversity across all levels of the Group. The following table sets out the gender ratio in the workforce of the Group, including the Board and senior management as at the date of this annual report:

	Female	Male
<b>Board</b>	9.1%	90.9%
	(1)	(10)
<b>Senior Management</b>	28.57%	71.43%
	(2)	(5)
<b>Other employees</b>	70.75%	29.25%
	(16,827)	(6,957)
<b>Overall workforce</b>	70.74%	29.26%
	(16,829)	(6,962)

\* The total number of employees (excluding Board members) of the Group is 23,791, in which there is overlap between the Board and the senior management.

The Board considers that the above current gender diversity is satisfactory, and the Company expects to maintain the current gender ratio going forward.

## Director Nomination Procedures

The Nomination Committee has adopted a set of nomination procedures under the terms of reference of the Nomination Committee for selection of candidates for directorship. The Nomination Committee evaluates candidate(s) based on the criteria by reference to the Company's business and corporate strategy and recommend desirable candidate(s) for directorship(s) to the Board, which include character, qualifications (including professional qualifications, skills, knowledge, experience and diversity of perspective that are relevant to the Company's business and corporate strategy), independence by reference to the Listing Rules (for appointment of independent non-executive Director) and Board diversity policy. The Nomination Committee will review annually the terms of reference and the effectiveness in the discharge of its duties and to make recommendations to the Board on any changes it considers necessary.

The nomination process set out in the Director Nomination Procedure is as follows:

### Appointment of New Director

- (i) The Nomination Committee and/or the Board may select candidates for directorship from various channels, including but not limited to internal promotion, re-designation, referral by other member of the management and external recruitment agents.
- (ii) The Nomination Committee and/or the Board should, upon receipt of the proposal on appointment of new Director and the biographical information (or relevant details) of the candidate, evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship.
- (iii) If the process yields one or more desirable candidates, the Nomination Committee and/or the Board should rank them by order of preference based on the needs of the Company and reference check of each candidate (where applicable).
- (iv) The Nomination Committee should then recommend to the Board to appoint the appropriate candidate for directorship, as applicable.
- (v) For any person that is nominated by a Shareholder for election as a Director at the general meeting of the Company, the Nomination Committee and/or the Board should evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship.

Where appropriate, the Nomination Committee and/or the Board should make recommendations to Shareholders in respect of the proposed election of Director at the general meeting.

## CORPORATE GOVERNANCE REPORT

### Re-election of Director at General Meeting

- (i) The Nomination Committee and/or the Board should review the overall contribution and service to the Company of the retiring Director and the level of participation and performance on the Board.
- (ii) The Nomination Committee and/or the Board should also review and determine whether the retiring Director continues to meet the criteria as set out above.
- (iii) The Nomination Committee and/or the Board should then make recommendations to Shareholders in respect of the proposed re-election of Director at the general meeting.

Where the Board proposes a resolution to elect or re-elect a candidate as Director at the general meeting, the relevant information of the candidate will be disclosed in the circular to Shareholders and/or explanatory statement accompanying the notice of the relevant general meeting in accordance with the Listing Rules and/or applicable laws and regulations.

During the year, the Nomination Committee met once to review the structure, size and composition of the Board and reviewed and disclosed the board diversity policy and the nomination policy; to discuss and recommend to the Board the re-election of the retiring Directors and to assess the independence of the independent non-executive Directors in accordance with the Listing Rules and the Articles. The Nomination Committee also passed written resolutions during the year to recommend to the Board the appointment of new Directors. The Nomination Committee considered that the structure of the Board is reasonable and an appropriate balance of diversity perspectives of the Board is maintained and has not set any measurable objective for implementing diversity on the Board. The Nomination Committee also considered that the Directors are rich in knowledge and experience and their outstanding skills in their respective expertise can meet the development needs of the Company.

### Risk Control Committee

The Risk Control Committee currently consists of one executive Director and two non-executive Directors, namely Mr. Ma Wanming, Mr. Xia Qi and Mr. Tong Chaoyin. Mr. Ma Wanming is the chairman of the Risk Control Committee.

The principal duties of the Risk Control Committee include conducting research on and making recommendations to the Board on the Group's risk management and control systems, ensuring development and maintenance of these systems, reviewing and approving risk management policies and guidelines, undertaking an annual review of the risk management framework, monitoring the implementation of risk management measures and procedures and reviewing the effectiveness of the Group's risk management and internal control systems.

During the year, the Risk Control Committee met once to review the effectiveness of the risk management and internal control systems and the internal audit function. It reviewed the risk management system, the specialized risk management control, investment project management, and the management of specific risks. It discussed the results of the major risk assessment for 2025 and the internal audit work plan for 2025. These include management strategy, systems precautions, process optimization and implementation of risk management measurements. The Risk Control Committee believed that the Group's risk management systems have been continuously optimized, and the risk mechanisms are effective as the Company had established appropriate risk identification, control and prevention systems in relation to different risk categories which ensure the Company's operations remain compliant and stable. The Company should strengthen the standardization of internal control for the new business operations and the consolidated medical institutions, as well as optimizing the closed-loop management of problem identification, system rectification and long-term improvement to construct an effective internal control system and consolidate the company's defense line.

### Strategy and ESG Committee

The Strategy and ESG Committee currently consists of one executive Director and two non-executive Directors, namely Mr. Chen Shisu, Mr. Huang Youjie and Mr. Ma Wanming. Mr. Chen Shisu is the chairman of the Strategy and ESG Committee.

The principal duties of the Strategy and ESG Committee include formulating the Group's ESG management performance targets, conducting research on and making recommendations to the Board on the Group's mid-term and long-term strategies, including ESG, and their feasibility, conducting research and making recommendations to the Board on integrating ESG considerations into the Group's investment plans, major business decisions and investment earnings forecasts and evaluating and monitoring the implementation of the strategy, plans and measures adopted by the Committee.

During the year, the Strategy and ESG Committee met once to discuss the strategy and business development of the Company. The Strategy and ESG Committee acknowledged the positive outcome achieved through visionary ESG investment and setting up ESG strategic goals with a precise focus on core priorities. The Strategy and ESG Committee also advised the Company to explore the opportunities in Hong Kong's carbon emission trading and stable coins, as well as strengthening the data and software management to prevent data leakage and cyber-attacks. The Company should also pay attention to the application of artificial intelligence (AI) in medical aspect and the potential impact of medical results brought by data deviations. The Strategy and ESG Committee further advised the Company to accelerate the regulation of compliance and governance matters relating to consolidated medical institutions. The Strategy and ESG Committee also passed written resolutions during the year to elect each of Mr. Huang Youjie and Mr. Ma Wanming as the member of the Strategy and ESG Committee.

## CORPORATE GOVERNANCE REPORT

### ATTENDANCE RECORD OF DIRECTORS AND COMMITTEE MEMBERS

The attendance records of each Director at the meetings of the Board, Audit Committee, Remuneration Committee, Nomination Committee, Risk Control Committee and Strategy and ESG Committee and at the general meetings held during the year are set out below:

Name of Director	Attendance/Number of Meetings during the tenure of directorship						2025 AGM
	Board	Audit Committee	Remuneration Committee	Nomination Committee	Risk Control Committee	Strategy and ESG Committee	
Chen Shisu	5/7	N/A	N/A	0/1	N/A	1/1	1/1
Xia Qi <sup>#7</sup>	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Wang Lin	7/7	N/A	N/A	N/A <sup>(2)</sup>	N/A	N/A	1/1
Tong Chaoyin	7/7	3/3	N/A	N/A	1/1	N/A	1/1
Lin Chunhai <sup>#2</sup>	4/4 <sup>(2)</sup>	N/A	1/1 <sup>(2)</sup>	N/A	N/A	N/A	1/1 <sup>(2)</sup>
Huang Youjie <sup>#4</sup>	N/A <sup>(4)</sup>	N/A	N/A <sup>(4)</sup>	N/A	N/A	N/A <sup>(4)</sup>	N/A <sup>(4)</sup>
Ma Wanming <sup>#6</sup>	N/A <sup>(6)</sup>	N/A	N/A	N/A	N/A <sup>(6)</sup>	N/A <sup>(6)</sup>	N/A <sup>(6)</sup>
Li Yinquan	7/7	3/3	2/2	1/1	N/A	N/A	1/1
Chow Siu Lui	7/7	3/3	2/2	1/1	N/A	N/A	1/1
Xu Zhiming	7/7	N/A	2/2	N/A	N/A	N/A	1/1
Chan, Hiu Fung Nicholas	6/7	N/A	N/A	1/1	N/A	N/A	1/1
Xu Ming <sup>#1</sup>	3/3 <sup>(1)</sup>	N/A	1/1 <sup>(1)</sup>	1/1 <sup>(1)</sup>	N/A	N/A	N/A <sup>(1)</sup>
Chan Kai Kong <sup>#3</sup>	4/4 <sup>(3)</sup>	N/A	2/2 <sup>(3)</sup>	N/A	N/A	N/A <sup>(3)</sup>	1/1 <sup>(3)</sup>
Zhu Ziyang <sup>#5</sup>	7/7 <sup>(5)</sup>	N/A	N/A	N/A	1/1 <sup>(5)</sup>	1/1 <sup>(5)</sup>	1/1 <sup>(5)</sup>
Wang Wenbing <sup>#8</sup>	7/7	N/A	N/A	N/A	1/1	N/A	1/1

Notes:

- #1 Resigned with effect from 25 April 2025
- #2 Appointed with effect from 25 April 2025
- #3 Resigned with effect from 25 July 2025
- #4 Appointed with effect from 17 November 2025
- #5 Resigned with effect from 17 November 2025
- #6 Appointed with effect from 18 December 2025
- #7 Appointed with effect from 25 March 2026
- #8 Resigned with effect from 25 March 2026

- (1) Up to 25 April 2025
- (2) Since 25 April 2025
- (3) Up to 25 July 2025
- (4) Since 17 November 2025
- (5) Up to 17 November 2025
- (6) Since 18 December 2025

Apart from the regular Board meetings, the Chairman Mr. Chen Shisu also held a meeting with the independent non-executive Directors without the presence of other Directors during the year.

Independent non-executive Directors and non-executive Directors have attended general meeting to gain and develop a balanced understanding of the view of Shareholders.

### **DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS**

The Directors have acknowledged their responsibility for preparing the financial statements of the Company for the year ended 31 December 2025 with the support of the accounting and finance team.

The Directors have prepared the financial statements in accordance with the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants. Appropriate accounting policies have also been used and applied consistently except the adoption of revised standards, amendments to standards and interpretation.

The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

The statement of the external auditors of the Company about their reporting responsibilities on the financial statements is set out in the independent auditors' report on pages 155 to 159 of this annual report.

### **DEED OF NON-COMPETITION OF THE CONTROLLING SHAREHOLDER**

Reference is made to the non-competition undertakings given by GT-PRC in favour of the Company disclosed in the Prospectus. GT-PRC has confirmed to the Company that it has complied with the non-competition undertakings during the year. The independent non-executive Directors have conducted such review for the year, and also reviewed the relevant undertakings and are satisfied that such undertakings have been complied with.

### **RISK MANAGEMENT AND INTERNAL CONTROL**

The Board acknowledges its responsibility for the risk management and internal control systems and reviewing their effectiveness. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board conducts a review on the internal control system of the Group on an annual basis and has the responsibility to maintain an effective internal control system in order to safeguard the Group's assets and Shareholders' interests. The Board also reviews and monitors the effectiveness of the risk management and internal control systems on a regular basis to ensure that the systems in place are adequate.

## CORPORATE GOVERNANCE REPORT

### Sound and improved risk management and internal control systems

The Group has comprehensive risk management and internal control systems. The internal control system of the Group fully complies with the requirements under COSO (The Committee of Sponsoring Organizations of the Treadway Commission) Enterprise Risk Management Framework and the guidelines provided by the Hong Kong Institute of Certified Public Accountants in relation to risk management. Meanwhile, by drawing experience on benchmark firms and taking into account the actual circumstances and business characteristics of the Group, a control framework has been developed to evaluate the effectiveness and appropriateness of its internal control and risk management systems, which provides reasonable assurance in relation to operational effectiveness, reliability of its financial reports and compliance with laws and regulations.

### Audit and risk control department carrying out internal audit function

The Company has set up an audit and risk control department with guaranteed independence in terms of its organization, staffing and work. In performing its duties, the audit and risk control department may inspect all business and meet relevant personnel without restrictions.

Through the use of systematic and standardized audit procedures and approaches as well as regular procedures of assessment on internal control and risks, the audit and risk control department evaluates the comprehensiveness and effectiveness of the internal control system of the Group on an ongoing basis. It reviews the risks identified, identifies potential risks in operation and makes recommendations on management improvement to ensure effective performance of the control system and foster continuous healthy development of the Group.

### Features of risk management and internal control systems

The Board identifies risk appetite and level of risk based on features of the industry in which the Group operates, so as to ensure comprehensive and effective risk management and internal control systems. The management of the Company implements policies formulated by the Board in relation to risk management and internal control. The management of the Company is also responsible for identifying and evaluating risks as well as design, operation and supervision of effective risk management and internal control systems. The management assures soundness and effectiveness of systems whereas the Board supervises and holds the management accountable.

### Effectiveness of the risk management and internal control systems

The audit and risk control department formulates the annual internal audit plan in accordance with the requirements of full coverage audit work and the results of the annual internal control assessment and risk point identification exercises. It also consults with the management to agree on the annual internal audit plan and the allocation of resources.

During the year, the audit and risk control department has enhanced supervision of high risk areas in operation by initiating audit work on business and mitigating operational risks. In the meantime, the audit and risk control department has conducted economic responsibility audit of affiliated hospitals which elevates the overall management of the Company. In order to ensure normal functioning of internal control system, the audit and risk control department provides regular or irregular reports on audit work to the management.

To address the issues identified in an audit, the audit and risk control department would make recommendations for rectification and request relevant units to make commitments, specify plans and approaches for improvements and ensure implementation. The audit and risk control department would monitor and follow up the implementation of its recommendations to ensure improvements are made.

In 2025, in accordance with the *Basic Rules for Corporate Internal Control* (《企業內部控制基本規範》) jointly promulgated by Ministry of Finance of the PRC, China Securities Regulatory Commission, National Audit Office of the PRC, China Banking Regulatory Commission and China Insurance Regulatory Commission in 2008, we have conducted the internal control self-assessment work. With emphasis on key areas of concerns and processes, we analyzed various internal control points relating to the business processes and unearthed defects and weaknesses of the internal control system for improvements in a timely manner. It ensures operations and management in compliance with laws and regulations as well as truthfulness and completeness of financial reports and relevant information, enhancing the efficiency and effectiveness of operation and safeguarding strategic development of the Group.

With a comprehensive internal control system, the Group has greatly enhanced its capability of risk management and control. Since the Company established the Risk Prevention and Control and Compliance Committee, the Company's comprehensive risk management system has been gradually built and improved, to manage the Company's operational risks, and to promote the effective implementation of risk prevention and control work across all business lines. At the beginning of the year, major risks for the year were identified according to the internal and external environment, and for each type of substantial risks, the Group has established control measures. Related departments are responsible for identification and analysis on corresponding risks to determine corresponding risk strategies based on risk tolerance. The Office of the Risk Prevention and Compliance Committee collects information on risk management regularly, and the risks faced by each business unit and its risk management and control capabilities are reflected to the management, so as to minimize losses and enhance the Group's capability against risks. In 2025, the Group did not experience any significant risk events, reflecting the effectiveness of the Group's risk management measures.

The Board, as assisted by the Risk Control Committee, assessed the effectiveness of the systems by reviewing the work and findings of the internal audit function. Based on the review results and findings of the management and Risk Control Committee, the Board considered, after taking into account the enhanced measures outlined below, the risk management and internal control systems of the Group are adequate and effective for the year upon the consideration of the following measures for enhancement.

## CORPORATE GOVERNANCE REPORT

To ensure compliance with the Listing Rules related to the disclosure of connected transactions, the Company has implemented the following measures to strengthen its internal control procedures:

- (i) the Company will enhance the reporting and monitoring procedures in respect of the transaction amounts of connected transactions, and improve the processes and frequency of data collection and cross-checking, so as to ensure that the transaction amounts do not exceed the relevant annual caps or any applicable exemption thresholds;
- (ii) the Company will closely monitor the aggregated transaction amounts under the relevant documents entered into on a monthly basis. By relying on information platforms such as the contract management system and finance shared system, the Company will track the monthly submission and implementation of procurement budgets and funding plans of connected persons, regularly obtain and monitor connected transaction data, and exercise control over the limits for connected transactions from the source. If the actual transaction amounts reach 70% of the disclosed annual caps at any time during the year, the Company will immediately commence the assessment for revising the annual caps and comply with the relevant requirements for announcement and/or independent Shareholders' approval requirements under the Listing Rules;
- (iii) the Company has arranged specialized training on connected transactions for relevant personnel, covering the requirements regarding connected transactions under the Listing Rules and the interpretation of the transaction documents;
- (iv) a list of connected persons will be regularly identified and maintained, and mandatory checks against this list will be conducted by the Company prior to entering into any transaction;
- (v) the Company's external auditors will conduct an annual review of the pricing and the annual caps of the transactions contemplated under the relevant agreements;
- (vi) the independent non-executive Directors will conduct an annual review of the implementation and enforcement of the transactions to ensure, among other things, that the internal control policies and measures are effectively implemented; and
- (vii) the Company will consult legal counsel and the Stock Exchange in respect of potential connected transactions.

### Inside information

The Company has developed an effective monitoring system for inside information and reporting processes to ensure prompt identification and evaluation of material information and submission of the same to the Board for determining whether to disclose such information. The Company has strictly complied with the Inside Information Provisions (as defined under the Listing Rules) under the SFO and the Listing Rules. Through the implementation of *Manual on Disclosure of Inside Information and Information Necessary to Avoid a False Market* 《披露內幕消息及避免虛假市場所需消息或資料手冊》 in June 2015, all personnel involved have been aware of such requirements which ensure all market participants could obtain same information on an equal and simultaneous basis.

### Whistleblowing Policy

The Company has in place the Whistleblowing Policy and system for employees of the Company and those who deal with the Company to raise concerns, in confidence and anonymity, with the Audit Committee about possible improprieties in any matters related to the Company. The Whistleblowing Policy is available on the website of the Company.

### Anti-Corruption Policy

The Company has also in place the Anti-Corruption Policy to safeguard against corruption and bribery within the Company. The Company has an internal reporting channel that is open and available for employees of the Company to report any suspected corruption and bribery. Employees can also make anonymous reports to the internal anti-corruption department/internal audit function, which is responsible for investigating the reported incidents and taking appropriate measures. The Company continues to carry out anti-corruption and anti-bribery activities to cultivate a culture of integrity, and actively organizes anti-corruption training and inspections to ensure the effectiveness of anti-corruption and anti-bribery. The Anti-Corruption Policy is available on the website of the Company.

During the year ended 31 December 2025, the Company held 21 anti-corruption trainings and briefings to all employees.

The Company has developed its disclosure policy which provides a general guide to the Company's Directors, senior management and relevant employees in handling confidential information, monitoring information disclosure and responding to enquiries. Control procedures have been implemented to ensure that unauthorized access and use of inside information are strictly prohibited.

## CORPORATE GOVERNANCE REPORT

### AUDITORS' REMUNERATION

During the year ended 31 December 2025, the remuneration paid or payable to the Company's external auditor, Shinewing (HK) CPA Limited, is set out below:

Service Category	Fees Paid/Payable RMB' 000
Audit Services	2,980
Non-audit Services	1,200
Fees for review of interim financial statement	1,200
<b>Total</b>	<b>4,180</b>

### COMPANY SECRETARY

Ms. Ng Wai Kam of Tricor Services Limited, an external service provider, has been engaged by the Company as company secretary. Her primary contact person at the Company is Mr. Chen Shisu (chairman of the Board).

For the year ended 31 December 2025, Ms. Ng Wai Kam has undertaken not less than 15 hours of relevant professional training respectively in compliance with Rule 3.29 of the Listing Rules.

### SHAREHOLDERS' RIGHTS

To safeguard Shareholders' interests and rights, separate resolution should be proposed for each substantially separate issue at general meetings, including the election of individual directors. All resolutions put forward at general meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and the Stock Exchange respectively after each general meeting.

#### Right to Call a General Meeting

General meetings may be convened by the Directors on requisition of Shareholder(s) of the Company representing at least 5% of the total voting rights of all the Shareholders having a right to vote at general meetings or by such Shareholder(s) who made the requisition (as the case may be) pursuant to Sections 566 and 568 respectively of the Companies Ordinance. Shareholders should follow the requirements and procedures as set out in the Companies Ordinance for convening a general meeting.

### Putting Forward Proposals at General Meeting

Pursuant to Section 615 of the Companies Ordinance, Shareholders representing at least 2.5% of the total voting rights of all Shareholders; or at least 50 Shareholders (as the case may be) who have a right to vote at the relevant annual general meeting, may request to circulate a resolution to be moved at an annual general meeting. Shareholders should follow the requirements and procedures as set out in the Companies Ordinance for circulating a resolution for annual general meeting. Written request can be sent by post to the Company's registered office address at Room 702, Fairmont House, 8 Cotton Tree Drive, Central, Hong Kong or by email at [ir@um.gt.cn](mailto:ir@um.gt.cn).

### Putting Forward Enquiries to the Board

Shareholders may send written enquiries or requests to the Company for putting forward any enquiries to the Board. Contact details are as follows:

Address: Room 702, Fairmont House, 8 Cotton Tree Drive, Central, Hong Kong  
(for the attention of the Board of Directors)  
Email: [ir@um.gt.cn](mailto:ir@um.gt.cn)

Shareholders are also welcome to make enquiries via the online enquiry form available on the Company's website at [www.umcare.cn](http://www.umcare.cn).

For the avoidance of doubt, Shareholders must lodge their questions together with their detailed contact information (including full name, contact details and identification) for prompt response from the Company if the Company deems appropriate. Shareholders' information may be disclosed as required by law.

## COMMUNICATION WITH SHAREHOLDERS AND INVESTORS/ INVESTOR RELATIONS

The Company considers that effective communication with Shareholders (both individual and institutional, and in appropriate circumstances, the investment community at large) is essential for enhancing investor relations and ensuring ready, equal and timely access to balanced and understandable information about the Company (including financial performance, strategic goals and plans, material developments and governance) by investors.

To safeguard Shareholder interests and rights, separate resolution should be proposed for each substantially separate issue at general meetings, including the election of individual Director. All resolutions put forward at general meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and of the Stock Exchange after each general meeting.

## CORPORATE GOVERNANCE REPORT

The Company endeavours to maintain an on-going dialogue with Shareholders and in particular, through annual general meetings and other general meetings. Board members, in particular, the chairmen of Board committees or their delegates, appropriate management executives and external auditors will use all reasonable efforts to attend annual general meetings and to answer Shareholders' questions.

### Shareholders' Communication Policy

The Company has in place a Shareholders' Communication Policy. The policy aims at promoting effective communication with Shareholders and other stakeholders, encouraging Shareholders to engage actively with the Company and enabling Shareholders to exercise their rights as Shareholders effectively. The Board reviewed the implementation and effectiveness of the Shareholders' Communication Policy and the results were satisfactory.

The Company has established a number of channels for maintaining an on-going dialogue with its Shareholders as follows:

#### **(a) Corporate Communication**

"Corporate Communication" as defined under the Listing Rules refers to any document issued or to be issued by the Company for the information or action of holders of any of its securities, including but not limited to the following documents of the Company: (a) the Directors' report, annual accounts together with a copy of the auditor's report and, where applicable, its summary financial report; (b) the interim report and, where applicable, its summary interim report; (c) a notice of meeting; (d) a listing document; (e) a circular; and (f) a proxy form. The Corporate Communication of the Company will be published on the Stock Exchange's website ([www.hkex.com.hk](http://www.hkex.com.hk)) in a timely manner as required by the Listing Rules. Corporate Communication will be provided to Shareholders and non-registered holders of the Company's securities in both English and Chinese versions or where permitted, in a single language, in a timely manner as required by the Listing Rules. Shareholders and non-registered holders of the Company's securities shall have the right to choose the language (either English or Chinese) or means of receipt of the Corporate Communication (in printed form or through electronic means).

#### **(b) Announcements and Other Documents pursuant to the Listing Rules**

The Company shall publish announcements (on inside information, corporate actions and transactions etc.) and other documents (e.g. Articles of Association) on the Stock Exchange's website in a timely manner in accordance with the Listing Rules.

#### **(c) Corporate Website**

Any information or documents of the Company posted on the Stock Exchange's website will also be published on the Company's website ([www.umcare.cn](http://www.umcare.cn)). Other corporate information about the Company's business developments, goals and strategies, corporate governance and risk management will also be available on the Company's website.

**(d) Shareholders' Meetings**

The annual general meeting and other general meetings of the Company are primary forums for communication between the Company and its Shareholders. The Company shall provide Shareholders with relevant information on the resolution(s) proposed at a general meeting in a timely manner in accordance with the Listing Rules. The information provided shall be reasonably necessary to enable Shareholders to make an informed decision on the proposed resolution(s). Shareholders are encouraged to participate in general meetings or to appoint proxies to attend and vote at the meetings for and on their behalf if they are unable to attend the meetings. Where appropriate or required, the Chairman of the Board and other Board members, the chairmen of Board committees or their delegates, and the external auditors should attend general meetings of the Company to answer Shareholders' questions (if any). The chairman of the independent Board committee (if any) should also be available to answer questions at any general meeting to approve a connected transaction or any other transaction that is subject to independent Shareholders' approval.

**(e) Shareholders' Enquiries***Enquiries about Shareholdings*

Shareholders should direct their enquiries about their shareholdings to the Company's share registrar, Computershare Hong Kong Investor Services Limited, via its online holding enquiry service at [https://www.computershare.com/hk/en/online\\_feedback](https://www.computershare.com/hk/en/online_feedback), or call its hotline at +852 2862 8555, or go in person to its public counter at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.

*Enquiries about Corporate Governance or Other Matters to be put to the Board and the Company*

The Company will not normally deal with verbal or anonymous enquiries. Shareholders may send any enquiries to the Board by email: [ir@um.gt.cn](mailto:ir@um.gt.cn) or by post to Room 702, Fairmont House, 8 Cotton Tree Drive, Central, Hong Kong (for the attention of the Board of Directors).

**(f) Webcast**

Webcasts of the Company's interim and annual results briefings are available.

**(g) Other Investor Relations Communication Platforms**

Investor/analysts briefings, roadshows (both domestic and international), media interviews, marketing activities for investors and specialist industry forums etc. will be launched on a regular/required basis.

## CORPORATE GOVERNANCE REPORT

### Amendments to Constitutional Documents

During the year, the Company did not make any changes to the Articles. An up-to-date version of the Articles is available on the websites of the Stock Exchange and the Company respectively. Shareholders may refer to the Articles for further details of their rights.

On 25 March 2026, the Board proposed to make amendments to the Articles of Association for the purpose of aligning with (i) the amended Companies Ordinance on the implementation of the treasury share scheme for listing companies incorporated in Hong Kong and the promotion of paperless corporate communications; and (ii) the Listing Rules of the electronic dissemination of corporate communications and the further expansion of the paperless listing regime. Other housekeeping changes are also proposed to enable the Company to conduct general meetings (including holding hybrid/virtual general meetings) and handle other corporate affairs more efficiently and in line with current market practices. The proposed amendments above will be submitted for consideration and approval at the annual general meeting in 2026. The amended and restated Articles of Association will be adopted only upon the Shareholders' approval of the relevant resolution. For further details, please refer to the announcement of the Company dated 25 March 2026.

# BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

## DIRECTORS

The Board of the Group is responsible and has general powers for managing and leading the Group's business. Our Board consists of three executive Directors, four non-executive Directors and four independent non-executive Directors.

### Mr. Chen Shisu – Executive Director, Chairman of the Board

Mr. Chen Shisu (陳仕俗先生), aged 54, was appointed as executive Director, the chairman of the Board, chairman of each of the Strategy and ESG Committee and the Nomination Committee of the Company with effect from 16 May 2024. He is primarily responsible for leading and chairing the Board and providing advice and participating in meetings of the Board in connection with matters requiring Directors' consideration and/or approval, and he is also responsible for planning development strategy, business and management system of the Group.

Mr. Chen has extensive experience in strategic planning and capital operation. Mr. Chen has served as the deputy chief economist (副總經濟師) of the Company's controlling shareholder, China General Technology (Group) Holding Co., Ltd. (中國通用技術(集團)控股有限公司, "GT-PRC") since August 2022. He has served as the chairman and the secretary of the Party Committee (黨委書記) of General Technology Group Medical Management Technology Co., Ltd. (通用技術集團健康管理科技有限公司) since April 2023 and July 2023, respectively. He also served as the chairman and the secretary of the Party Committee of Aerospace Medical & Healthcare Technology Group Co., Ltd. (航天醫療健康科技集團有限公司), previously known as Aerospace Medical & Healthcare Technology Co., Ltd. (航天醫療健康科技有限公司) from November 2018 to April 2024 and from October 2020 to July 2023, respectively. In addition, from June 2012 to November 2018, he successively served several positions, including the head of the asset operation department (資產運營部部長), a deputy general manager and the secretary of the board at AISINO CO. LTD. (航天信息股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600271). From July 1999 to June 2012, Mr. Chen successively served several positions, including a deputy director of the planning department of the development planning division (發展計劃部規劃處副處長) and the director of the fixed assets investment department of the development planning division (發展計劃部固定資產投資處處長) at China Aerospace Science and Industry Corporation (中國航天科工集團公司, currently known as China Aerospace Science and Industry Corporation Limited (中國航天科工集團有限公司)).

Mr. Chen obtained a bachelor's degree (majored in Architecture and Engineering) in July 1995 from Chongqing University (重慶大學), and he studied as a part-time graduate student and obtained a master's degree in management science and engineering in October 2018 from Harbin Institute of Technology (哈爾濱工業大學).

## BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

### EXECUTIVE DIRECTORS

#### Mr. Xia Qi – Executive Director, Chief Executive Officer

Mr. Xia Qu (夏畦先生), aged 50, was appointed as an executive Director, the chief executive officer of the Company and a member of the Risk Control Committee on 25 March 2026. He is primarily responsible for implementing the resolutions of the Board and presiding over the overall operation management and overall operation of the Group.

Mr. Xia began his career in July 1998, serving successively as a cadre, deputy director of a division, director of a division, and deputy director of the Research Office of the United Front Work Department of the Central Committee of the Communist Party of China. In September 2018, he was transferred to the General Office of the State Council, where he worked on matters related to education and healthcare. In June 2024, he joined China General Technology (Group) Holding Co., Ltd., where he serves as the director of the General Office (the Party Committee Office and the General Manager's Office).

Mr. Xia graduated from the Department of Information Management at Shandong University majoring in Information Science in July 1998, and obtained a Master's degree of Public Administration from Central University of Finance and Economics in May 2013.

## BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

### Ms. Wang Lin – Executive Director

Ms. Wang Lin (王琳女士), aged 51, was appointed as an executive Director on 25 July 2023 and a member of the Nomination Committee on 25 April 2025. She is primarily responsible for work of the Party Committee and human resources affairs.

Ms. Wang has extensive experience in corporate governance. Before joining the Group, she served as a director and deputy general manager of General Technology Group Health and Elderly Care Sector Co., Ltd. (通用技術集團健康養老產業有限公司, “GT-HECS”), a subsidiary of GT-PRC from August 2022 to July 2023, and served as the party secretary of GT-HECS from December 2022 to July 2023. From May 2019 to August 2022, she held several positions in a subsidiary of GT-PRC specialized in inspection, testing and certification, including the leader of the business group of inspection, testing and certification, the director and the general manager. From January 2020 to September 2021, she served as a director of China Automotive Engineering Research Institute Co., Ltd (中國汽車工程研究院股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 601965).

Ms. Wang obtained a bachelor’s degree (majored in organization work (機關工作專業)) in July 1999 from Xi’an Political College (西安政治學院), where she also received her master’s degree (majored in organization work (機關工作專業) and part-time) in February 2006. Ms. Wang was qualified as a senior engineer (高級工程師) in December 2018 by the State Administration for Market Regulation of China (中華人民共和國國家市場監督管理總局).

## NON-EXECUTIVE DIRECTORS

### Mr. Tong Chaoyin – Non-executive Director

Mr. Tong, aged 61, was appointed as a non-executive Director and a member of the Audit Committee of the Company on 14 May 2021 and was appointed as a member of the Risk Control Committee on 13 September 2021. He is primarily responsible for providing advice on matters requiring Directors’ discussion and/or approval and participating in meetings of the Board.

## BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

Mr. Tong has extensive experience in corporate governance. Mr. Tong has served as a director of China Meheco Co., Ltd. (中國醫藥健康產業股份有限公司) (whose shares are listed on the Shanghai Stock Exchange (stock code: 600056)) since May 2021. He has been a director of GT-PRC Healthcare Company Limited, a subsidiary of GT-PRC, since August 2021. He served as a general manager assistant and the board secretary of GT-PRC from February 2010 to August 2019 and December 2018 to March 2021, respectively. From October 2005 to December 2018, Mr. Tong served in several positions in China Xinxing Group Co., Ltd. (中國新興集團有限責任公司, previously known as China Xinxing Corporation (Group) (中國新興(集團)總公司), a wholly-owned subsidiary of GT-PRC), including general manager, secretary of the Party Committee (黨委書記) and chairman of the company. From December 2001 to October 2005, Mr. Tong served as the general manager of China Xinxing Real Property Development Company (中國新興實業發展公司, currently known as 中國新興資產管理有限責任公司, a subsidiary of China Xinxing Group Co., Ltd.). From July 1989 to December 2001, Mr. Tong served in several positions in China Xinxing Group Co., Ltd., including vice president of the Legal and Audit Department (法律審計部副部長) and head of the Legal Consulting Department (法律顧問處處長).

Mr. Tong graduated from Nankai University (南開大學) in July 1986 with a bachelor's degree in law, and graduated from China University of Political Science and Law (中國政法大學) in July 1989 with a master's degree in law. He obtained the certificate of senior economist granted by China Xinxing Group Co., Ltd. in October 1996, and was qualified as Level-One In-house Legal Counsel (企業一級法律顧問) by GT-PRC in September 2010.

### Mr. Lin Chunhai – Non-executive Director

Mr. Lin Chunhai, age 55, was appointed as a non-executive Director and a member of the Remuneration Committee of the Company on 25 April 2025. He is primarily responsible for providing advice on matters requiring Directors' discussion and/or approval and participating in meetings of the Board.

Mr. Lin has extensive experience in financial and business management. He has been working with GT-PRC, the ultimate controlling shareholder of the Company, since 2000 and has been the director and general manager of GT-HK since February 2025, where he was responsible for the daily management of GT-HK. Mr. Lin was the chairman of the board and the secretary of the Party Committee of General Technology Group Harbin Measuring and Cutting Tools Co., Ltd. (通用技術集團哈爾濱量具刃具有限責任公司) from January 2021 to February 2025. During the same period, Mr. Lin also concurrently served as the deputy manager of the equipment division of GT-PRC from January 2021 to June 2021 and as the deputy manager of General Technology Group Machine Tool Co., Ltd. (通用技術集團機床有限公司) from June 2021 to February 2025.

## BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

Mr. Lin served as the secretary of the Party Committee, deputy general manager, general manager, deputy secretary of the Party Committee, director, chairman of CNTIC from August 2017 to January 2021. Mr. Lin was the director, secretary of the Party Committee, deputy general manager and secretary of the Discipline Committee of Genertec Investment Management Co., Ltd. (通用技術集團投資管理有限公司) during the period from March 2003 to August 2017. During the same period, Mr. Lin also served concurrently as the general manager and chairman of the board of Genertec Venture Capital Co., Ltd. (通用技術創業投資有限公司) from March 2012 to August 2017. Mr. Lin also served as the manager of the finance management department and as the deputy general manager of the financial services division of GT-PRC during the period from December 2000 to February 2002 and from February 2002 to March 2003, respectively. Mr. Lin successively served as officer, deputy chief and chief of the finance department and the head of finance and accounting department of the French office of China National Machinery Import and Export Corporation (中國機械進出口(集團)有限公司) from September 1995 to December 2000.

Mr. Lin obtained a bachelor's degree in economics from the school of business and management, Jilin University in 1992 and obtained a part-time master's degree in business administration from The Chinese University of Hong Kong in 2006.

### Mr. Huang Youjie – Non-executive Director

Mr. Huang Youjie (黃友杰先生), age 49, was appointed as a non-executive Director and a member of the Remuneration Committee and the Strategy and ESG Committee of the Company on 17 November 2025. He is primarily responsible for providing advice on matters requiring Directors' discussion and/or approval and participating in meetings of the Board.

Mr. Huang has extensive experience in business management. He currently serves as General Manager of CNCB (Hong Kong) Investment Ltd. From 1999 to 2002, he worked at Guangdong Provincial Branch of China Construction Bank. He joined China CITIC Bank in 2002, and since then held positions including President of Guangzhou Haizhu sub-branch, General Manager of Corporate Banking Department at Guangzhou Branch, General Manager of Automotive Market Department, the President of Dongguan Branch, as well as the Vice President of Guangzhou Branch. He has been acting as the Director and Acting General Manager at CNCB (Hong Kong) Investment Ltd. since November 2024 and assumed the role of General Manager in May 2025.

Mr. Huang obtained the master's degree in Business Administration Program at Sun Yat-sen University.

## BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

### Mr. Ma Wanming – Non-executive Director

Mr. Ma Wanming (馬萬銘先生), age 50, was appointed as a non-executive Director and the chairman of the Strategy and ESG Committee of the Company on 18 December 2025. He is primarily responsible for providing advice on matters requiring Directors' discussion and/or approval and participating in meetings of the Board.

Mr. Ma has extensive experience in financial accounting, asset-liability management, risk management and investment business. Currently Mr. Ma serves as Member of Party Committee and Deputy General Manager of China Cinda (HK) Holdings Company Limited (中國信達(香港)控股有限公司). From 2000 to 2004, he worked at Daxin Certified Public Accountants Co., Ltd. (大信會計師事務所有限責任公司). He joined China Cinda Asset Management Co., Ltd. (中國信達資產管理股份有限公司), formerly known as China Cinda Asset Management Corporation (中國信達資產管理公司) in 2006, and since then held positions including Business Manager of Capital and Finance Department, Manager of Planning and Finance Department and Finance and Accounting Department, Section Chief and Manager of Centralized Accounting Division of Financial Accounting Department, Section Chief and Senior Vice Manager of Centralized Accounting Division of Financial Accounting Department and Planning and Finance Department, Section Chief and Senior Manager of Centralized Accounting Division of Planning and Finance Department, and Member of Party Committee, Assistant to the General Manager and Chairperson of the Labor Union of the Ningxia Branch. He has been acting as Member of Party Committee and Deputy General Manager of China Cinda (HK) Holdings Company Limited since March 2023.

Mr. Ma obtained a master's degree in Management majoring in Accounting at Beijing Forestry University. Mr. Ma was awarded the International Accountant qualification by the Association of International Accountants in October 2018 and the Senior Accountant qualification by the National Government Offices Administration in November 2018.

## INDEPENDENT NON-EXECUTIVE DIRECTORS

### Mr. Li Yinquan – Independent Non-executive Director

Mr. Li Yinquan (李引泉先生), aged 71, was appointed as an independent non-executive Director of the Company with effect from 9 June 2015. He is also the chairman of the Audit Committee. He was appointed as a member of each of the Remuneration Committee and the Nomination Committee on 13 September 2021. He is primarily responsible for providing advice on matters requiring Directors' discussion and/or approval and participating in meetings of the Board.

## BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

Mr. Li has served as an independent non-executive director of Million Cities Holdings Limited (whose shares are listed on the Main Board of the Stock Exchange (stock code: 2892)) since June 2018, Hong Kong Shanghai Alliance Holdings Limited (whose shares are listed on the Main Board of the Stock Exchange (stock code: 1001)) since July 2018, China Everbright Bank Company Limited (whose shares are listed on the Main Board of the Stock Exchange (stock code: 6818) and the Shanghai Stock Exchange (stock code: 601818)) since June 2020, Mainland Headwear Holdings Limited (whose shares are listed on the Main Board of the Stock Exchange (stock code: 1100)) since September 2023, and, China Resources Beverages (Holdings) Company Limited (whose shares are listed on the Main Board of the Stock Exchange (stock code: 2460)) since October 2024.

Mr. Li served respectively as the General Manager of Financial Department, Chief Financial Officer, Vice President of China Merchants Group, CEO of China Merchants Capital Investment Co., Ltd, an executive director of China Merchants Port Holdings Company Limited (formerly known as China Merchants Holdings (International) Company Limited) (whose shares are listed on the Main Board of the Stock Exchange (stock code: 144)), a non-executive director of China Merchants Bank Co., Ltd. (whose shares are listed on the Main Board of the Stock Exchange (stock code: 3968) and the Shanghai Stock Exchange (stock code: 600036)), and an executive director of China Merchants China Direct Investments Limited (whose shares are listed on the Main Board of the Stock Exchange (stock code: 133)) from 2000 to 2017. Mr. Li also served as an independent non-executive director of Lizhi Inc. (whose shares are listed on the Nasdaq Stock Exchange (stock code: LIZI)) from January 2020 to June 2021, Kimou Environmental Holdings Limited (whose shares are listed on the Main Board of the Stock Exchange (stock code: 6805)) from July 2019 to Dec 2022 and China Agri-Products Exchange Limited (whose shares are listed on the Main Board of the Stock Exchange (stock code: 0149)) from April to August 2024.

Mr. Li received his bachelor's degree in economics from Shaanxi Institute of Finance and Economics, master's degree in economics from Graduate School of the People's Bank of China and master's degree in banking and finance for development from Finafrica Institute in Milan, Italy.

### Mr. Chow Siu Lui – Independent Non-executive Director

Mr. Chow Siu Lui (鄒小磊先生), aged 65, was appointed as an independent non-executive Director of the Company with effect from 9 June 2015. He is also the chairman of the Remuneration Committee and a member of each of the Nomination Committee and the Audit Committee. He is primarily responsible for providing advice on matters requiring Directors' discussion and/or approval and participating in meetings of the Board.

Mr. Chow has a wealth of experience in fund raising and initial public offering activities in Hong Kong and in accounting and financial areas. He was the partner of VMS Investment Group (HK) Ltd. from 2012 to April 2023 and he was responsible for providing advice on issues regarding fund raising, pre-IPO group restructuring and due diligence exercises for investment projects. Prior to that, Mr. Chow was in service with KPMG Hong Kong for about 28 years and was admitted as one of its partners in 1995. He was then mainly responsible for initial public offering advisory services and assisting in fund raising activities in local and overseas stock exchanges.

## BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

Mr. Chow is now an independent non-executive director of Futong Technology Development Holdings Limited (whose shares are listed on the Main Board of the Stock Exchange (stock code: 465)), China Everbright Greentech Limited (whose shares are listed on the Main Board of the Stock Exchange (stock code: 1257)), China Tobacco International (HK) Company Limited (whose shares are listed on the Main Board of the Stock Exchange (stock code: 6055)), and AGTech Holding Limited (whose shares are listed on the Main Board of the Stock Exchange (stock code: 8279)). Mr. Chow acted as an independent non-executive director of Sinco Pharmaceuticals Holdings Limited (whose shares are listed on the Main Board of the Stock Exchange (stock code: 6833)) from September 2015 to November 2018, Fullshare Holdings Limited (whose shares are listed on the Main Board of the Stock Exchange (stock code: 607)) from December 2013 to December 2021, and Shanghai Dazhong Public Utilities (Group) Co., Ltd. (whose shares are listed on the Main Board of the Stock Exchange (stock code: 1635)) from April 2016 to May 2022 and Global Cord Blood Corporation (formerly known as “China Cord Blood Corporation”) (whose shares are listed on the NASDAQ Stock Market (stock code: CO)) from November 2019 to September 2022, respectively. Mr. Chow acted as a non-executive director of Renrui Human Resources Technology Holdings Limited (whose shares are listed on the Main Board of the Stock Exchange (stock code: 6919)) from July 2018 to April 2023.

Mr. Chow was awarded a Professional Diploma in Accountancy from the Hong Kong Polytechnic University (formerly known as Hong Kong Polytechnic), Hong Kong in November 1983. By profession, Mr. Chow became a fellow of the Association of Chartered Certified Accountants in July 1991, the Institute of Chartered Secretaries and Administrators and HKICS both in October 2009, and the HKICPA in December 1993.

### Mr. Xu Zhiming – Independent Non-executive Director

Mr. Xu Zhiming (許志明先生), aged 64, was appointed as an independent non-executive Director and a member of the Remuneration Committee of the Company on 22 June 2022. He is primarily responsible for providing advice on matters requiring Directors’ discussion and/or approval and participating in meetings of the Board.

Mr. Xu Zhiming has extensive experience in corporate governance, he is a founding partner of China Broadband Capital (寬帶資本). Since June 2024, Mr. Xu has been serving as an Independent Non-Executive Director of Jiangsu Zhengli Xinneng Battery Technology Co., Ltd. (which is listed on the Stock Exchange with stock code: 3677). From August 1999 to December 2001, Mr. Xu successively served as an executive director of China Resources Enterprise, Limited (華潤創業有限公司), an executive director of China

## BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

Resources (Beijing) Land Limited (華潤北京置地有限公司), the managing director and chief operating officer of China Resources Logic Limited (華潤勵致有限公司). From January 2002 to May 2005, Mr. Xu successively served as a senior consultant of TOM Group Ltd. (TOM 集團有限公司), and an executive director and chief operating officer of TOM Online Inc. (TOM 在線有限公司). From July 2016 to November 2022, Mr. Xu served as an independent non-executive director of 東方證券股份有限公司, the shares of which are listed on the Stock Exchange (stock code: 3958) and the Shanghai Stock Exchange (stock code: 600958). From November 2021 to September 2022, Mr. Xu served as an independent non-executive director of Tianjin Capital Environmental Protection Group Company Limited (天津創業環保集團股份有限公司), the shares of which are listed on the Stock Exchange (stock code: 1065) and the Shanghai Stock Exchange (stock code: 600874).

Mr. Xu received a doctoral degree in economics from the University of Manchester in the United Kingdom (英國曼徹斯特大學) in February 1993, a master's degree in industrial economy from Chinese Academy of Social Science (中國社會科學院) in July 1986 and a bachelor's degree in astrophysics from Peking University (北京大學) in July 1983.

### **Mr. Chan, Hiu Fung Nicholas – Independent Non-executive Director, MH, JP**

Mr. Chan, Hiu Fung Nicholas (陳曉峰先生), aged 52, was appointed as an independent non-executive Director and a member of the Nomination Committee of the Company on 22 June 2022. He is primarily responsible for providing advice on matters requiring Directors' discussion and/or approval and participating in meetings of the Board.

Mr. Chan is currently a practising solicitor in Hong Kong and has over 20 years of experience in the legal practice. Mr. Chan has been working at Squire Patton Boggs (翰宇國際律師事務所) since April 1999 and has been a partner of it since September 2005. Prior to that, he served as an associate at Deacons (香港的近律師事務所). Mr. Chan has ample listed company board experience having served as (i) an independent non-executive director of Ping An Insurance (Group) Company of China, Ltd. (中國平安保險(集團)股份有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 2318) since October 2025, (ii) an independent non-executive director of China Merchants Port Holdings Company Limited (招商局港口控股有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 144) since December 2022, (iii) an independent non-executive director of Million Cities Holdings Limited (萬城控股有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 2892) from December 2021 to March 2025, (iv) an independent non-executive director of Pangaea Connectivity Technology Limited (環聯連訊科技有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 1473) from January 2021 to June 2025, (v) an independent non-executive director of Q P Group Holdings Limited (雋思集團控股有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 1412) since December 2019, and (vi) an independent non-executive director of Sa Sa International Holdings Limited (莎莎國際控股有限公司), a company listed on the Main Board of the Stock Exchange (stock code: 178) since September 2019.

## BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

Mr. Chan graduated from the University of Melbourne, Australia (澳洲墨爾本大學), in March 1997 with a degree of bachelor of laws and a degree of bachelor of science. Mr. Chan was admitted as a solicitor in Hong Kong in May 1999. He was also admitted as a solicitor of Australia Capital Territory, the State of Victoria in Australia and England and Wales in June 1997, October 2000 and October 2007, respectively. He was appointed as a China-Appointed Attesting Officer (中國委託公證人) by the Ministry of Justice of the People's Republic of China (中華人民共和國司法部).

Mr. Chan has been appointed to serve as the Director to lead the operations of AALCO Hong Kong Regional Arbitration Centre since May 2022. The centre was established by agreement between the Central People's Government of the People's Republic of China and the Asian-African Legal Consultative Organization, an intergovernmental organization established in 1956 and now with 47 member countries.

Since January 2026, Mr. Chan has served as a Member of the Legislative Council of the Hong Kong Special Administrative Region. Since July 2025, he has been appointed as Vice-Chairman of the China Committee of The Hong Kong General Chamber of Commerce, with a one-year term. Mr. Chan has been appointed as a Member of the Expert Advisory Group on Legal and Dispute Resolution Services (法律及爭議解決服務專家諮詢組成員) since October 2024 for a term of three years. He has also been elected as the Vice Chairman of FuHong Society (扶康會) since October 2025 for a one-year term. Since May 2024, Mr. Chan has been appointed as a Member of the Expert Group of the Chief Executive's Policy Unit (特首政策組專家組成員) for a one-year term which was renewed after the expiry of the tenure for a term from 30 May 2025 to 29 May 2026. He has served as a Member of the Competition Commission (競爭事務委員會) since May 2024 for a two-year term. Since April 2024, Mr. Chan has also been appointed as a Director of Cyberport Management Company Limited (香港數碼港管理有限公司) and Chairman of the Knowledge Transfer Committee of The Chinese University of Hong Kong (香港中文大學知識轉移委員會), each for a two-year term. He has been appointed as a Member of the Executive Committee and the Audit and Risk Management Committee of the Council of The Chinese University of Hong Kong (香港中文大學校董會執行委員會委員和審計及風險管理委員會委員) since 1 April 2024 for a term ending on 31 March 2026. Since June 2023, Mr. Chan has been appointed as the Chairman of the Innovation and Technology Fund Advisory Committee of the Innovation and Technology Commission of the Government of the Hong Kong Special Administrative Region (香港特別行政區政府創新科技署創新及科技基金諮詢委員會主席). Mr. Chan has been appointed as a Member of the Innovation, Technology and Industry Development Committee of the Hong Kong Special Administrative Region (香港特別行政區創新科技與產業發展委員會) since March 2023 for a two-year term. He was also appointed as a member of the Broadcast Complaints Committee and the Telecommunications Affairs Committee, the independent statutory bodies of the Communications Authority (通訊事務管理局) established under the Communications Authority Ordinance (Cap. 616) on March 2023 and the appointment was renewed for a term from 1 April 2025 to 31 March 2027. Mr. Chan has been a Member of the Council of The Chinese University of Hong Kong (香港中文大學校董會) since June 2022 and the appointment was renewed for a term from 1 June 2025 to 30 May 2028. He

## BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

served as a Member of the Council of The Hong Kong University of Science and Technology (香港科技大學校董會) from April 2016 to March 2022. He was a Member of the Legal Aid Services Authority (法律援助服務局) from September 2018 to August 2022. Since April 2019, Mr. Chan has also been appointed as a Member of the Hospital Governance Committees of Castle Peak Hospital and Tung Wah Hospital (青山醫院及小欖醫院之醫院管治委員會). Mr. Chan has previously served as the Chairman of eBRAM International Online Dispute Resolution Centre (一邦國際網上仲調中心), an independent non-profit making company with limited liability established under the laws of Hong Kong. Mr. Chan was appointed as a Deputy to the 13th National People's Congress of the People's Republic of China in 2019 and was elected as a Deputy to the 14th National People's Congress representing the Hong Kong Special Administrative Region in 2023. He was awarded the Medal of Honour by the Government of the Hong Kong Special Administrative Region in July 2016 and was appointed as a Justice of the Peace by the same government in July 2021. He was awarded the Bronze Bauhinia Star by the Government of the Hong Kong Special Administrative Region in July 2024.

### SENIOR MANAGEMENT

For the biographical details of Mr. Chen Shisu, Mr. Xia Qi and Ms. Wang Lin, please refer to the section headed "Directors".

#### **Ms. Wang Shinan (王詩楠) – Chief Accounting Officer, Chief Compliance Officer**

Ms. Wang Shinan (王詩楠女士), aged 43, was appointed as the chief accounting officer of the Company in April 2023, and the Chief Compliance Officer of the Company in June 2023. She is also a director of Genertec Universal Medical Development (BVI) Co., Ltd.

Prior to joining the Group, Ms. Wang worked as the secretary of the Discipline Inspection Committee and a member of the Party Committee of Genertec Capital Co., Ltd. (通用技術集團資本有限公司) from November 2022 to April 2023, and the secretary of the Discipline Inspection Committee, deputy general manager and a member of the Party Committee of Genertec Investment Management Co., Ltd. (通用技術集團投資管理有限公司) from August 2021 to November 2022. From July 2004 to August 2021, she held various positions in the finance department of Genertec International Trading Corporation (通用國際貿易有限責任公司), the financial management department of GT-PRC, and Genertec Asset Management Co., Ltd. (通用技術集團資產管理有限公司), including the manager of the accounting management department and a deputy manager of the finance department, etc.

Ms. Wang obtained a bachelor's degree in management in 2004 from Renmin University of China (中國人民大學), where she also received her master's degree in accounting in 2015. Ms. Wang was qualified as a senior accountant (高級會計師) in November 2015 by the Appraisal and Approval Committee for Professional & Technical Qualification of GT-PRC.

# DIRECTORS' REPORT

The Board is pleased to present the Directors' Report of the year 2025 together with the audited financial statements of the Group for the year ended 31 December 2025.

## PRINCIPAL BUSINESS ACTIVITIES

The Group is a leading medical and health conglomerate in China. Our business can be divided into two major sectors, i.e. healthcare business and finance business, among which the healthcare business is further divided into comprehensive healthcare, specialized medical services and health technology business.

## BUSINESS REVIEW

Part of the business review as required under Schedule 5 of the Companies Ordinance is included in the section headed "Management Discussion and Analysis" in this annual report on pages 15 to 75 and such contents form part of this Directors' Report.

In addition, the Group's policies and performance in environmental, social and governance aspects, and compliance with relevant laws and regulations have been disclosed in the 2025 Environmental, Social and Governance Report separately published by the Company.

## RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 December 2025 are set out in the consolidated statement of profit or loss on page 160 of this annual report.

The Board recommended the payment of a final dividend of HKD0.36 per Share for the year ended 31 December 2025 (the "**2025 Final Dividend**"), which is subject to the approval of the Shareholders at the 2026 AGM. Subject to the approval of the Shareholders at the 2026 AGM, the 2025 Final Dividend is expected to be paid to the eligible Shareholders by no later than 29 June 2026.

As of the date of this annual report, there are no arrangements under which a Shareholder has waived or agreed to waive any dividend.

A circular containing, among other things, further information in respect of the 2026 AGM and the proposed distribution of the 2025 Final Dividend will be dispatched to the Shareholders in due course.

## DIVIDEND POLICY

The Company has adopted a dividend policy (the "**Dividend Policy**"), which aims to set out the principles and guidelines that the Company applies to the declaration and distribution of dividends to the Shareholders. The Company may by ordinary resolution declare dividends as the Directors consider appropriate. The determination to pay dividends will be based on the Company's profits, cash flows,

financial condition, capital requirements and other conditions that the Board deems relevant. No dividend shall be payable except out of the profits or other distributable reserves of the Company available for distribution. Except as otherwise provided by the Articles or the rights attached to Shares or the terms of issue thereof, all dividends shall be declared and paid according to the amounts paid up on the Shares on which the dividend is paid. The Company may pay dividends by any method that the Directors consider appropriate. The target annual dividend pay-out shall be no less than 30% of the consolidated annual net profits (excluding extraordinary items, if any) attributable to the Shareholders.

## CLOSURE OF REGISTER OF MEMBERS

The notice of the 2026 AGM will be published and dispatched to Shareholders in accordance with the requirements of the Listing Rules and the Articles of Association. The Company will announce the period of closure of register of members in the notice of the 2026 AGM to be issued or the announcement to be otherwise issued.

## PROPERTY, PLANT AND EQUIPMENT

The movements in the Group's property, plant and equipment for the year are set out in Note 12 to the consolidated financial statements.

## SHARE CAPITAL

Details of the movements in the share capital of the Company are set out in Note 30 to the consolidated financial statements.

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any listed securities of the Company (including sale of Treasury Shares) during the year ended 31 December 2025.

As of 31 December 2025, neither the Company nor any of its subsidiaries held any Treasury Shares.

## CONVERSION OF CONVERTIBLE BONDS

On 7 November 2025, the Company received a conversion notice from Dragonland International Development Limited in relation to the exercise of the conversion rights attaching to the Convertible Bonds to convert the Convertible Bonds in an aggregate principal amount of US\$90,000,000 into 122,665,263 Conversion Shares at the Conversion Price of HK\$5.7 per Conversion Share (the "**Conversion**"). Accordingly, on 12 November 2025, 122,665,263 Conversion Shares, representing approximately 6.48%

## DIRECTORS' REPORT

of the issued share capital of the Company immediately before the Conversion and 6.09% of the issued share capital of the Company as enlarged by the issuance of such Conversion Shares after the Conversion, were allotted to Dragonland International Development Limited under the Specific Mandate in accordance with the terms and conditions of the Convertible Bonds. For details, please refer to the Company's announcement dated November 12, 2025.

## RESERVES

Details of the movements in the reserves of the Group and the Company during the year are set out in the consolidated statement of changes in equity on pages 165 to 169 and 328 of this annual report and Note 31 to the consolidated financial statements, respectively.

As at 31 December 2025, the reserves of the Company available for distribution to Shareholders amounted to approximately RMB10,845.1 million.

## DIRECTORS

During the financial year ended 31 December 2025 and up to the date of this report, our Directors were as follows:

### Executive Directors

Mr. Chen Shisu  
Mr. Xia Qi (appointed with effect from 25 March 2026)  
Ms. Wang Lin  
Mr. Wang Wenbing (resigned with effect from 25 March 2026)

### Non-executive Directors

Mr. Tong Chaoyin  
Mr. Xu Ming (resigned with effect from 25 April 2025)  
Mr. Lin Chunhai (appointed with effect from 25 April 2025)  
Mr. Chan Kai Kong (resigned with effect from 25 July 2025)  
Mr. Zhu Ziyang (resigned with effect from 17 November 2025)  
Mr. Huang Youjie (appointed with effect from 17 November 2025)  
Mr. Ma Wanming (appointed with effect from 18 December 2025)

### Independent Non-executive Directors

Mr. Li Yinquan  
Mr. Chow Siu Lui  
Mr. Xu Zhiming  
Mr. Chan, Hiu Fung Nicholas

## DIRECTORS OF SUBSIDIARIES

Name of Subsidiaries	Directors of our subsidiaries as at 31 December 2025
1 China Universal Leasing Co., Ltd. (中國環球租賃有限公司)	Chen Shisu
2 Genertec Universal International Financial Leasing (Tianjin) Co., Ltd. (通用環球國際融資租賃(天津)有限公司)	Chen Shisu
3 Beijing Xiaotong e-Chain Technology Co., Ltd. (北京小通易鏈科技有限公司)	Zhu Jiawei
4 Genertec Universal Hospital Investment & Management (Tianjin) Co., Ltd. (通用環球醫院投資管理(天津)有限公司)	Chen Shisu
5 Shaanxi Huahong Pharmaceutical Co., Ltd. (陝西華虹醫藥有限公司)	Zhang Tianyu
6 Huanshikang Eye Hospital (Beijing) Co., Ltd. (環視康眼科醫院(北京)有限公司)	Ma Zhongjin, Guo Xiaolian, Li He
7 Beijing Zhongxing Hospital (北京中興醫院)	Not applicable*
8 Beijing Haidian District Xisanqi Street Xincai Community Healthcare Service Station (Beijing Xincai Hospital) (北京市海淀區西三旗街道新材社區衛生服務站)(北京新材醫院)	Not applicable*
9 Shandong University of Traditional Chinese Medicine Affiliated Ophthalmology Hospital (山東中醫藥大學附屬眼科醫院)	Chen Shisu, Guan Weiyong, Yong Weijie, Yu Chao, Huang Xiaoke
10 Chongqing Dadukou Changzheng Hospital Co., Ltd. (重慶大渡口長征醫院有限公司)	Li Zheng
11 Beijing Guotong Huankang Hospital Management Co., Ltd. (北京國通環康醫院管理有限公司)	Guo Xiaolian
12 No.408 Hospital (四〇八醫院)	Not applicable*

## DIRECTORS' REPORT

Name of Subsidiaries		Directors of our subsidiaries as at 31 December 2025
13	Luoyang Hechai Hospita (洛陽河柴醫院)	Not applicable*
14	Luoyang Yikangyuan Elderly Care Co., Ltd. (洛陽市頤康苑老年護理有限公司)	Yu Wei
15	Genertec Universal Medical (Xi'an) Co., Ltd. (通用環球醫療(西安)有限公司)	Guo Xiaolian, Wang Lijuan, Wang Shuangquan, Wang Shuo, Li Zheng
16	Xi'an XD Group Hospital (西電集團醫院)	Not applicable*
17	Xi'an Lianhu District Taoyuan Community Health Service Center (西安市蓮湖區桃園社區衛生服務中心)	Not applicable*
18	Anhui Huankang Hospital Management Co., Ltd. (安徽環康醫院管理有限公司)	Wang Zhongkai
19	Genertec Universal Hefei Rehabilitation Hospital (通用環球合肥康復醫院)	Not applicable*
20	Yaohai District Hongguang Street Community Health Service Center (瑤海區紅光街道社區衛生服務中心)	Not applicable*
21	合肥市包河區蕪湖路街道社區衛生服務中心	Not applicable*
22	Genertec Ansteel Hospital Management Co., Ltd. (通用鞍鋼醫院管理有限公司)	Liu Xin, Ping Shouguo, Liu Xin, Liu Chuan, Guo Xiaolian
23	Genertec Ansteel (Anshan) Health Industry Co., Ltd. (通用鞍鋼(鞍山)健康產業有限公司)	Ding Xin
24	Liaoning Xingye Medicine Co., Ltd. (遼寧興業醫藥有限公司)	Wang Yunfeng
25	Hospital for Occupational Disease Prevention and Treatment of Ansteel Group General Hospital (鞍鋼集團公司總醫院職業病防治院)	Not applicable*

Name of Subsidiaries	Directors of our subsidiaries as at 31 December 2025
26 鞍鋼集團公司總醫院千山溫泉康復醫院 (鞍鋼集團公司總醫院千山溫泉療養院)	Not applicable*
27 Ansteel Group General Hospital (鞍鋼集團公司總醫院)	Not applicable*
28 Genertec Universal Caihong (Xianyang) Hospital Management Co., Ltd. (通用環球彩虹(咸陽)醫院管理有限公司)	Guo Xiaolian, Zhang Bing, Li Zheng, Wang Shuo, Kang Pengjiang
29 Xianyang Caihong Hospital (咸陽彩虹醫院)	Not applicable*
30 Yantai Harbour Hospital Co., Ltd.(煙台海港醫院有限公司)	Guo Xiaolian, Zhang Jian, Meng Fanxue, Wang Hui, Li Zheng, Lu Na, Wang Yantao
31 Genertec Universal Medical Technology Advisory (Yantai) Co., Ltd. (通用環球醫療技術諮詢(煙台)有限公司)	Wang Yantao
32 Genertec Universal Huayang Shanxi Health Industry Co., Ltd. (通用環球華陽山西健康產業有限公司)	Jia Zhiwen, Wang Rujiang, Guo Xiaolian, Wang Wei, Liu Ziyuan, Liu Chuan, Zhang Donghong
33 The Second Hospital of Yang Quan Coal Industry (Group) Co., Ltd. (陽泉煤業(集團)有限責任公司第二醫院)	Not applicable*
34 Occupational Diseases Prevention Center of Yang Quan Coal Industry (Group) Co., Ltd. (陽泉煤業(集團)有限責任公司職業病防治所)	Not applicable*
35 Yangquan Coal Industry (Group) General Hospital (陽泉煤業(集團)有限責任公司總醫院)	Not applicable*
36 Yangquan Medical Oxygen Factory (山西醫用氧氣有限公司)	Zhou Hongyu

## DIRECTORS' REPORT

Name of Subsidiaries		Directors of our subsidiaries as at 31 December 2025
37	Yangquan Tianhetang Pharmacy Co., Ltd. (陽泉市天和堂藥店有限公司)	Feng Juan
38	The Third Hospital of Yang Quan Coal Industry (Group) Co., Ltd. (陽泉煤業(集團)有限責任公司第三醫院)	Not applicable*
39	Chengdu Genertec Jindian Hospital Management Co., Ltd. (成都通用錦電醫院管理有限公司)	Li Zheng
40	Genertec CREC (Beijing) Hospital Management Co., Ltd. (通用中鐵(北京)醫院管理有限公司)	Guo Xiaolian, Li Zheng, Zeng Xi, Qiu Cheng, Li Yiyun
41	Genertec Universal CREC Xi'an Hospita (通用環球中鐵西安醫院)	Not applicable*
42	西安市碑林區太乙路社區衛生服務中心	Not applicable*
43	Shaanxi CREC Occupational Health Technology Services Co., Ltd. (陝西中鐵職業衛生技術服務有限公司)	Liang Xiaoxia
44	Xi'an Beilin District First Love Nursing Home (西安市碑林區第一愛心護理院)	Not applicable*
45	Xi'an Beilin District Taiyi Road Second Community Health Service Center (西安市碑林區太乙路第二社區衛生服務中心)	Not applicable*
46	Genertec Universal CREC Huazhou Hospital (通用環球中鐵華州醫院)	Not applicable*
47	Genertec Universal CREC Psychiatric Hospital (通用環球中鐵精神病醫院)	Not applicable*
48	Kangle Nursing Home (渭南市華州區中鐵康樂醫療養老院)	Not applicable*
49	Genertec Universal CREC (Xi'an) Hospital Management Co., Ltd. (通用環球中鐵(西安)醫院管理有限公司)	Guo Xiaolian, Li Zheng, Zeng Xi, Qiu Cheng, Li Yiyun
50	Genertec Universal CREC Xianyang Hospital (通用環球中鐵咸陽醫院)	Not applicable*

Name of Subsidiaries		Directors of our subsidiaries as at 31 December 2025
51	Genertec Universal CREC Tangshan Hospital (通用環球中鐵唐山醫院)	Not applicable*
52	Genertec Universal CREC Baoji Hospital (通用環球中鐵寶雞醫院)	Not applicable*
53	Genertec Universal CREC Shanqiao Hospital (通用環球中鐵山橋醫院)	Not applicable*
54	Genertec Universal CREC Wuhu Hospital (通用環球中鐵蕪湖醫院)	Not applicable*
55	Genertec Universal CREC Pizhou Hospita (通用環球中鐵邳州醫院)	Not applicable*
56	Hospital Affiliated to China Railway No.5 Bureau No.2 Engineering Co., Ltd. (中鐵五局集團第二工程有限責任公司醫院)	Not applicable*
57	Genertec Universal CREC Taiyuan Hospital (通用環球中鐵太原醫院)	Not applicable*
58	Genertec Universal NORINCO (Xi'an) Hospital Management Co., Ltd. (通用環球兵工(西安)醫院管理有限公司)	Chen Hong
59	Genertec Universal NORINCO Xi'an Hospita (通用環球兵工西安醫院)	Not applicable*
60	Beijing Huankang Mining and Metallurgy Hospital Management Co., Ltd. (北京環康礦冶醫院管理有限公司)	Guo Xiaolian
61	Anhui Yanghu Xinyuan Hospital Management Co., Ltd. (安徽陽湖新院醫院管理有限公司)	Wang Zhongkai
62	Minmetals Hanxing General Hospital (五礦邯邢職工總醫院)	Not applicable*
63	Ma'anshan MCC17 Hospital (馬鞍山十七冶醫院)	Not applicable*
64	Tangshan MCC 22 Hospital (唐山二十二冶醫院)	Not applicable*
65	Taiyuan 7th People's Hospital (太原市第七人民醫院)	Not applicable*
66	Shanghai MCC Hospital (上海中冶醫院)	Not applicable*

## DIRECTORS' REPORT

Name of Subsidiaries		Directors of our subsidiaries as at 31 December 2025
67	Genertec Universal Chinacoal (Handan) Hospital Management Co., Ltd. (通用環球中煤(邯鄲)醫院管理有限公司)	Li Peng, Huang Zhijie, Duan Zemin, Han Xinyi, Zhou Yongmei
68	Genertec Universal (Xi'an) Health Hospital Management Co., Ltd. (通用環球(西安)健康醫院管理有限公司)	Guo Xiaolian, Wang Shuo, Sun Anzhi, Ren Chao, Dong Huiling
69	Genertec Universal Xi'an Beihuan Hospital (通用環球西安北環醫院)	Not applicable*
70	Liangshanzhou Huankang Hospital Management Co., Ltd. (涼山州環康醫院管理有限公司)	Zhang Hongjun, Yu Chao, Li Zheng, Xiao Jiankun, Du Zhuozhuang
71	Pangang Xichang Hospital (攀鋼西昌醫院)	Not applicable*
72	Beijing Huankang Hospital Management Co., Ltd. (北京環康醫院管理有限公司)	Guo Xiaolian, Yang Hongjiang, Li Hu
73	Genertec Universal Beijing Dongli Hospital (通用環球北京東里中西醫結合醫院)	Not applicable*
74	Genertec Universal Xi'an Aero-Engine Hospital (Xi'an) Co., Ltd. (通用環球西航醫院(西安)有限公司)	Guo Xiaolian
75	Genertec Universal Xi'an Aero-Engine Hospital (通用環球西安西航醫院)	Not applicable*
76	Sichuan Zhongqi Health Industry Co., Ltd. (四川眾齊健康產業有限公司)	Yu Chao, Li Zheng, Xu Hongliang, Zhong Houwan, Zhou Jingli
77	Pangang Group General Hospital (攀鋼集團總醫院)	Not applicable*

Name of Subsidiaries	Directors of our subsidiaries as at 31 December 2025
78 Pangang Group Chengdu Hospital (攀鋼集團成都醫院)	Not applicable*
79 通用環球健康產業發展(天津)有限公司	Chen Shisu
80 Genertec Universal (Tianjin) Hospital Group Co., Ltd. (通用環球(天津)醫院集團有限公司)	Li Peng
81 Genertec Universal Mevion Medical Science and Technology (Tianjin) Co., Ltd. (通用環球邁勝醫療科技(天津)有限公司)	Wang Shinan, Huang Xiaoke, Chen Jian, Shi Yong, Tu Xianzhi
82 Universal Yuegu Medical Technology (Tianjin) Co., Ltd. (環球悅谷醫療科技(天津)有限公司)	Wang Fang
83 Genertec Universal (Chengdu) Nephrology Hospital Co., Ltd (formerly known as Beth Hesda (Chengdu) Nephrology Hospital Co., Ltd.) (通用環球(成都)腎病醫院有限公司 (原畢士大(成都)腎病醫院有限公司))	Guan Guangpu, Xia Yan, He Chuan, Wang Hongli, Shang Zhixuan, Zhong Min
84 Genertec Universal Medical Science and Technology (Hainan) Co., Ltd. (通用環球醫療科技(海南)有限公司)	Li Jiangong
85 Genertec Universal Qingniao Health Technology Co., Ltd. (通用環球青鳥健康科技股份有限公司)	Yu Chao, Zhang Dengguo, Luo Chenli, Wang Jian, Feng Wei, Li Jiangong, Zhang Ning
86 Genertec Universal Qingniao (Fujian) Health and Elderly Care Co., Ltd. (通用環球青鳥(福建)健康養老有限公司)	Zeng Yijun
87 Genertec Universal Qingniao (Wuping) Health and Elderly Care Industry Co., Ltd.(通用環球青鳥(武平)健康養老產業有限公司)	Wu Tao
88 Shandong Yihe Hualing Elderly Care Consulting Co., Ltd. (山東頤合華齡養老諮詢有限公司)	Zhang Dengguo

## DIRECTORS' REPORT

Name of Subsidiaries	Directors of our subsidiaries as at 31 December 2025
89 Suzhou Qingjiang Intelligent Technology Co., Ltd. (蘇州青匠智能科技有限公司)	Zhang Dengguo, Wang Lin, Gu Yingying, Wang Qingyue, Wang Zhenzhen
90 Genertec Universal Qingniao (Shanxi) Health Service Co., Ltd. (通用環球青鳥(山西)健康服務有限公司)	Qu Hongfei
91 Genertec Universal Qingniao (Jiaozhou City) Health and Elderly Care Industry Co., Ltd. (通用環球青鳥(膠州市)健康養老產業有限公司)	Luo Chenli
92 Qingdao Tongji Qingniao Yiju Elderly Care Services Co., Ltd. (青島通濟青鳥頤居養老服務有限公司)	Luo Chenli
93 Genertec Universal Qingniao (Laixi City) Health and Elderly Care Industry Co., Ltd. (通用環球青鳥(萊西市)健康養老產業有限公司)	Zhang Dengguo
94 Qingniao Yiju (Jinjiang) Health Technology Co., Ltd. (青鳥頤居(晉江)健康科技有限公司)	Zhang Dengguo
95 Fuzhou Gulou District Guanbo Information Consulting Partnership (Limited Partnership) (福州市鼓樓區冠博信息諮詢合夥企業(有限合夥))	Not applicable*
96 Shandong Qingniao Chengda Information Technology Co., Ltd. (山東青鳥成達信息技術有限公司)	Zhang Dengguo
97 Genertec Universal Qingniao (Xuzhou) Health and Elderly Care Co., Ltd. (通用環球青鳥(徐州)健康養老有限公司)	Chu Zhengang
98 Genertec Universal Qingniao (Ningxia) Health and Elderly Care Co., Ltd. (通用環球青鳥(寧夏)健康養老有限公司)	Yang Xiaofeng
99 Qingdao Kang Nian Nian Internet Technology Co., Ltd. (青島康年年互聯網科技有限公司)	Luo Chenli
100 Yingkou Qingniao Yiju Elderly Care Services Co., Ltd. (營口青鳥頤居養老服務有限公司)	Luo Chenli

Name of Subsidiaries		Directors of our subsidiaries as at 31 December 2025
101	Genertec Universal Qingniao (Chongqing) Health and Elderly Care Services Co., Ltd. (通用環球青鳥(重慶)健康養老服務有限公司)	Chu Zhengang
102	Genertec Universal Qingniao (Tianjin) Health Industry Development Co., Ltd. (通用環球青鳥(天津)健康產業發展有限公司)	Qiu Jin
103	Genertec Universal Qingniao (Shaanxi) Health and Elderly Care Services Co., Ltd. (通用環球青鳥(陝西)健康養老服務有限公司)	Luo Chenli
104	Beijing Zhongkangtou Qingniao Smart Health and Elderly Care Co., Ltd. (北京中康投青鳥智慧康養有限公司)	Guo Qinyang, Ma Jun, Luo Chenli, Chu Zhengang, Shi Yi
105	Genertec Universal Qingniao (Minhou) Health and Elderly Care Co., Ltd. (通用環球青鳥(閩侯)健康養老有限公司)	Qin Pei
106	Bozhou Genertec Universal Qingniao Xingyi Health Technology Co., Ltd. (亳州通用環球青鳥興宜健康科技有限公司)	Luo Chenli, Wang Haiyu, Guo Mengqi, Sun Maoqiang, Yang Xiaofeng
107	Genertec Universal Medical Technology Services (Tianjin) Co., Ltd. (通用環球醫療技術服務(天津)有限公司)	Huang Xiaoke
108	Puyuan Medical Technology Co., Ltd. (樸元醫療科技(北京)有限公司)	Zhang Fuqiang
109	Casstar Medical Technology Wuxi Co., Ltd. (凱思軒達醫療科技無錫有限公司)	Huang Chongyang, Wang Hui, Sun Xiaojuan, Wu Zhenyu, Rong Zhonghua
110	Wuxi Lianxing Electronic Technology Co., Ltd. (無錫濂星電子科技有限公司)	Wang Haojun

## DIRECTORS' REPORT

		Directors of our subsidiaries as at 31 December 2025
Name of Subsidiaries		
111	Genertec Universal Medical Equipment Resource Recycling (Hebei) Co., Ltd. (通用環球醫療設備資源循環(河北)有限公司)	Huang Chongyang
112	Shanghai Casstar Medical Equipment Technical Services Co., Ltd. (上海凱思軒達醫療器械技術服務有限公司)	Chen Xingjie
113	Beijing Lide Huizhong Medical Technology Co., Ltd. (北京利德匯眾醫療科技有限公司)	Chen Xingjie
114	Guangzhou Lantu Medical Equipment Maintenance Co., Ltd. (廣州藍圖醫療設備維修有限公司)	Wang Hui
115	Wuxi Casstar Hospital Management Co., Ltd. (無錫凱思軒達醫院管理有限公司)	Wang Hui
116	Wuxi Casstar Quality Assessment Co., Ltd. (無錫凱思軒達計量檢測有限公司)	Shao Jianying
117	Shenzhen Kailipengda Medical Technology Co., Ltd. (深圳市凱利鵬達醫療科技有限公司)	Sui Lina
118	Shandong Tuo Zhuang Healthcare Technology Co., Ltd. (山東拓莊醫療科技有限公司)	Huang Chongyang, Han Aiguo, Sun Xiaojuan
119	Beijing Zhongtaihe Medical Equipment Co., Ltd. (北京眾泰合醫療器械有限公司)	Huang Chongyang, Sun Xiaojuan, Jiao Shenghua
120	Beijing Huayi Kangyu Medical Technology Co., Ltd. (北京華醫康宇醫療科技有限公司)	Ma Jingyu

Name of Subsidiaries	Directors of our subsidiaries as at 31 December 2025
121 Beijing Jinxu Yike Medical Equipment Co., Ltd. (北京金旭儀科醫療器械有限公司)	Huang Chongyang, Zhang Fuqiang, Sha Runfu
122 “Genertec Universal International Medical (Hainan) Co., Ltd. (通用環球國際醫療(海南)有限公司)”	Wang Wenbing, Yu Chao, Zhang Xiansi, Guo Peng, Xu Zhouli

\* These entities do not have directors, therefore the disclosure of directors as at 31 December 2025 is not applicable.

## BIOGRAPHICAL DETAILS OF THE DIRECTORS

Biographical details of the Directors are set out on pages 101 to 111 of this annual report.

## DIRECTORS' SERVICE CONTRACTS AND LETTERS OF APPOINTMENT

As at 31 December 2025, none of the Directors had a service contract with the Company or any of its subsidiaries which is not terminable within one year without payment of compensation other than statutory compensation.

The Directors' remuneration is determined with reference to the remuneration of the comparable companies, the Directors' time contribution, duties and responsibilities and individual performance as well as the results of the Group.

## DIRECTORS' REPORT

### Executive Directors

Mr. Chen Shisu entered into a service contract with the Company, pursuant to which he was appointed as an executive Director with effect from 16 May 2024, and such appointment could be terminated by either Mr. Chen or the Company by giving not less than 90 days' notice in writing. Mr. Chen would hold office as an executive Director until the commencement of the next annual general meeting of the Company following his appointment and then shall be eligible for re-election at that general meeting. Pursuant to the Shareholders' approval at the Company's 2024 annual general meeting on 7 June 2024 ("**2024 AGM**"), such service contract was extended for three years commencing from the 2024 AGM.

Mr. Xia Qi entered into a service contract with the Company as an executive Director, pursuant to which he was appointed on 25 March 2026, and he shall hold office until the completion of the next annual general meeting of the Company following his appointment, and then shall be eligible for re-election at that general meeting.

Ms. Wang Lin entered into a service contract with the Company as an executive Director, pursuant to which she was appointed on 25 July 2023 and would hold office until the commencement of the next annual general meeting of the Company following her appointment, and then shall be eligible for re-election at that general meeting. Pursuant to the Shareholders' approval at the Company's 2024 AGM, such service contract was extended for three years commencing from the 2024 AGM.

The aggregate amount of the basic annual salaries of Mr. Chen Shisu, Mr. Wang Wenbing and Ms. Wang Lin is RMB3.05 million for the year ended 31 December 2025. Mr. Xia Qi was appointed on 25 March 2026, and his basic remuneration will be disclosed in the 2026 annual report of the Company. In addition, each of the executive Directors is also entitled to a discretionary management bonus taking into consideration the financial performance of the Group and the relevant executive Director's individual contribution to the Group for the financial year concerned. An executive Director may not vote on any resolution of Directors regarding the amount of the management bonus payable to him/her.

### Non-executive Directors

Mr. Tong Chaoyin entered into a letter of appointment with the Company as a non-executive Director, pursuant to which he was appointed on 14 May 2021, and he shall hold office until the commencement of the next annual general meeting of the Company following his appointment, and then shall be eligible for re-election at that general meeting. Pursuant to the Shareholders' approval at the Company's 2021 annual general meeting on 8 June 2021, Mr. Tong Chaoyin was re-elected as a non-executive Director and shall hold office until the commencement of the third annual general meeting of the Company following the extension. Pursuant to the Shareholders' approval at the Company's 2023 annual general meeting on 7 June 2023 ("**2023 AGM**"), Mr. Tong Chaoyin was re-elected as an independent non-executive Director and shall be subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the Articles of Association. Mr. Tong Chaoyin entered into another letter of appointment with the Company on 7 March 2024 to extend his service in the Company for a term of three years commencing from 8 June 2024.

Mr. Lin Chunhai entered into a letter of appointment with the Company as a non-executive Director, pursuant to which he was appointed on 25 April 2025, and he shall hold office until the commencement of the next annual general meeting of the Company following his appointment, and then shall be eligible for re-election at that general meeting. Pursuant to the Shareholders' approval at the Company's 2025 annual general meeting on 28 May 2025 ("**2025 AGM**"), Mr. Lin Chunhai was re-elected as a non-executive Director and shall hold office until the commencement of the third annual general meeting of the Company following the extension.

Mr. Huang Youjie entered into a letter of appointment with the Company as a non-executive Director, pursuant to which he was appointed on 17 November 2025, and he shall hold office until the commencement of the next annual general meeting of the Company following his appointment, and then shall be eligible for re-election at that general meeting.

Mr. Ma Wanming entered into a letter of appointment with the Company as a non-executive Director, pursuant to which he was appointed on 18 December 2025, and he shall hold office until the conclusion of the next annual general meeting of the Company following his appointment, and then shall be eligible for re-election at that general meeting.

During the year ended 31 December 2025, Mr. Xu Ming resigned as a non-executive Director with effect from 25 April 2025, Mr. Chan Kai Kong resigned as a non-executive Director with effect from 25 July 2025, and Mr. Zhu Ziyang resigned as a non-executive Director with effect from 17 November 2025.

### Independent Non-executive Directors

Mr. Li Yinquan entered into a letter of appointment with the Company for a term of three years commencing from 9 June 2021. Mr. Li Yinquan entered into another letter of appointment with the Company on 7 March 2024 to extend his term of service in the Company for a term of three years commencing from 9 June 2024, subject to Shareholders' approval at the Company's 2024 AGM. Pursuant to the Shareholders' approval at the Company's 2024 AGM, Mr. Li Yinquan was re-elected as an independent non-executive Director and shall be subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the Articles of Association.

Mr. Chow Siu Lui has entered into a letter of appointment with the Company on 6 March 2021 to extend his service in the Company for a term of three years commencing from 9 June 2021. Mr. Chow Siu Lui entered into another letter of appointment with the Company on 7 March 2024 to extend his term of service in the Company for a term of three years commencing from 9 June 2024. Mr. Chow Siu Lui shall be subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the Articles of Association. Pursuant to the 2025 AGM, Mr. Chow Siu Lui was re-elected as an independent non-executive Director and shall be subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the Articles of Association.

## DIRECTORS' REPORT

Each of Mr. Xu Zhiming and Mr. Chan, Hiu Fung Nicholas entered into a letter of appointment with the Company on 22 June 2022, pursuant to which each of them was appointed as an independent non-executive Director with effect from 22 June 2022 and would hold office until the commencement of the next annual general meeting of the Company following their appointments, and then shall be eligible for re-election at that general meeting. Pursuant to the 2023 AGM, each of Mr. Xu Zhiming and Mr. Chan, Hiu Fung Nicholas was re-elected as an independent non-executive Director and shall be subject to retirement by rotation and re-election at least once every three years at the annual general meeting of the Company in accordance with the Articles of Association. Pursuant to the 2025 AGM, each of Mr. Xu Zhiming and Mr. Chan, Hiu Fung Nicholas was re-elected as an independent non-executive Director and shall be subject to retirement by rotation and re-election at least one every three years at the annual general meeting of the Company in accordance with the Articles of Association.

The non-executive Directors are not entitled to any director's fee. Each of the independent non-executive Directors is entitled to a director's fee of HKD400,000 per annum.

## CONFIRMATION OF INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules from each of the independent non-executive Directors and the Company considers that each of the independent non-executive Directors, namely Mr. Li Yinquan, Mr. Chow Siu Lui, Mr. Xu Zhiming and Mr. Chan, Hiu Fung Nicholas, is independent.

## DIRECTORS' AND SENIOR MANAGEMENT'S REMUNERATION

Details of the remuneration of the Directors and the senior management of the Group for the year ended 31 December 2025 are set out in Note 7 and Note 8 to the consolidated financial statements of the Company, respectively. The remuneration of 3 senior management personnel fell within the band from HKD2,500,001 to HKD3,000,000.

There were no loans, quasi-loans and other dealings in favour of Directors, bodies corporate controlled by and entities connected with such Directors for the year ended 31 December 2025.

## PERMITTED INDEMNITY PROVISION

In accordance with the definition of section 469 of the Companies Ordinance, the permitted indemnity provision in relation to the Director's and officer's liability insurance was in force during the financial year ended 31 December 2025 and remains in force as at the date of this report.

## CHANGES TO INFORMATION IN RESPECT OF DIRECTORS

The changes in Directors' information which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules are as follows:

On 25 April 2025, Mr. Xu Ming resigned as a non-executive Director, and a member of each of the Remuneration Committee and Nomination Committee.

On 25 April 2025, Mr. Lin Chunhai was appointed as a non-executive Director, and a member of the Remuneration Committee.

On 25 April 2025, Ms. Wang Lin was appointed as a member of the Nomination Committee.

On 25 July 2025, Mr. Chan Kai Kong resigned as a non-executive Director, and a member of each of the Remuneration Committee and the Strategy and ESG Committee.

On 17 November 2025, Mr. Huang Youjie was appointed as a non-executive Director, and a member of each of the Remuneration Committee and the Strategy and ESG Committee.

On 17 November 2025, Mr. Zhu Ziyang resigned as a non-executive Director, and the chairman of the Risk Control Committee and a member of the Strategy and ESG Committee.

On 18 December 2025, Mr. Ma Wanming was appointed as a non-executive Director, and the chairman of the Risk Control Committee and a member of the Strategy and ESG Committee.

On 25 March 2026, Mr. Wang Wenbing resigned as an executive Director, chief executive officer and a member of Risk Control Committee.

On 25 March 2026, Mr. Xia Qi was appointed as an executive Director, chief executive officer and a member of Risk Control Committee.

For further details, please refer to the announcements of the Company dated 25 April 2025, 25 July 2025, 17 November 2025, 18 December 2025 and 25 March 2026.

Biographical details of Directors and senior management of the Company are set out in the section headed "Biography of Directors and Senior Management" on pages 101 to 111 of this report. During the year ended 31 December 2025, save as disclosed in the section headed "Biography of Directors and Senior Management" of this report, there were no changes to information which are required to be disclosed and had been disclosed by Directors pursuant to Rule 13.51B(1) of the Listing Rules.

## DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

The Company has entered into certain continuing connected transaction framework agreements with GT-PRC and/or its associates, as set out in the section headed "Continuing Connected Transactions" on pages 137 to 150 of this annual report.

## DIRECTORS' REPORT

In addition, on 21 December 2023, CULC entered into a partnership agreement with, among others, GT-PRC and certain associates of GT-PRC in respect of, among other things, the formation of a limited partnership investment fund. Details of the transaction were set out in the Company's announcements dated 22 December 2023 and 2 January 2024. On 27 March 2024, the Company and GT-PRC entered into the 2024 Finance Lease Framework Agreement in relation to the provision of finance lease services. Certain annual caps for the finance lease transactions under 2024 Finance Lease Framework Agreement have been revised on 19 December 2024. Details of the transaction were set out in the Company's announcements dated 27 March 2024 and 19 December 2024, and the circular dated 16 May 2024. Mr. Tong Chaoyin, Mr. Xu Ming (resigned on 25 April 2025) and Mr. Lin Chunhai (appointed on 25 April 2025) hold positions in GT-PRC or its close associates, but they do not hold any management position within the Company and are not involved in the daily management of the Company.

Save as disclosed above, no Director or an entity connected with a Director had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to the business of the Group to which the Company, the controlling Shareholder of the Company or their respective subsidiaries were a party during or at the end of the financial year.

## CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

Save as disclosed in the section headed "Continuing Connected Transactions" on pages 137 to 150 of this annual report, no controlling Shareholders of the Company or its subsidiaries had a material interest, either directly or indirectly, in any contract of significance, whether for the provision of services or otherwise, to the business of the Group to which the Company or any of its subsidiaries was a party for the year ended 31 December 2025.

## COMPETING BUSINESS

The compliance of the Company's controlling Shareholder of the non-competition undertakings (the "**Non-competition Undertakings**") entered into in favour of the Company on 10 June 2015 is set out in the Corporate Governance Report.

During the year ended 31 December 2025, none of the controlling Shareholder of the Company or its close associates was considered to be interested in businesses which compete or are likely to compete, either directly or indirectly, with the core businesses as defined in the Non-competition Undertakings.

During the year ended 31 December 2025, Mr. Zhu Ziyang, a non-executive Director, had interests in the following business, which is considered to compete or be likely to compete, either directly or indirectly, with our businesses:

Name of Directors	Name of Company	Interest in the Competing Business	Nature of the Competing Business
Zhu Ziyang (resigned on 17 November 2025)	Ping An Healthcare and Technology Company Limited	Non-executive Director	Medical and healthcare business

As Mr. Zhu Ziyang was not a member of our executive management team, we do not believe that his interests in the above business as a Director would render us incapable of carrying on our businesses independently from Ping An Healthcare and Technology Company Limited.

Save as disclosed above, during the year ended 31 December 2025, none of the Directors or their respective close associates was considered to be interested in businesses which compete or are likely to compete, either directly or indirectly, with our businesses.

## DISCLOSURE REQUIRED UNDER RULE 13.18 OF THE LISTING RULES

As at 31 December 2025, other than the circumstances as disclosed in the Prospectus, and the announcements of the Company dated 27 July 2023 and 15 December 2023, respectively, there were no other circumstances that give rise to a disclosure required under Rule 13.18 of the Listing Rules.

## PENSION SCHEME

Details of the pension scheme of the Company are set out in the paragraph headed "Post-Retirement Benefit Obligations" in Note 29 to the consolidated financial statements.

## EQUITY-LINKED AGREEMENTS

Other than the Share Option Scheme as disclosed below, no equity-linked agreements were entered into by the Company during the year ended 31 December 2025 or subsisted at the end of the year ended 31 December 2025.

## DIRECTORS' REPORT

### SHARE OPTION SCHEME

On 31 December 2019, the Company adopted the Share Option Scheme, which falls within the ambit of, and is subject to, the regulations under Chapter 17 of the Listing Rules. The purpose of the Share Option Scheme is to, among others, (i) further refine the corporate governance structure of the Company; (ii) establish a complete remuneration system, promote the Company's incentive and disciplinary mechanism, and encourage the initiative and commitment of its Directors, senior management, and key employees; and (iii) attract and retain talents to strive for the long-term development of the Company.

The scope of the participants of the Share Option Scheme should be determined after taking into account the actual situation of the Company, in accordance with, among others, the Listing Rules, other applicable laws and regulations, and the Articles. The participants should in principle be limited to the Directors, senior management and other key employees of the Company who have direct impact on the Company's overall development.

The total number of Shares which may be issued upon exercise of all the options to be granted under the Share Option Scheme shall not in aggregate exceed 171,630,458 Shares, representing (i) 10% of the Company's issued share capital as at the date of approval of the Share Option Scheme by the Shareholders at the extra-ordinary general meeting held on 31 December 2019, and (ii) approximately 8.52% of the total number of the issued shares (excluding treasury shares) of the Company as at the date of this report.

The maximum number of Shares which are issued and may be issued upon exercise of all options (including exercised and outstanding Options) granted to any participant within any 12-month period shall not exceed 1% of the issued share capital of the Company, unless being approved by the Shareholders at a general meeting.

The Share Option Scheme shall be valid and effective for a period of ten years commencing from the adoption date, under which the first phase of the Share Option Scheme shall be valid for a period of five years. The Company may initiate a new phase of the Share Option Scheme two years after the effective date of the former one, subject to the relevant approvals. The vesting period of the options granted is 24 months from the grant date. Upon satisfaction of the relevant performance conditions and subject to the evaluation results of the participants, the participants are able to exercise their options in accordance with the arrangement specified in the terms of the Share Option Scheme, within 36 months after the expiry of the vesting period. Any option that remains unexercised upon expiry of such 36 months-period will automatically lapse. As at the date of this report, the remaining life of the Share Option Scheme is approximately 3 years and 9 months.

An offer of the grant of the option shall be made to a participant and such offer shall remain open for acceptance by the participant concerned for a period of 21 days (as determined by the Board from time to time) from the date upon which the offer is made. An offer of the grant of the option shall be deemed to have been accepted and the option to which such offer relates shall be deemed to have been granted and to have taken effect when a duplicate letter comprising acceptance of offer duly signed by the participant with the number of Shares clearly stated therein, together with a remittance in favour of the Company of HKD1.00 as consideration for the grant thereof is received by the Company.

The exercise price of the share options granted under the Share Option Scheme shall be such price as determined by the Board in accordance with the requirements of the SASAC and the Stock Exchange, which shall not be less than the higher of (i) the closing price of the Shares on the Stock Exchange as stated in the Stock Exchange's daily quotations sheet on the grant date; (ii) the average closing price of the Shares on the Stock Exchange as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the grant date; and (iii) the nominal value of the Shares (if any).

On 31 December 2019, as approved by the Board, the Company granted share options to certain eligible participants to subscribe for an aggregate of up to 16,065,000 ordinary Shares, representing approximately 0.936% of the issued share capital of the Company as at the effective date, at the price of HKD5.97 per Share, as the first phase of the Share Option Scheme. Such grant of options has taken effect since 2 January 2020. All of the share options granted have been canceled or lapsed as of 31 December 2023.

Vesting period of the options granted on 31 December 2019 is 24 months from 31 December 2019. Upon satisfaction of the relevant performance conditions and subject to the evaluation results of the grantees and the terms of the first phase of the Share Option Scheme, the Grantees would be able to exercise their options after the expiry date of the vesting period (the "Expiry Date") and according to the schedule as set out below:

- i. one third of the options granted would be exercisable within the period starting from the first trading date immediately after the Expiry Date, and ending on the last trading date of the 36-month period after 31 December 2019;
- ii. one third of the options granted would be exercisable within the period starting from the first trading date immediately after the end of the abovementioned 36-month period, and ending on the last trading date of the 48-month period after 31 December 2019; and
- iii. one third of the options granted would be exercisable within the period starting from the first trading date immediately after the end of the abovementioned 48-month period, and ending on the last trading date of the 60-month period after 31 December 2019.

## DIRECTORS' REPORT

No options remained outstanding as at 1 January 2025 and 31 December 2025 and no options were granted for the year ended 31 December 2025. Accordingly, it is not applicable that the number of shares to be issued in respect of options granted under the share option scheme during the reporting period divided by the weighted average number of issued shares (excluding treasury shares) during the reporting period.

As of 1 January 2025 and 31 December 2025, the number of options available for grant under the scheme mandate of the Share Option Scheme was both 155,565,458. In addition, no service provider sub-limit was set under the Share Option Scheme. As at the date of this report, the total number of ordinary shares in the Company available for issue under the Share Option Scheme is 155,565,458, representing approximately 7.72% of the total number of the issued shares (excluding treasury shares) of the Company.

A summary of the terms of the Share Option Scheme has been set out in the circular of the Company dated 12 December 2019.

## MANAGEMENT CONTRACTS

No contract concerning the management or administration of the whole or any substantial part of the business of the Group was entered into or subsisted during the year.

## ARRANGEMENTS FOR THE DIRECTORS TO PURCHASE SHARES OR DEBENTURES

Save as disclosed in "Share Option Scheme", at no time during the year were there any arrangements to which the Company, its holding company, or any of its subsidiaries or fellow subsidiaries is a party that would enable the Directors or their respective spouse or children under 18 years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other corporate entity.

## SUBSTANTIAL SHAREHOLDERS' INTERESTS IN THE SHARES

As at 31 December 2025, the following persons (other than a Director or chief executive of the Company) had an interest or short position in the Shares or the underlying Shares which were required to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register of the Company required to be kept under Section 336 of the SFO:

## Long Positions in the Shares and the underlying Shares:

Name of Shareholders	Nature of interest	Number of Shares interested	Approximate percentage of interest held in the Company
GT-PRC ( <i>Note 1</i> )	Interest of controlled corporation	758,462,200	37.66%
GT-HK ( <i>Note 1</i> )	Beneficial owner	694,983,895	34.50%
CHINA CINDA (HK) ASSET MANAGEMENT CO., LIMITED ( <i>Note 2</i> )	Beneficial owner	192,735,081	9.57%
CHINA CINDA (HK) HOLDINGS COMPANY LIMITED ( <i>Note 2</i> )	Interest of controlled corporation	192,735,081	9.57%
China Citic Bank Corporation Limited ( <i>Note 3</i> )	Interest of controlled corporation	124,372,763	6.17%
CITIC Group Corporation ( <i>Note 3</i> )	Interest of controlled corporation	124,372,763	6.17%
CITIC Limited ( <i>Note 3</i> )	Interest of controlled corporation	124,372,763	6.17%

## Notes:

1. Among the 758,462,200 Shares, 694,983,895 Shares are registered under the name of GT-HK and 63,478,305 Shares are registered under the name of China General Consulting & Investment (Hong Kong) Co., Limited ("CGCI-HK"). The entire issued share capital of GT-HK is ultimately owned by GT-PRC and the entire issued share capital of CGCI-HK is directly held by China General Consulting & Investment Co., Limited, which in turn, is wholly owned by GT-PRC. By virtue of the SFO, GT-PRC is deemed to be interested in a total of 758,462,200 Shares held by GT-HK and CGCI-HK.
2. CHINA CINDA (HK) ASSET MANAGEMENT CO., LIMITED was directly wholly owned by CHINA CINDA (HK) HOLDINGS COMPANY LIMITED, as such, CHINA CINDA (HK) HOLDINGS COMPANY LIMITED was deemed to be interested in the Shares held by CHINA CINDA (HK) ASSET MANAGEMENT CO., LIMITED.
3. Dragonland International Development Limited converted the Convertible Bonds in an aggregate principal amount of US\$90,000,000 into 122,665,263 Conversion Shares at the Conversion Price of HK\$5.7 per Conversion Share, and the Conversion Shares have been issued to Dragonland International Development Limited by the Company on 12 November 2025. For details, please refer to the announcement of the Company dated 12 November 2025.

## DIRECTORS' REPORT

Dragonland International Development Limited was wholly owned by CNCB (Hong Kong) Investment Limited, which in turn was wholly owned by China CITIC Bank Corporation Limited. China CITIC Bank Corporation Limited was owned as to 64.75% by CITIC Financial Holdings Co., Ltd. and 1.05% by CITIC Corporation Limited. CITIC Financial Holdings Co., Ltd. was wholly owned by CITIC Corporation Limited, which in turn was wholly owned by CITIC Limited. As such, each of CNCB (Hong Kong) Investment Limited, China CITIC Bank Corporation Limited, CITIC Financial Holdings Co., Ltd., CITIC Corporation Limited and CITIC Limited was deemed to be interested in the Shares held by Dragonland International Development Limited.

Save as disclosed above, as at 31 December 2025, the Directors were not aware of any person who had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were recorded in the register required to be kept under section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

## **DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY OF ITS ASSOCIATED CORPORATIONS**

As at 31 December 2025, none of the Directors and chief executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were recorded in the register required to be kept under section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

## **PUBLIC FLOAT**

Based on the information publicly available to the Company and as far as the Directors are aware as at the date of this report, at least 25% of the total issued share capital of the Company is held by the public pursuant to the Listing Rules, maintaining sufficient public float as required under the Listing Rules.

## **MAJOR CUSTOMERS AND SUPPLIERS**

The customer base of the Group mainly consists of patients, hospitals and other public institutions. Customers of the Group also include medical equipment suppliers for whom the Group acts as exclusive sales agent and provides equipment in-licensing services. Suppliers of the Group primarily consist of financial institutions that provide the Group with loan facilities and other forms of financing and medical supplies and medical equipment suppliers. The Group maintained good relationship with its customers and suppliers.

The information of the customers and suppliers is as follows:

	Percentage of the total income (before business taxes and surcharges) for the year ended 31 December 2025
Five largest customers	1.2%
The largest customer	0.3%

	Percentage of the total cost of sales for the year ended 31 December 2025
Five largest suppliers	4.6%
The largest supplier	1.0%

As far as the Directors are aware, none of the Directors, their close associates or Shareholders holding more than 5% of the issued Shares of the Company had any interest in the five largest customers or five largest suppliers of the Group.

## EMPLOYEES

As at 31 December 2025, the Group had a total of 23,791 employees, while it had a total of 22,885 employees as at 31 December 2024.

For the year ended 31 December 2025, the Group did not experience any strikes or significant labor disputes which materially affected the operation of the Group. The Group maintained good relationship with its employees.

## CONTINUING CONNECTED TRANSACTIONS

The Group entered into certain continuing connected transactions with GT-PRC and its associates, as defined in the Listing Rules, which are subject to the disclosure requirements under Chapter 14A of the Listing Rules. The Company confirms that it has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules for these continuing connected transactions.

The Group has complied with the pricing policy of the Group in respect of the continuing connected transactions for the year ended 31 December 2025.

## DIRECTORS' REPORT

GT-PRC holds approximately 37.66% of the total issued Shares through its wholly-owned subsidiaries and is the controlling Shareholder of the Company. Therefore, GT-PRC and its associates constitute connected persons of the Company.

### 2024 Digitalization-based Procurement Framework Agreement

On 27 October 2023, the Company entered into a digitalization-based product and service procurement framework agreement (the “**2023 Digitalization-based Procurement Framework Agreement**”) with GT-PRC, pursuant to which, the Company and/or its subsidiaries will purchase relevant digitalization products and/or services from GT-PRC and/or its associates.

To renew the 2023 Digitalization-based Procurement Framework Agreement, the Company entered into a digitalization-based product and service procurement framework agreement (the “**2024 Digitalization-based Procurement Framework Agreement**”) with GT-PRC on 23 November 2023. The 2024 Digitalization-based Procurement Framework Agreement was effective from 1 January 2024 until 31 December 2026 and may be renewed by mutual consent. For the year ended 31 December 2025, the actual transaction amount under the 2024 Digitalization-based Procurement Framework Agreement did not exceed the annual cap thereunder.

The Company entered into the 2024 Digitalization-based Procurement Framework Agreement because it can make maximum use of the advantages of the medical digital technology platform of GT-PRC, which can not only enhance the efficiency of system construction and reduce the cost of external procurement, but also enable the Group to use the professional products of upgraded iterative computation and highly efficient and customized services more quickly under the premise of saving its own upgrading research and development cost and manpower cost.

For the three years ending 31 December 2024, 2025 and 2026, the total amount for digitalization-based products/services procured by the Group from GT-PRC and/or its associates is not expected to exceed RMB120.0 million, RMB120.0 million and RMB125.0 million, respectively. The above proposed annual cap is based on the following factors: (i) the historical transaction amounts and the expected transaction amounts for the procurement of digitalization-based products and services by the Company from GT-PRC and its associates in the future; (ii) the high demand for internet techniques and service, and the Group's expectation on achieving high-quality development of the medical sector and grasping the initiative of digital transformation, all of which will result in the Group's growing demand for the procurement of digitalization-based products and services; and (iii) the expected increase in the production or trade costs of relevant products and the labor costs of relevant services with reference to the general growth trend in digital industrialization.

Please refer to the Company's announcement dated 23 November 2023 for details of the 2024 Digitalization-based Procurement Framework Agreement and the annual caps thereunder.

## 2024 Digitalization-based Sales Framework Agreement

On 27 October 2023, the Company entered into a digitalization-based product and service sales framework agreement (the “**2023 Digitalization-based Sales Framework Agreement**”) with GT-PRC, pursuant to which, the Company and/or its subsidiaries will provide relevant digitalization products and/or services to GT-PRC and/or its associates.

To renew the 2023 Digitalization-based Sales Framework Agreement, the Company entered into a digitalization-based product and service sales framework agreement (the “**2024 Digitalization-based Sales Framework Agreement**”) with GT-PRC on 23 November 2023. The 2024 Digitalization-based Sales Framework Agreement was effective from 1 January 2024 until 31 December 2026 and may be renewed by mutual consent. For the year ended 31 December 2025, the actual transaction amount under the 2024 Digitalization-based Sales Framework Agreement did not exceed the annual cap thereunder.

The Company entered into the 2024 Digitalization-based Sales Framework Agreement, so that the Group’s self-developed Internet health platform would also leverage on the synergies with GT-PRC to expand its external sales channels and obtain more profit returns.

For the three years ending 31 December 2024, 2025 and 2026, the total sales amount for digitalization-based products and/or services provided by the Group to GT-PRC and/or its associates is not expected to exceed RMB13.0 million, RMB16.0 million and RMB20.0 million, respectively. The above proposed annual caps are based on the following factors: (i) the historical transaction amounts and the expected transaction amounts for the procurement of digitalization-based products and/or services by GT-PRC and its associates in the future; (ii) the high demand for digitalization-based products and services, and digital construction of GT-PRC, all of which will result in GT-PRC’s growing demand for the procurement of digitalization-based products and services; and (iii) the expected increase in the production or trade costs of relevant products and the labor costs of relevant services with reference to the general growth trend in digital industrialization.

Please refer to the Company’s announcement dated 23 November 2023 for details of the 2024 Digitalization-based Sales Framework Agreement and the annual caps thereunder.

## DIRECTORS' REPORT

### 2024 Medical Related Product Procurement Framework Agreement

The Company and GT-PRC entered into a product procurement framework agreement on 10 November 2020 (the “**2021 Product Procurement Framework Agreement**”).

To renew the 2021 Product Procurement Framework Agreement, the Company entered into a medical related product procurement framework agreement (the “**2024 Medical Related Product Procurement Framework Agreement**”) with GT-PRC on 23 November 2023, pursuant to which the Company and/or its subsidiaries will purchase medical related products and ancillary logistics and warehousing services from GT-PRC and/or its associates. The 2024 Medical Related Product Procurement Framework Agreement was effective from 1 January 2024 until 31 December 2026 and may be renewed by mutual consent. On 28 October 2025, the Company revised the annual caps in relation to the amounts payable by the Group to GT-PRC and/or its associates under the 2024 Medical Related Product Procurement Framework Agreement for the two years ending 31 December 2025 and 2026. For the year ended 31 December 2025, the revised annual cap was RMB365.00 million, while the actual transaction amount was RMB547.8338 million, which exceeded the annual cap. Such excess was due to the mistake in the internal statistics.

The Company entered into the 2024 Medical Related Product Procurement Framework Agreement because GT-PRC and its associates have abundant business resources and extensive experience in integrating and introducing international advanced technology and major equipment, as well as rich hospital resources. All import and export companies under GT-PRC are largescale state-owned enterprises engaged in the importation of equipment and instruments in the PRC. In addition, pharmaceutical, medical consumable and equipment manufacturing companies under GT-PRC are also leaders in their respective sectors. With leveraging the advantage of centralized procurement of resources integration of each medical platform of GT-PRC, the Group can effectively reduce the procurement cost of supply chain, unify the management standard, guarantee the quality of procurement and supply, strengthen the centralized and unified management of medical supply chain of pharmaceuticals and medical consumables, and promote the centralized procurement and supply management across various segments under the management of the Company to realize complementary advantages and achieve win-win cooperation. The Company has maintained a long-term cooperative relationship with GT-PRC and its associates. Leveraging on such cooperative relationship, the Company believes that continuing to procure products from GT-PRC and its associates is more efficient and can better satisfy the Group's need for providing customized services to customers.

For the three years ending 31 December 2024, 2025 and 2026, the total amount for medical related product procured from GT-PRC and/or its associates by the Group is not expected to exceed RMB266.0 million, RMB365.0 million and RMB510.0 million, respectively. The above proposed annual caps are based on the following factors: (i) the historical transaction amounts for the procurement of pharmaceuticals, medical consumables, equipment and devices by the Company from GT-PRC and its associates; (ii) the development of the Group's clinical department upgrade services to help hospitals in the PRC establish, modernize and upgrade their clinical department capabilities in medical areas with high and growing demand, and the Group's growing supply chain business under hospital group business, all of which will result in the Group's growing demand for the procurement of medical equipment and devices and medical consumables and medicine; (iii) the policy developments leading to an expanded scope of centralized procurement, which may further result in an increase in the procurement business with GT-PRC and/or its associates; (iv) the expected increase in the number of medical institutions within the Group which may enter into collaborative relationship with GT-PRC and/or its associates; and (v) the expected increase in the production or trade costs of relevant products with reference to the general growth trend in healthcare industry. On 18 March 2026, the Board has resolved to ratify the actual transaction amount for the year ended 31 December 2025.

Please refer to the Company's announcements dated 23 November 2023, 28 October 2025 and 18 March 2026 for details of the 2024 Medical Related Product Procurement Framework Agreement and the annual caps thereunder.

### 2024 Property Lease Framework Agreement

The Company and GT-PRC entered into a property lease framework agreement on 10 November 2020 (the "**2021 Property Lease Framework Agreement**").

To renew the 2021 Property Lease Framework Agreement, the Company entered into a property lease framework agreement (the "**2024 Property Lease Framework Agreement**") with GT-PRC on 23 November 2023, pursuant to which the Company and/or its subsidiaries will lease properties from GT-PRC and/or its associates for office and warehousing purposes and purchase miscellaneous property services accordingly. The 2024 Property Lease Framework Agreement was effective from 1 January 2024 until 31 December 2026 and may be renewed by mutual consent. For the year ended 31 December 2025, the actual transaction amount did not exceed the annual cap under the 2024 Property Lease Framework Agreement. On 28 October 2025, the Company revised the lease of property annual caps under the 2024 Property Lease Framework Agreement for the two years ending 31 December 2025 and 2026.

The Company entered into the 2024 Property Lease Framework Agreement because it has been leasing certain properties from GT-PRC and/or its associates for office and warehousing purposes and purchasing miscellaneous property services accordingly. Compared to independent third parties, GT-PRC and its associates (especially Genertec Real Estate Management Co., Ltd. (通用技術集團物業管理有限公司), a professional property management company affiliated to GT-PRC) have better understanding of the Group's requirements for office and warehousing properties. In addition, relocating the Company's warehouses to other premises would also incur unnecessary expenses.

## DIRECTORS' REPORT

For the three years ending 31 December 2024, 2025 and 2026, total annual rental payable by the Group to GT-PRC and/or its associates is not expected to exceed RMB96.0 million, RMB57.0 million, and RMB237.0 million, respectively, and for each of the three years ending 31 December 2024, 2025 and 2026, total amount payable by the Group to GT-PRC and/or its associates for miscellaneous property services is not expected to exceed RMB14.0 million. The above proposed annual caps are based on the following factors: (i) the total property area leased by the Group from GT-PRC and its associates as of the date of the Property Lease Framework Agreement; (ii) the unit rental stipulated in separate property lease agreements between the Group and GT-PRC or its associates, which is normally adjusted by GT-PRC and its associates on an annual basis with reference to the prevailing market conditions; and (iii) the estimated demand for office premises which may be leased from GT-PRC or its associates for daily operation of the Group.

Please refer to the Company's announcements dated 23 November 2023 and 28 October 2025 for details of the 2024 Property Lease Framework Agreement and the annual caps thereunder.

### 2024 Medical Equipment Integrated Service Framework Agreement

The Company and GT-PRC entered into a medical equipment integrated service framework agreement on 10 November 2020 (the "**2021 Medical Equipment Integrated Service Framework Agreement**").

To renew the 2021 Medical Equipment Integrated Service Framework Agreement, the Company entered into a medical equipment integrated service framework agreement (the "**2024 Medical Equipment Integrated Service Framework Agreement**") with GT-PRC on 23 November 2023, pursuant to which the Company and/or its subsidiaries will provide medical equipment maintenance and hosting services to GT-PRC and/or its associates. The 2024 Medical Equipment Integrated Service Framework Agreement was effective from 1 January 2024 until 31 December 2026 and may be renewed by mutual consent. For the year ended 31 December 2025, the actual transaction amount did not exceed the annual cap under the 2024 Medical Equipment Integrated Service Framework Agreement.

The Company is an integrated healthcare services provider offering a variety of solutions, including maintenance and hosting services for medical equipment. In ordinary course of business of the Company, GT-PRC and its associates would like to cooperate with the Company in medical equipment maintenance and hosting from time to time, to reduce maintenance cost and maximize utilization rate of medical equipment.

For the three years ending 31 December 2024, 2025 and 2026, the total amount of services for medical equipment maintenance and hosting provided by the Group to GT-PRC and/or its associates is not expected to exceed RMB200.0 million, RMB200.0 million and RMB200.0 million, respectively. The above proposed annual caps are based on the following factors: (i) the expected future demand of GT-PRC and its associates for equipment maintenance and hosting services based on the total quantity of equipment they currently hold or are expected to hold, as well as a sufficient buffer to cater for any surge in demand for such services. With the number of medical institutions within GT-PRC increasing year by year (there are currently at least 300 medical institutions), the Company anticipates to expand the number of customers within GT-PRC; (ii) the Company continues to expand its service scope pertaining to medical equipment maintenance and hosting services, which will broaden the service scope that the Group is able to provide to GT-PRC and its associates; and (iii) the estimated increase in the fees charged for these services due to inflation and the expected increase in costs.

Please refer to the Company's announcement dated 23 November 2023 for details of the 2024 Medical Equipment Integrated Service Framework Agreement and the annual caps thereunder.

### 2024 Construction Service Framework Agreement

The Company and GT-PRC entered into a construction service framework agreement on 10 November 2020 (the "**2021 Construction Service Framework Agreement**").

To renew the 2021 Construction Service Framework Agreement, the Company entered into a construction service framework agreement (the "**2024 Construction Service Framework Agreement**") with GT-PRC on 23 November 2023, pursuant to which, subject to the tender process adopted by the Company and/or its subsidiaries from time to time and the results thereof, GT-PRC and/or its associates will provide construction services to the Company and/or its subsidiaries. The 2024 Construction Service Framework Agreement was effective from 1 January 2024 until 31 December 2026 and may be renewed by mutual consent. For the year ended 31 December 2025, the actual transaction amount did not exceed the annual cap under the 2024 Construction Service Framework Agreement.

GT-PRC and/or its associates provide construction services in various cities in the PRC. The Company expects that GT-PRC and/or its associates would participate in competitive tender process for the Group's construction works in the PRC as construction contractor from time to time, and subject to the results and terms of the relevant tender, GT-PRC and/or its associates may provide construction services to the Group. Taking into account their experience in construction works, the entering into the 2024 Construction Service Framework Agreement would provide the Group with a more diverse base of contractors to participate in the construction works of the Group, and if upon successful tender awarded to GT-PRC and/or its associates, could assure the quality of the construction works of the Group up to standards, effectively enhance the quality of construction services and management efficiency, and reduce costs and management risks.

## DIRECTORS' REPORT

For the three years ending 31 December 2024, 2025 and 2026, the total contract amount under the potential construction service agreement(s) to be entered into between the Group and GT-PRC and/or its associates is not expected to exceed RMB260.0 million, RMB280.0 million and RMB220.0 million, respectively. The above proposed annual caps are based on the following factors: (i) the estimated total contract amount of potential new construction projects of the Group during the period commencing from 1 January 2024 and ending on 31 December 2026, with reference to the total investment amount of the Group's new construction projects for such period and the number of the Group's expected construction projects for such period; (ii) the estimated total contract amount of the Group's construction projects for which the Group expects GT-PRC or its associates would participate in competitive tender process from time to time taking into account of the numbers and size of the potential new construction projects of the Group; (iii) the estimated tender success rate for GT-PRC and/or its associates in the constructions projects planned to be held by the Group during 2024 to 2026. Considering that there should be no less than three bidders participating in the tender process of each project, which is required by the applicable rules and regulation in the PRC and the internal control measures adopted by the Group, it is estimated that the tender success rate of GT-PRC and/or its associates would be approximately 33.3%, assuming each bidder participating in the tender with equal probability of winning; and (iv) the prevailing market prices of construction materials and the labor costs in the year of 2023 with reference to the inflation rate.

Please refer to the Company's announcement dated 23 November 2023 for details of the 2024 Construction Service Framework Agreement and the annual caps thereunder.

### 2024 Medical Supplies Sales Framework Agreement

On 23 November 2023, the Company entered into a medical supplies sales framework agreement (the "**2024 Medical Supplies Sales Framework Agreement**") with GT-PRC, pursuant to which the Company and/or its subsidiaries will provide medical related products and ancillary logistics and warehousing services to GT-PRC and/or its associates. The 2024 Medical Supplies Sales Framework Agreement was effective from 1 January 2024 until 31 December 2026 and may be renewed by mutual consent. For the year ended 31 December 2025, the actual transaction amount did not exceed the annual cap under the 2024 Medical Supplies Sales Framework Agreement. On 28 October 2025, the Company revised the annual cap in relation to the amounts payable by GT-PRC and/or its associates to the Group under the 2024 Medical Supplies Sales Framework Agreement for the year ending 31 December 2026.

The Group has abundant medical supplies resources and it has maintained a long-term cooperative relationship with GT-PRC and its associates. The Company expects that GT-PRC and/or its associates would procure medical supplies from the Group from time to time. In ordinary course of business of GT-PRC and/or its associates, the Group could provide such products to them, leveraging the advantages of geographical location and transportation convenience to provide such products, so as to efficiently and conveniently meet the demand of GT-PRC and/or its associates (mainly medical institutions) for the procurement of medical consumables, pharmaceuticals, medical equipment and devices, and to deepen the synergies of resources among central state-owned enterprises.

For the three years ending 31 December 2024, 2025 and 2026, the total sales amount for digitalization-based products and/or services provided by the Group to GT-PRC and/or its associates is not expected to exceed RMB29.0 million, RMB35.0 million and RMB325.0 million, respectively. The above proposed annual caps are based on the following factors: (i) the existing sales amount of medical consumables and pharmaceuticals to GT-PRC and/or its associates, details of which have been disclosed in the Company's announcement dated 30 October 2023; (ii) the expected transaction amounts and demand for GT-PRC and/or its associates in the future; and (iii) the Company continues to expand its service scope pertaining to medical supplies, which will broaden the scope that the Group is able to provide to GT-PRC and its associates.

Please refer to the Company's announcements dated 23 November 2023 and 28 October 2025 for details of the 2024 Medical Supplies Sales Framework Agreement and the annual caps thereunder.

### 2024 Catering Procurement Framework Agreement

On 23 November 2023, the Company entered into a catering procurement framework agreement (the "**2024 Catering Procurement Framework Agreement**") with GT-PRC, pursuant to which GT-PRC and/or its associates will provide catering services to the Company and/or its subsidiaries. The 2024 Catering Procurement Framework Agreement was effective from 1 January 2024 until 31 December 2026 and may be renewed by mutual consent. For the year ended 31 December 2025, the actual transaction amount did not exceed the annual cap under the 2024 Catering Procurement Framework Agreement.

As disclosed in the Company's announcement dated 19 July 2023, the Company expects to relocate certain of its office buildings to properties owned by GT-PRC, which provides ancillary catering services to occupants. Compared with operating a separate canteen by the Group to its employees after the relocation, procuring GT-PRC's catering services would be more convenient and cost-effective to the Group.

For the three years ending 31 December 2024, 2025 and 2026, the total amount for catering services procurement from GT-PRC and/or its associates by the Group is not expected to exceed RMB20.0 million, RMB23.0 million and RMB25.0 million, respectively. The above proposed annual caps are based on the following factors: (i) the number of the Group's employees who are expected to consume the catering services from GT-PRC and/or its associates, the applicable price per meal in the canteen operated by GT-PRC and/or its associates, and the expected increase in such number in the future; and (ii) the expected increase in costs such as the increase in labor costs and raw material costs.

Please refer to the Company's announcement dated 23 November 2023 for details of the 2024 Catering Procurement Framework Agreement and the annual caps thereunder.

## DIRECTORS' REPORT

### 2024 Physical Examination Service Framework Agreement

On 23 November 2023, the Company entered into a physical examination service framework agreement (the “**2024 Physical Examination Service Framework Agreement**”) with GT-PRC, pursuant to which the Company and/or its subsidiaries will provide physical examination services to GT-PRC and/or its associates. The 2024 Physical Examination Service Framework Agreement was effective from 1 January 2024 until 31 December 2026 and may be renewed by mutual consent. For the year ended 31 December 2025, the actual transaction amount did not exceed the annual cap under the 2024 Physical Examination Service Framework Agreement.

The Company has acquired and is operating certain affiliated hospitals from GT-PRC. These hospitals are expected to continue providing physical examinations to employees of the original promoters of these hospitals, who are associates of GT-PRC. This continuation is anticipated due to the familiarity of both the original promoters and their employees with the physical examination services provided by these hospitals. In addition, the Group’s hospitals may provide physical examination services to group members of GT-PRC from time to time.

For the three years ending 31 December 2024, 2025 and 2026, the total transaction amount of services provided by the Group to GT-PRC and/or its associates is not expected to exceed RMB29.0 million, RMB34.0 million and RMB39.0 million, respectively. The above proposed annual caps are based on the following factors: (i) the historical amount of physical examination services purchased by the original promoters within the hospitals acquired from GT-PRC; and (ii) the estimated demand for physical examination services of GT-PRC and/or its associates from these hospitals.

Please refer to the Company’s announcement dated 23 November 2023 for details of the 2024 Physical Examination Service Framework Agreement and the annual caps thereunder.

### 2024 Discipline Development and Operation Service Framework Agreement

On 23 November 2023, the Company entered into a discipline development and operation service framework agreement (the “**2024 Discipline Development and Operation Service Framework Agreement**”) with GT-PRC, pursuant to which the Company and/or its subsidiaries will provide discipline development and operation services to GT-PRC and/or its associates. The 2024 Discipline Development and Operation Service Framework Agreement was effective from 1 January 2024 until 31 December 2026 and may be renewed by mutual consent. For the year ended 31 December 2025, the actual transaction amount did not exceed the annual cap under the 2024 Discipline Development and Operation Service Framework Agreement.

The Company has abundant experience in healthcare industry. In ordinary course of operation of medical institutions, GT-PRC and its associates would like to cooperate with the Company in discipline development and operation from time to time, to better unleash the value of specialty disciplines.

For the three years ending 31 December 2024, 2025 and 2026, the total transaction amount of services for discipline development and operation provided by the Group to GT-PRC and/or its associates is not expected to exceed RMB30.0 million, RMB30.0 million and RMB30.0 million, respectively. The above proposed annual caps are based on the following factors: (i) the scope of services and estimated incurred value provided by the Company and/or its subsidiaries; and (ii) the estimated demand for discipline development and operation services of GT-PRC and/or its associates.

Please refer to the Company's announcement dated 23 November 2023 for details of the 2024 Discipline Development and Operation Service Framework Agreement and the annual caps thereunder.

### 2024 Factoring Service Framework Agreement

On 23 November 2023, the Company entered into a factoring service framework agreement (the "**2024 Factoring Service Framework Agreement**") with GT-PRC, pursuant to which the Company and/or its subsidiaries will provide factoring services to GT-PRC and/or its associates. The 2024 Factoring Service Framework Agreement was effective from 1 January 2024 until 31 December 2026, pursuant to the independent Shareholders' approval at the extraordinary general meeting held on 29 December 2023, and may be renewed by mutual consent. For the year ended 31 December 2025, the actual transaction amount did not exceed the annual cap under the 2024 Factoring Service Framework Agreement.

Certain members of the Group are principally engaged in providing commercial factoring service. It is expected that the Group would provide commercial factoring service to GT-PRC and/or its associates in the near future as the revenue generated from the factoring service can provide an additional source of income for the Group. The demand for factoring service from GT-PRC and/or its associates represents an opportunity for the Group to expand its commercial factoring business to a wider customer base and achieve better economies of scale. The Group's factoring service is beneficial to GT-PRC and/or its associates as factoring services will provide them with immediate funding for working capital and business development and help optimize their assets structure, increase capital efficiency. Furthermore, the Group is able to provide factoring service to GT-PRC and/or its associates in a more convenient and efficient manner as compared to other third parties because of our long-term business relationship.

For each of the three years ending 31 December 2024, 2025 and 2026, the total factoring financing amount is not expected to exceed RMB1.0 billion, and the total amount of factoring service charge and handling charge is not expected to exceed RMB60.0 million. The above proposed annual caps are based on the following factors: (i) the demand for commercial factoring services of GT-PRC and/or its associates as estimated by the Group based on the information available to the Group, as well as a sufficient buffer to cater for any surge in demand for factoring loans from GT-PRC and/or its associates; (ii) the Group's capacity to offer commercial factoring services, which has shown consistent growth in recent years; and (iii) the market rate of interests and fees for factoring services.

## DIRECTORS' REPORT

Please refer to the Company's announcement dated 23 November 2023 and circular dated 11 December 2023 for details of the 2024 Factoring Service Framework Agreement and the annual caps thereunder.

### 2024 Deposit Service Framework Agreement

On 23 November 2023, the Company entered into a deposit service framework agreement (the "**2024 Deposit Service Framework Agreement**") with GT-PRC, pursuant to which GT-PRC and/or its associates will provide deposit services to the Company and/or its subsidiaries. The 2024 Deposit Service Framework Agreement was effective from 1 January 2024 until 31 December 2026, pursuant to the independent Shareholders' approval at the extraordinary general meeting held on 29 December 2024, and may be renewed by mutual consent. For the year ended 31 December 2024, the actual transaction amount did not exceed the annual cap under the 2024 Deposit Service Framework Agreement.

GT-PRC and its associates (especially GT-PRC Finance, a non-bank financial institution approved and regulated by the PBOC and the NAFR) are dedicated to strengthening centralized management of corporate group funds and increase utilization efficiency. GT-PRC Finance has been serving as a fund management platform to help centralize management and more efficiently allocate funds for the Group, and has acquired in-depth knowledge about the Company over the years and good understanding on the capital structure, business operation, capital requirements and modes of cash flows of the Company. Considering that GT-PRC is able to anticipate the Company's business needs and provide customized services for the Company, the Company expects to continue the existing business relationship with GT-PRC Finance and may seek similar deposit service from other qualified members of GT-PRC based on the Group's business needs in the future. Moreover, entering into the 2024 Deposit Service Framework Agreement will not prevent the Group from using financial services from independent commercial banks in China. The Group may still select at its own discretion independent commercial banks in China to act as its financial service provider as it deems fit and in the interest of the Group.

For each of the three years ending 31 December 2024, 2025 and 2026, the maximum daily deposit balance (including accrued interest) of the Group placed with GT-PRC is not expected to exceed RMB1.6 billion. The above proposed maximum daily deposit balance (including accrued interest) is based on: (i) the Group's maximum daily deposit balance with GT-PRC Finance for the two years ended 31 December 2021 and 2022, and the nine months ended 30 September 2023; (ii) the increasing trend of the historical revenue of the Group; (iii) the expected cash flows from the Group's financing activities, including debt financing; and (iv) the expected net increase in cash inflow to the Group in the following years, which is likely to lead to an increase in the Group's demand for deposit services from GT-PRC and/or its associates.

Please refer to the Company's announcement dated 23 November 2023 and circular dated 11 December 2023 for details of the 2024 Deposit Service Framework Agreement and the annual caps thereunder.

## 2024 Finance Lease Framework Agreement

On 27 March 2024, the Company entered into a finance lease framework agreement (the “**2024 Finance Lease Framework Agreement**”) with GT-PRC, pursuant to which the Group will provide finance lease services to GT-PRC and/or its associates. The 2024 Finance Lease Framework Agreement was effective from 27 March 2024 until 31 December 2026, and may be renewed by mutual consent. For the year ended 31 December 2025, the actual transaction amount did not exceed the annual cap under the 2024 Finance Lease Framework Agreement. On 19 December 2024, the Company revised the annual cap in relation to the lease interest of the finance lease services provided by the Group to GT-PRC and/or its associates under the 2024 Finance Lease Framework Agreement for the two years ending 31 December 2025 and 2026.

The Group provides finance lease services in respect of various equipment and devices such as medical devices and machineries. The Group has maintained long-term business relationships with GT-PRC which have substantial assets with reliable financial capability and is a trusted and reputable business partner. No matter whether acting as the lessee, equipment supplier or a third party in the Group's finance lease transactions as described above, the involvement of GT-PRC and/or its associate provides the Group with a valuable opportunity to broaden its customer base in finance lease business and achieve better economies of scale.

For each of the three years ending 31 December 2024, 2025 and 2026, the transaction amount in relation to the lease interest of the finance lease services provided by the Group to GT-PRC and/or its associates is not expected to exceed RMB230.0 million, RMB400.0 million and RMB400.0 million, respectively. For each of the three years ending 31 December 2024, 2025 and 2026, the transaction amount in relation to the equipment supply provided by GT-PRC and/or its associates to the Group is not expected to exceed RMB1,340.0 million, RMB1,340.0 million and RMB1,340.0 million, respectively.

Please refer to the Company's announcements dated 27 March 2024 and 19 December 2024, respectively, and circular dated 16 May 2024 for details of the 2024 Finance Lease Framework Agreement and the annual caps thereunder.

## Operating Lease Framework Agreement

On 24 December 2025, the Company and GT-PRC entered into the operating lease framework agreement (the “**Operating Lease Framework Agreement**”), pursuant to which the Company and/or its subsidiaries would solely provide operating lease services, including but not limited to operating lease of medical devices, to GT-PRC and/or its associates, either individually or jointly with GT-PRC and/or its associates and a third party, while GT-PRC and/or its associates would make payments of rents and other fees to the Group. The Operating Lease Framework Agreement was effective from 24 December 2025 until 31 December 2026 and may be renewed by mutual consent. For the year ended 31 December 2025, no transactions have occurred under the Operating Lease Framework Agreement.

## DIRECTORS' REPORT

- (i) Operating leases represent a key strategic direction for the Company's leasing business transformation, which facilitate deeper integration between the Company's financial services and industrial operations, supporting the leasing business in its transition and upgrade to serve the nation's modern industrial system. The expansion of such business will systematically broaden the Company's business scope, serve GT-PRC's core functions and primary responsibilities and business, and promote the development of GT-PRC's industrial system, thereby achieving mutual benefit and win-win outcomes for both parties; and (ii) GT-PRC possesses strong expertise in sectors such as healthcare, wellness, and equipment manufacturing, which can assist the Company in gaining familiarity with various industrial markets and cultivating industrial leasing capabilities. As the Company is currently in the exploratory phase of industrial and operating leasing, subsidiaries of GT-PRC offer relatively strong qualifications. Given the Company's extensive understanding of these subsidiaries and the relatively more controllable risks involved, establishing operating leasing collaborations with such companies within GT-PRC represents a strategic direction for business development in the initial stages.

For the year ending 31 December 2026, the rents and other fees payable by GT-PRC and/or its associates to the Group under the Operating Lease Framework Agreement are not expected to exceed RMB100.0 million.

Please refer to the Company's announcement dated 24 December 2025 for details of the Operating Lease Framework Agreement and the annual cap thereunder.

## CONNECTED TRANSACTIONS

During the year ended 31 December 2025, the Group entered into certain connected transactions which are subject to the requirements under Chapter 14A of the Listing Rules. The Company confirms that it has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules for these connected transactions.

### Formation of a joint venture

On 18 November 2025, the Company, China Machinery New Energy (Hainan) Investment Co., Ltd. (an indirectly wholly-owned subsidiary of GT-PRC) and Healbee Tech LLC executed the agreement (the "**Agreement**") to establish the joint venture (the "**Joint Venture**"). Pursuant to the Agreement, the registered capital of the Joint Venture will be RMB30 million and would be contributed by the relevant parties in cash, among which, (i) the Company would contribute RMB15.03 million, (ii) China Machinery New Energy (Hainan) Investment Co., Ltd. would contribute RMB4.47 million, and (iii) Healbee Tech LLC would contribute RMB10.50 million. Upon the establishment of the Joint Venture, its registered capital will be held by the Company, China Machinery New Energy (Hainan) Investment Co., Ltd. and Healbee Tech LLC as to 50.1%, 14.9% and 35%, respectively, and the Joint Venture will be accounted as a subsidiary of the Company.

Establishing the Joint Venture is designed to fully leverage the special policies of the Boao Lecheng Medical Tourism Pilot Zone in Hainan, including but not limited to fast-track approval for clinically urgently needed imported medical devices, real-world data application pilots, and streamlined practice facilitation for overseas medical professionals under the National Nine Articles (“國九條”) framework, which will accelerate the registration, clinical application and commercialization of internationally innovative medical devices in the PRC. Through collaboration with the Pilot Zone’s administrative bodies, medical institutions and industry partners, the Joint Venture will establish an integrated platform for policy coordination, technology transfer and clinical validation, which will further expedite the introduction of cutting edge global medical technologies into the PRC market and enhance both the clinical translation efficiency and commercial value of innovative achievements. The Company believes that the cooperation aligns with the national strategy of encouraging medical innovation and high-level opening-up, and will help diversify the Company’s medical device pipeline and create long-term value for the Shareholders.

As of the date of the above transaction, GT-PRC directly and indirectly holds approximately 37.66% of the issued share capital of the Company and is a controlling Shareholder of the Company. China Machinery New Energy (Hainan) Investment Co., Ltd. is an indirectly wholly-owned subsidiary of GT-PRC, and therefore is a connected person of the Company pursuant to the Listing Rules. As such, the formation of the Joint Venture constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. Please refer to the announcement of the Company dated 18 November 2025 for details.

## RELATED PARTY TRANSACTIONS

During the year ended 31 December 2025, certain related parties entered into transactions with the Group which are disclosed in Note 37 “Related Party Transactions” to the consolidated financial statements of the Company. Save as disclosed in the sections headed “Continuing Connected Transactions” and “Connected Transactions”, the Board confirmed that none of these related party transactions constitutes a connected transaction or a continuing connected transaction that is subject to disclosure requirements under Chapter 14A of the Listing Rules.

## CONFIRMATION OF INDEPENDENT NON-EXECUTIVE DIRECTORS

Pursuant to Rule 14A.55 of the Listing Rules, the continuing connected transactions disclosed in the section headed “Continuing Connected Transactions” have been reviewed by the independent non-executive Directors, who confirmed that the aforesaid continuing connected transactions were entered into:

- (a) in the ordinary and usual course of business of the Group;
- (b) on normal commercial terms or better; and
- (c) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole.

## DIRECTORS' REPORT

### CONFIRMATION OF THE AUDITORS

SHINEWING (HK) CPA Limited, the auditor of the Company, has been engaged to report on the connected transactions of the Company disclosed in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and with reference to Practice Note 740 Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules issued by the Hong Kong Institute of Certified Public Accountants. The Board has received a letter from SHINEWING (HK) CPA Limited in accordance with Rule 14A.56 of the Listing Rules containing its findings and conclusion on the aforesaid continuing connected transactions of the Group, with its basis related to the 2024 Medical Related Product Procurement Framework Agreement for the year ended 31 December 2025 exceeding the relevant annual cap of RMB365.00 million. The details are set out in the announcement dated 18 March 2026 of the Company and in the relevant sections above. The auditor of the Company has confirmed it has not noticed anything that causes it to believe that any of these continuing connected transactions:

- (a) has not been approved by the Board;
- (b) was not, in all material respects, in accordance with the pricing policies of the Group for the connected transactions involving the provision of goods or services by the Group;
- (c) was not entered into in accordance with the relevant agreements governing such continuing connected transactions in all material aspects; and
- (d) (except for the 2024 Medical Related Product Procurement Framework Agreement) has exceeded the relevant annual caps for the financial year ended 31 December 2025.

### AUDIT COMMITTEE

During the year, the Company had complied with Rule 3.21 of the Listing Rules, and it comprised three members, including Mr. Li Yinquan (chairman), Mr. Chow Siu Lui and Mr. Tong Chaoyin, among whom, Mr. Li Yinquan and Mr. Chow Siu Lui are independent non-executive Directors (including one independent non-executive director who possesses appropriate professional qualifications or expertise in accounting or relevant financial management).

The Audit Committee had discussed with the management and reviewed this annual report and the financial results of the Group for the year ended 31 December 2025.

The consolidated financial statements of the Company which are prepared in accordance with Hong Kong Financial Reporting Standards for the year ended 31 December 2025 have been audited by Shinewing (HK) CPA Limited, the auditors of the Company.

## DONATIONS

During the year ended 31 December 2025 the Group made charitable donations in the amount of RMB7.01 million.

## AUDITORS

Having considered that Ernst & Young (“**EY**”) has served as the auditor of the Company for over ten consecutive years, the Company initiated the open procurement and selection process of auditor after comprehensively considering the Company’s business development, cost effectiveness and needs for audit services. Based on the result of the open procurement and selection process and with the recommendation of the Audit Committee, EY retired as the auditor of the Company upon conclusion of the 2025 AGM.

The Board appointed Shinewing (HK) CPA Limited (“**Shinewing**”) as the auditor with effect from the conclusion of the 2025 AGM and until the conclusion of the next annual general meeting of the Company.

Save as disclosed above, the Company has not changed the appointment of its auditors in the past three years. The resolution regarding re-appointing Shinewing as the Company’s auditor will be put forward at the Company’s 2026 AGM for consideration and approval of the Shareholders.

## COMPLIANCE WITH LAWS AND REGULATIONS

For the year ended 31 December 2025, the Group is in compliance with the relevant laws and regulations that have a significant impact on the Group in all material respects.

## DIRECTORS' REPORT

### THE PUBLICATION OF THE ANNUAL REPORT

This annual report, in both English and Chinese versions, is available on the Company's website at [www.umcare.cn](http://www.umcare.cn) and the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk).

Shareholders who have chosen or have been deemed consent to receive the corporate communications of the Company via the Company's website, and who for any reason have difficulty in receiving or gaining access to the corporate communications posted on the Company's website will promptly upon request be sent the annual report in printed form free of charge. Shareholders may at any time change their choice of the means of receipt and language(s) of corporate communications.

Shareholders may request for printed copy of the annual report or change their choice of means of receipt and language of the corporate communications by sending at least a 7-day notice in writing to the Company's share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong or by sending an email to [unimedical.ecom@computershare.com.hk](mailto:ecom@computershare.com.hk).

On behalf of the Board

**Chen Shisu**

*Chairman of the Board*

Hong Kong  
25 March 2026

# INDEPENDENT AUDITOR'S REPORT

**To the members of GENERTEC UNIVERSAL MEDICAL GROUP COMPANY LIMITED**

*(incorporated in Hong Kong with limited liability)*

## OPINION

We have audited the consolidated financial statements of GENERTEC UNIVERSAL MEDICAL GROUP COMPANY LIMITED (the "Company") and its subsidiaries (the "Group") set out on pages 160 to 328, which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year ended in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

## BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), as applicable to audits of consolidated financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

## INDEPENDENT AUDITOR'S REPORT

### KEY AUDIT MATTERS (Continued)

Refer to note 20 to the consolidated financial statements and accounting policies on page 199 to 200.

#### Allowance for Impairment of Loans and Accounts Receivables

##### KEY AUDIT MATTER

As at 31 December 2025, the Group's loans and accounts receivables consisted of lease receivables, receivables arising from sale-and-leaseback arrangements, factoring receivables, accounts receivable and notes receivable, and accounted for 83% of the Group's total assets. The assessment of impairment of such loans and accounts receivables in our audit was considered to be a matter of most significance as it required the application of judgement and use of subjective assumptions by management.

HKFRS 9 requires the use of the "expected credit loss" ("ECL") model for the measurement of impairment of financial assets. In order to measure the impairment of loans and accounts receivables under HKFRS 9, management should use judgement, assumptions and estimation techniques in aspects such as judging significant increases in credit risk, estimating the parameters for measuring ECLs and determining the forward-looking adjustments.

##### HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER

We gained an understanding of and tested the key controls over the approval and recording of loans and accounts receivables and impairment assessment.

We adopted a risk-based sampling approach in our tests of the allowance for impairment of loans and accounts receivables. We selected samples of performing loans considering the size, risk factors and industry trends for our tests on the reasonableness of loan grading and measurement of impairment.

We assessed management's forecast of future repayments and current financial conditions of the lessees in relation to non-performing assets, based on historical experience, value of collateral and observable external data. We evaluated the methodologies, inputs and assumptions used by the Group in the calculation of the expected credit losses.

We assessed the adequacy of the disclosures about the allowance for impairment of loans and accounts receivables included in the consolidated financial statements.

### OTHER MATTER

The consolidated financial statements of the Group for the year ended 31 December 2024 were audited by another auditor who expressed an unmodified opinion on those statements on 26 March 2025.

### OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### RESPONSIBILITIES OF THE DIRECTORS OF THE COMPANY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the Company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of the Company either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

Audit Committee are responsible for overseeing the Group's financial reporting process.

## INDEPENDENT AUDITOR'S REPORT

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance and our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors of the Company.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

## INDEPENDENT AUDITOR'S REPORT

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Cheung Wang Kei.

*SHINEWING (HK) CPA Limited*

*Certified Public Accountants*

Cheung Wang Kei

Practising Certificate Number: P07788

Hong Kong

25 March 2026

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2025

	Notes	2025 RMB' 000	2024 RMB'000
<b>REVENUE</b>	5	<b>14,939,517</b>	13,663,485
Cost of sales		<b>(9,909,481)</b>	(9,071,645)
Gross profit		<b>5,030,036</b>	4,591,840
Other income and gains	5	<b>334,368</b>	614,514
Selling and distribution costs		<b>(362,446)</b>	(375,391)
Administrative expenses		<b>(1,441,052)</b>	(1,333,871)
Impairment losses on financial assets, net		<b>(331,323)</b>	(322,980)
Loss on derecognition on financial assets measured at amortised cost		–	(519)
Other expenses		<b>(131,997)</b>	(242,327)
Finance costs		<b>(69,346)</b>	(50,711)
Share of profits and losses of:			
A joint venture		<b>(331)</b>	32,031
Associates		<b>(8,761)</b>	(5,467)
<b>PROFIT BEFORE TAX</b>	6	<b>3,019,148</b>	2,907,119
Income tax expense	9	<b>(701,556)</b>	(648,785)
<b>PROFIT FOR THE YEAR</b>		<b>2,317,592</b>	2,258,334
<b>Attributable to:</b>			
Owners of the parent		<b>2,156,763</b>	2,031,740
Non-controlling interests		<b>108,641</b>	154,377
Other equity instruments		<b>52,188</b>	72,217
		<b>2,317,592</b>	2,258,334
<b>EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT</b>	11		
Basic (expressed in RMB per share)		<b>1.13</b>	1.07
Diluted (expressed in RMB per share)		<b>1.08</b>	1.02

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2025

	Notes	2025 RMB' 000	2024 RMB' 000
<b>PROFIT FOR THE YEAR</b>		<b>2,317,592</b>	2,258,334
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>Other comprehensive (expense) income that may be reclassified to profit or loss in subsequent periods:</b>			
Cash flow hedges:			
Effective portion of changes in fair value of hedging instruments arising during the year	18	<b>(218,951)</b>	73,613
Reclassification adjustments for losses included in the consolidated statement of profit or loss		<b>74,189</b>	56,435
Income tax effect		<b>39,143</b>	(23,069)
		<b>(105,619)</b>	106,979
Exchange differences on translation of foreign operations		<b>14,835</b>	189
Net other comprehensive (expense) income that may be reclassified to profit or loss in subsequent periods		<b>(90,784)</b>	107,168
<b>Other comprehensive income (expense) that will not be reclassified to profit or loss in subsequent periods:</b>			
Actuarial losses on the post-retirement benefit obligations, net of tax	29	<b>64</b>	(11,247)
Net other comprehensive income (expense) that will not be reclassified to profit or loss in subsequent periods		<b>64</b>	(11,247)
<b>OTHER COMPREHENSIVE (EXPENSE) INCOME FOR THE YEAR, NET OF TAX</b>		<b>(90,720)</b>	95,921
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>2,226,872</b>	2,354,255
Attributable to:			
Owners of the parent		<b>2,066,012</b>	2,133,155
Non-controlling interests		<b>108,672</b>	148,883
Other equity instruments		<b>52,188</b>	72,217
		<b>2,226,872</b>	2,354,255

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2025

	Notes	2025 RMB' 000	2024 RMB'000
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	12	6,117,891	5,886,511
Investment properties		28,147	19,192
Right-of-use assets	13(a)	1,659,295	1,740,394
Goodwill	14	384,301	380,996
Other intangible assets	15	284,108	303,792
Investment in a joint venture		754	1,085
Investments in associates	16	100,309	107,765
Financial assets at fair value through profit or loss	17	20,000	20,000
Derivative financial instruments	18	93,403	143,013
Loans and accounts receivables	20	38,620,664	43,075,977
Prepayments, other receivables and other assets	21	174,404	191,757
Restricted deposits and time deposits	22	60,000	310,000
Deferred tax assets	28	872,134	773,883
Equity investments designated at fair value through other comprehensive income		2,778	2,778
<b>Total non-current assets</b>		<b>48,418,188</b>	<b>52,957,143</b>
<b>CURRENT ASSETS</b>			
Inventories	19	931,063	506,786
Contract assets		8,845	4,519
Loans and accounts receivables	20	31,401,627	28,501,307
Prepayments, other receivables and other assets	21	878,771	997,801
Derivative financial instruments	18	–	160,191
Restricted deposits and time deposits	22	561,685	523,960
Cash and cash equivalents	22	2,107,784	2,379,306
Financial assets at fair value through profit or loss	17	–	500
Debt investments at fair value through other comprehensive income	23	9,701	782
<b>Total current assets</b>		<b>35,899,476</b>	<b>33,075,152</b>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2025

	Notes	2025 RMB' 000	2024 RMB'000
<b>CURRENT LIABILITIES</b>			
Trade and bills payables	24	2,904,927	2,775,795
Other payables and accruals	25	3,366,886	3,487,959
Interest-bearing bank and other borrowings	26	19,761,353	22,188,635
Derivative financial instruments	18	69,268	500
Financial liabilities at fair value through profit or loss		22,240	333
Tax payable		131,905	164,374
<b>Total current liabilities</b>		<b>26,256,579</b>	28,617,596
<b>NET CURRENT ASSETS</b>		<b>9,642,897</b>	4,457,556
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>58,061,085</b>	57,414,699
<b>NON-CURRENT LIABILITIES</b>			
Financial liabilities at fair value through profit or loss		–	75,000
Derivative financial instruments	18	40,742	6,879
Other payables and accruals	25	4,515,370	4,636,756
Interest-bearing bank and other borrowings	26	28,465,996	29,190,868
Convertible bonds – host debts	27	–	635,451
<b>Total non-current liabilities</b>		<b>33,022,108</b>	34,544,954
<b>Net assets</b>		<b>25,038,977</b>	22,869,745

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2025

	Notes	2025 RMB' 000	2024 RMB'000
<b>EQUITY</b>			
<b>Equity attributable to the owners of the parent</b>			
Share capital	30	<b>5,983,893</b>	5,297,254
Equity component of convertible bonds		–	42,649
Reserves	31	<b>13,296,728</b>	11,835,826
		<b>19,280,621</b>	17,175,729
Other equity instruments	38	<b>1,662,250</b>	1,678,008
Non-controlling interest		<b>4,096,106</b>	4,016,008
<b>Total equity</b>		<b>25,038,977</b>	22,869,745

Chen Shisu  
Director

Wang Wenbing  
Director

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2025

	Attributable to owners of the parent										Total RMB '000				
	Share capital RMB '000 (Note 30)	Share convertible bonds RMB '000 (Note 31)	Capital reserve* RMB '000 (Note 31)	Statutory reserve* RMB '000 (Note 31)	Share- based compensation reserve* RMB '000 (Note 31)	General and Exchange regulatory reserve* RMB '000 (Note 31)	Special reserve* RMB '000 (Note 31)	Hedge reserve* RMB '000 (Note 31)	Post- retirement benefits reserve* RMB '000 (Note 31)	Retained profits* RMB '000 (Note 31)		Other equity instruments RMB '000 (Note 38)	Non- controlling interests RMB '000		
At 1 January 2025	5,297,254	42,649	1,707	1,374,384	13,097	907,555	33,639	167	8,929	(10,860)	9,507,208	17,175,729	1,678,008	4,016,008	22,869,745
Profit for the year	-	-	-	-	-	-	-	-	-	-	2,156,763	2,156,763	52,188	108,641	2,317,592
Other comprehensive income (expense) for the period:	-	-	-	-	-	-	-	-	(105,619)	-	-	(105,619)	-	-	(105,619)
Cash flow hedges, net of tax	-	-	-	-	-	-	-	-	(105,619)	-	-	(105,619)	-	-	(105,619)
Exchange differences on translation of foreign operations	-	-	-	-	-	-	14,835	-	-	-	-	14,835	-	-	14,835
Actuarial losses on the post-retirement benefits obligations, net of tax	-	-	-	-	-	-	-	-	-	33	-	33	-	-	33
Total comprehensive income (expense) for the year	-	-	-	-	-	-	14,835	-	(105,619)	33	2,156,763	2,066,012	52,188	108,672	2,226,872

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2025

Attributable to owners of the parent															
Equity component of	Share convertible capital RMB '000 (Note 30)	Share capital RMB '000 (Note 31)	Capital reserve* RMB '000 (Note 31)	Statutory reserve* RMB '000 (Note 31)	Share-based compensation reserve* RMB '000 (Note 31)	General and regulatory reserve* RMB '000 (Note 31)	Exchange fluctuation reserve* RMB '000 (Note 31)	Special reserve* RMB '000 (Note 31)	Hedge reserve* RMB '000 (Note 31)	Post-retirement benefits reserve* RMB '000 (Note 31)	Retained profits* RMB '000 (Note 31)	Total RMB '000 (Note 38)	Other equity instruments RMB '000 (Note 38)	Non-controlling interests RMB '000 (Note 38)	Total RMB '000 (Note 38)
Issue of renewable corporate bonds (Note 38)	-	-	-	-	-	-	-	-	-	-	-	-	1,143,071	-	1,143,071
Redemption of renewable corporate bonds (Note 38)	-	-	-	-	-	-	-	-	-	-	-	-	(1,146,492)	-	(1,146,492)
Acquisition of subsidiaries (Note 33)	-	-	-	-	-	-	-	-	-	-	-	-	-	10,372	10,372
Capital injection/reduction by non-controlling shareholders	-	-	-	-	-	-	-	-	-	-	-	-	-	200	200
Distribution paid to holders of renewable corporate bonds	-	-	-	-	-	-	-	-	-	-	-	-	(64,525)	-	(64,525)
Dividends	-	-	-	-	-	-	-	-	-	-	(604,137)	(604,137)	-	(23,071)	(627,208)
Appropriation of special reserve – safety fund	-	-	-	-	-	-	-	(16)	-	-	-	(16)	-	(15)	(31)

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2025

	Attributable to owners of the parent														
	Share capital RMB '000 (Note 30)	Equity component of convertible bonds RMB '000 (Note 31)	Capital reserve* RMB '000 (Note 31)	Statutory reserve* RMB '000 (Note 31)	Share-based compensation reserve* RMB '000 (Note 31)	General and regulatory reserve* RMB '000 (Note 31)	Exchange fluctuation reserve* RMB '000 (Note 31)	Special reserve* RMB '000 (Note 31)	Hedge reserve* RMB '000	Post-retirement benefits reserve* RMB '000	Retained profits* RMB '000	Total instruments RMB '000 (Note 38)	Other equity instruments RMB '000	Non-controlling interests RMB '000	Total RMB '000
Acquisition of non-controlling interests	-	-	(957)	-	-	-	-	-	-	-	-	-	-	(15,632)	(16,589)
Appropriation of statutory reserves	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reduction in non-controlling interests resulting from the deregistration of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	(428)	(428)
Appropriation of general and regulatory reserves	-	-	-	-	-	(67,986)	-	-	-	67,986	-	-	-	-	-
Conversion of convertible bonds (Note 27)	686,639	(42,649)	-	-	-	-	-	-	-	-	643,990	-	-	-	643,990
At 31 December 2025	5,983,893	-	750	1,374,384	13,097	839,569	48,474	151	(96,690)	(10,827)	11,127,820	1,662,250	4,096,106	25,038,977	

\* These reserve accounts comprises the consolidated reserve of RMB13,296,728,000 (2024: RMB11,835,826,000) in the consolidated statement of financial position.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2025

	Attributable to owners of the parent										Total RMB'000				
	Share of convertible capital RMB'000 (Note 30)	Equity component of convertible bonds RMB'000 (Note 31)	Capital reserve* RMB'000 (Note 31)	Statutory reserve* RMB'000 (Note 31)	Share-based compensation reserve* RMB'000 (Note 31)	General and regulatory reserve* RMB'000 (Note 31)	Exchange fluctuation reserve* RMB'000 (Note 31)	Special reserve* RMB'000 (Note 31)	Hedge reserve* RMB'000	Post-retirement benefits reserve* RMB'000		Retained profits* RMB'000	Total instruments RMB'000 (Note 38)	Other equity instruments RMB'000	Non-controlling interests RMB'000
At 1 January 2024	5,297,254	75,486	(3,173)	1,300,201	13,097	851,728	33,450	63	(98,050)	(5,107)	8,212,792	15,677,741	1,672,433	3,017,784	20,367,958
Profit for the year	-	-	-	-	-	-	-	-	-	-	2,031,740	2,031,740	72,217	154,377	2,258,334
Other comprehensive income/(loss) for the period:															
Cash flow hedges, net of tax	-	-	-	-	-	-	-	-	106,979	-	-	106,979	-	-	106,979
Exchange differences on translation of foreign operations	-	-	-	-	-	-	189	-	-	-	-	189	-	-	189
Actuarial losses on the post-retirement benefits obligations, net of tax	-	-	-	-	-	-	-	-	-	(5,753)	-	(5,753)	-	(5,494)	(11,247)
Total comprehensive income for the year	-	-	-	-	-	-	189	-	106,979	(5,753)	2,031,740	2,133,155	72,217	148,883	2,354,255

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Year ended 31 December 2025

	Attributable to owners of the parent										Total RMB'000				
	Share of convertible capital RMB'000 (Note 30)	Equity component bonds RMB'000	Capital reserve* RMB'000 (Note 31)	Statutory reserve* RMB'000 (Note 31)	Share-based compensation reserve* RMB'000 (Note 31)	General and regulatory reserve* RMB'000 (Note 31)	Exchange fluctuation reserve* RMB'000 (Note 31)	Special reserve* RMB'000 (Note 31)	Hedge reserve* RMB'000	Post- retirement benefits reserve* RMB'000		Retained profits* RMB'000	Total instruments RMB'000 (Note 38)	Other equity instruments RMB'000	Non- controlling interests RMB'000
Issue of renewable corporate bonds (Note 38)	-	-	-	-	-	-	-	-	-	-	-	497,528	-	497,528	
Redemption of renewable corporate bonds (Note 38)	-	-	(2,305)	(2,305)	-	-	-	-	-	-	(2,305)	(497,695)	-	(500,000)	
Acquisition of subsidiaries	-	-	3,173	-	-	-	-	-	-	-	3,173	-	872,534	875,707	
Capital injection by non-controlling shareholders	-	-	-	-	-	-	-	-	-	-	-	-	(12,850)	(12,850)	
Distribution paid to holders of renewable corporate bonds	-	-	-	-	-	-	-	-	-	-	-	(66,475)	-	(66,475)	
Dividends	-	-	-	-	-	-	-	-	-	-	(604,468)	-	(10,671)	(615,139)	
Appropriation of special reserve - safety fund	-	-	-	-	-	-	104	-	-	-	-	104	-	200	
Acquisition of non-controlling interests	-	-	-	(541)	-	-	-	-	-	-	-	(541)	-	232	(309)
Appropriation of statutory reserves	-	-	-	77,029	-	-	-	-	-	-	(77,029)	-	-	-	
Appropriation of general and regulatory reserves	-	-	-	-	-	55,827	-	-	-	-	(55,827)	-	-	-	
Redemption of convertible corporate bonds	-	(32,837)	1,707	-	-	-	-	-	-	-	(31,130)	-	-	(31,130)	
At 31 December 2024	5,297,254	42,649	1,707	1,374,384	13,097	907,555	33,639	167	8,929	(10,860)	9,507,208	1,678,008	4,016,008	22,869,745	

# CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2025

	Notes	2025 RMB' 000	2024 RMB'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before tax		<b>3,019,148</b>	2,907,119
Adjustments for:			
Finance costs and interest expense		<b>1,699,301</b>	2,040,364
Interest income	5	<b>(41,942)</b>	(31,384)
Share of losses (profits) and losses of a joint venture and associates		<b>9,092</b>	(26,564)
Derivative financial instruments – transactions not qualifying as hedges:			
– Unrealised fair value losses, net	6	<b>93,481</b>	15,149
– Realised fair value gains, net	5	<b>(53,976)</b>	(308,582)
Depreciation of property, plant and equipment		<b>621,585</b>	501,592
Depreciation of right-of-use assets		<b>85,455</b>	61,682
Depreciation of investment properties		<b>1,540</b>	107
(Gain) loss on disposal of property, plant and equipment, net	6	<b>(1,367)</b>	1,001
Loss (gain) on disposal of right-of-use asset, net		<b>2,440</b>	(278)
Amortisation of intangible assets		<b>79,877</b>	38,876
Impairment of loans and accounts receivables and other receivables	6	<b>331,323</b>	322,980
Reversal of impairment of contract assets	6	<b>(468)</b>	(56)
Foreign exchange losses, net	6	<b>(195,792)</b>	202,014
Interest income from continuing involvement in transferred assets	5	<b>–</b>	(24,124)
Gain on unlisted debt investments, at fair value	5	<b>(1,026)</b>	(6,831)
Fair value losses from financial liabilities at fair value through profit or loss		<b>2,855</b>	333
Gain on bargain purchase	5	<b>–</b>	(31,926)
Proceeds from disposal of a subsidiary		<b>–</b>	(1,273)
Special reserve – safety fund utilisation		<b>(31)</b>	200
Impairment of inventories	6	<b>2,601</b>	343
		<b>5,654,096</b>	5,660,742

## CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2025

Notes	2025 RMB' 000	2024 RMB' 000
(Increase) decrease in inventories	<b>(423,181)</b>	32,616
Decrease (increase) in loans and accounts receivables	<b>1,256,423</b>	(2,250,346)
(Increase) decrease in debt investments at fair value through other comprehensive income	<b>(8,919)</b>	10,633
Increase in contract assets	<b>(3,858)</b>	(1,520)
Decrease in prepayments, deposits and other receivables and other assets	<b>219,824</b>	259,677
Increase in amounts due from related parties	<b>(129,204)</b>	(108,930)
Increase (decrease) in trade and bills payables	<b>73,840</b>	(776,192)
Decrease in other payables and accruals	<b>(1,014,763)</b>	(1,059,554)
Increase in amounts due to related parties	<b>903,380</b>	54,134
Net cash flows from operating activities before interest and tax	<b>6,527,638</b>	1,821,260
Interest received	<b>41,944</b>	52,808
Income tax paid	<b>(793,250)</b>	(735,760)
Net cash flows from operating activities	<b>5,776,332</b>	1,138,308
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net outflow on disposal of subsidiaries	<b>(857)</b>	(43)
Increase in derivative financial instruments not qualifying as hedges	<b>53,976</b>	308,582
(Decrease) increase in financial instruments at fair value through profit or loss	<b>(55,948)</b>	8,294
Cash paid for acquisition of property, plant and equipment, intangible assets and other long term assets	<b>(988,913)</b>	(1,255,068)
Proceeds from disposal of items of property, plant and equipment	<b>12,418</b>	12,039
Net inflow (outflow) on acquisition of subsidiaries	<b>350</b>	(239,147)
Dividends received from a joint venture	–	15,631
Withdrawal of time deposits	<b>20,000</b>	–
Other receipt of investments	<b>1,026</b>	570
Purchase of financial assets at fair value through profit or loss	–	(20,000)
Proceeds from disposal of financial assets at fair value through profit or loss	<b>500</b>	84,179
Capital injection to the associates	<b>(1,305)</b>	–

## CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2025

	Notes	2025 RMB' 000	2024 RMB'000
Net cash flows used in investing activities		(958,753)	(1,084,963)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of renewable corporate bonds		1,143,071	497,528
Redemption of renewable corporate bonds		(1,146,492)	(500,000)
Redemption of convertible bonds		–	(425,976)
Increase in amounts due to related parties		–	1,622,433
Decrease in amounts due to related parties		(300,000)	(3,938,393)
Capital injections from non-controlling shareholders		200	–
Acquisition of non-controlling interests		(16,589)	(308)
Cash received from borrowings		37,632,095	42,814,977
Repayments of borrowings		(39,676,558)	(38,012,173)
Principal portion of lease payments		(676,153)	(178,121)
Interest paid		(1,630,376)	(1,945,233)
Withdrawal of restricted deposits		192,275	218,099
Dividends paid		(615,496)	(615,139)
Capital distribution to non-controlling shareholders		(428)	–
Other cash receipts relating to financing activities		–	427,988
Other cash payments relating to financing activities		–	(486,352)
Net cash flows used in financing activities		(5,094,451)	(520,670)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>			
Cash and cash equivalents at beginning of year		2,379,306	2,848,973
Effect of exchange rate changes on cash and cash equivalents		5,350	(2,342)
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b>2,107,784</b>	<b>2,379,306</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>			
Cash and bank balances		2,389,469	2,853,266
Less: Restricted deposits		(281,685)	(473,960)
<b>Cash and cash equivalents as stated in the statement of financial position</b>	22	<b>2,107,784</b>	<b>2,379,306</b>
<b>Cash and cash equivalents as stated in the statement of cash flows</b>		<b>2,107,784</b>	<b>2,379,306</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 1. CORPORATE AND GROUP INFORMATION

Genertec Universal Medical Group Company Limited (the “Company”) is a limited liability company which was incorporated in Hong Kong on 19 April 2012. Pursuant to the special resolutions of shareholders dated 6 February 2015 and 10 June 2015, respectively, the Company changed its name from Universal International Leasing Co., Limited to Universal Medical Services & Health Management Company Limited and then to Universal Medical Financial & Technical Advisory Services Company Limited. Pursuant to the special resolution of shareholders dated 5 June 2018, the Company changed its name from Universal Medical Financial & Technical Advisory Services Company Limited to Genertec Universal Medical Group Company Limited. The registered office of the Company is located at Room 702, Fairmont House, 8 Cotton Tree Drive, Central, Hong Kong. The Company’s shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 8 July 2015.

The Company and its subsidiaries (the “Group”) are principally engaged in providing financing to its customers under finance lease arrangements, the provision of advisory services, the sale of medical equipment and goods, medical equipment leases under operating lease arrangements, the hospital and healthcare management business, the provision of medical services, life cycle management of equipment assets, intelligent medical health and elder care and the provision of other services as approved by the Ministry of Commerce of the People’s Republic of China (the “PRC”) in the Chinese Mainland.

In the opinion of the directors, the ultimate holding company of the Company is China General Technology (Group) Holding Company Limited, which is a backbone state-owned enterprise under direct administration of the PRC central government.

### Information about subsidiaries

Particulars of the Company’s principal subsidiaries are as follows:

Company name	Place of incorporation/ registration and business	Issued ordinary share/registered capital/start-up capital	Percentage of equity interests attributable to the Company		Principal activities
			Direct	Indirect	
中國環球租賃有限公司* (China Universal Leasing Co., Ltd.)	PRC/Chinese Mainland	USD968,887,616	100.00	–	Financial leasing
通用環球國際融資租賃(天津)有限公司** (Genertec Universal International Financial Leasing (Tianjin) Co., Ltd.)	PRC/Chinese Mainland	USD150,000,000	25.00	75.00	Financial leasing

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 1. CORPORATE AND GROUP INFORMATION (Continued)

#### Information about subsidiaries (Continued)

Particulars of the Company's principal subsidiaries are as follows: (Continued)

Company name	Place of incorporation/ registration and business	Issued ordinary share/registered capital/start-up capital	Percentage of equity interests attributable to the Company		Principal activities
			Direct	Indirect	
通用環球醫療技術服務(天津)有限公司*** (Genertec Universal Medical Technology Services (Tianjin) Co., Ltd.)	PRC/Chinese Mainland	RMB705,320,800*	–	100.00	Medical technology services
通用環球醫療發展(英屬維爾京群島)有限公司 (Genertec Universal Medical Development (BVI) Co., Ltd.)	British virgin island	USD1	100.00	–	Provision of financing
通用環球醫院投資管理(天津)有限公司*** (Genertec Universal Hospital Investment & Management (Tianjin) Co., Ltd.)	PRC/Chinese Mainland	RMB5,000,000,000	–	100.00	Hospital management services
環球悅谷醫療科技(天津)有限公司*** (Universal Yuegu Medical Technology (Tianjin) Co., Ltd.)	PRC/Chinese Mainland	RMB150,000,000	–	100.00	Medical technology services
通用環球邁勝醫療科技(天津)有限公司*** (Genertec Universal Mevion Medical Science and Technology (Tianjin) Co., Ltd.)	PRC/Chinese Mainland	RMB50,000,000	–	51.00	Medical technology services
凱思軒達醫療科技無錫有限公司*** (Casstar Medical Technology Wuxi Co., Ltd.)	PRC/Chinese Mainland	RMB17,543,800	–	85.00	Medical technology services
樸元醫療科技(北京)有限公司*** (Puyuan Medical Technology Co., Ltd.)	PRC/Chinese Mainland	RMB30,000,000	–	100.00	Medical technology services
北京小通易鏈科技有限公司*** (前稱西安融慧醫院建設管理有限公司) (Beijing Genertec E-Chain Technology Co., Ltd.) (formerly known as (Xi'an Ronghui Hospital Construction Management Co., Ltd.)	PRC/Chinese Mainland	RMB400,000,000	–	100.00	Professional technology services
陝西華虹醫藥有限公司***(iii) (Shaanxi Huahong Pharmaceutical Co., Ltd.)	PRC/Chinese Mainland	RMB100,000,000	–	100.00	Sale of medical related goods

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 1. CORPORATE AND GROUP INFORMATION (Continued)

#### Information about subsidiaries (Continued)

Particulars of the Company's principal subsidiaries are as follows: (Continued)

Company name	Place of incorporation/ registration and business	Issued ordinary share/registered capital/start-up capital	Percentage of equity interests attributable to the Company		Principal activities
			Direct	Indirect	
安徽環康醫院管理有限公司*** (Anhui Huankang Hospital Management Co., Ltd.)	PRC/Chinese Mainland	RMB50,000,000	–	100.00	Hospital management services
通用環球合肥康復醫院**** (Genertec Universal Hefei Rehabilitation Hospital)	PRC/Chinese Mainland	RMB24,850,000	–	100.00	Medical services
煙台海港醫院有限公司*** (Yantai Harbour Hospital Co., Ltd.)	PRC/Chinese Mainland	RMB600,000,000	–	65.00	Medical services
通用環球健康產業發展(天津)有限公司* (Genertec Universal Healthcare Industry Development (Tianjin) Co., Ltd.)	PRC/Chinese Mainland	RMB5,000,000,000	100.00	–	Hospital management services
通用環球(天津)醫院集團有限公司*** (Genertec Universal (Tianjin) Hospital Group Co., Ltd.)	PRC/Chinese Mainland	RMB2,600,000,000	–	100.00	Hospital management services
通用環球醫療(西安)有限公司*** (Genertec Universal Medical (Xi'an) Co., Ltd.)	PRC/Chinese Mainland	RMB1,000,000,000	–	63.00	Hospital management services
通用環球西航醫院(西安)有限公司*** (Genertec Universal Xi'an Aero-Engine Hospital (Xi'an) Co., Ltd.)	PRC/Chinese Mainland	RMB400,000,000	–	100.00	Medical services
通用鞍鋼醫院管理有限公司*** (Genertec Ansteel Hospital Management Co., Ltd.)	PRC/Chinese Mainland	RMB980,830,000	–	51.15	Hospital management services
通用環球彩虹(咸陽)醫院管理有限公司*** (Genertec Universal Caihong (Xianyang) Hospital Management Co., Ltd.)	PRC/Chinese Mainland	RMB380,000,000	–	52.63	Hospital management services

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 1. CORPORATE AND GROUP INFORMATION (Continued)

#### Information about subsidiaries (Continued)

Particulars of the Company's principal subsidiaries are as follows: (Continued)

Company name	Place of incorporation/ registration and business	Issued ordinary share/registered capital/start-up capital	Percentage of equity interests attributable to the Company		Principal activities
			Direct	Indirect	
通用環球中鐵(西安)醫院管理有限公司*** (Genertec Universal CREC (Xi'an) Hospital Management Co., Ltd.)	PRC/Chinese Mainland	RMB200,000,000	–	51.00	Hospital management services
通用中鐵(北京)醫院管理有限公司*** (Genertec CREC (Beijing) Hospital Management Co., Ltd.)	PRC/Chinese Mainland	RMB200,000,000	–	51.00	Hospital management services
通用環球醫療科技(海南)有限公司*** (Genertec Universal Medical Science and Technology (Hainan) Co., Ltd.)	PRC/Chinese Mainland	RMB10,000,000	–	100.00	Medical consulting services
通用環球華陽山西健康產業有限公司*** (Genertec Universal Huayang Shanxi Healthcare Industry Co., Ltd.)	PRC/Chinese Mainland	RMB1,380,000,000	–	51.00	Hospital management services
成都通用錦電醫院管理有限公司*** <sup>(i)</sup> (Chengdu Genertec Jindian Hospital Management Co., Ltd.)	PRC/Chinese Mainland	RMB11,000,000	–	100.00	Medical services
通用環球兵工(西安)醫院管理有限公司*** <sup>(ii)</sup> (Genertec Universal NORINCO (Xi'an) Hospital Management Co., Ltd.)	PRC/Chinese Mainland	RMB12,134,978 <sup>a</sup>	–	100.00	Hospital management services
通用環球中煤(邯鄲)醫院管理有限公司*** (Genertec Universal Chinacoal (Handan) Hospital Management Co., Ltd.)	PRC/Chinese Mainland	RMB50,897,300	–	70.00	Hospital management services
通用環球(西安)健康醫院管理有限公司*** (Genertec Universal (Xi'an) Health Hospital Management Co., Ltd.)	PRC/Chinese Mainland	RMB274,920,300	–	72.75	Hospital management services
涼山州環康醫院管理有限公司*** (Liangshanzhou Huankang Hospital Management Co., Ltd.)	PRC/Chinese Mainland	RMB345,917,100	–	51.00	Hospital management services

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 1. CORPORATE AND GROUP INFORMATION (Continued)

#### Information about subsidiaries (Continued)

Particulars of the Company's principal subsidiaries are as follows: (Continued)

Company name	Place of incorporation/ registration and business	Issued ordinary share/registered capital/start-up capital	Percentage of equity interests attributable to the Company		Principal activities
			Direct	Indirect	
北京環康醫院管理有限公司*** (Beijing Huankang Hospital Management Co., Ltd.)	PRC/Chinese Mainland	RMB3,903,300	–	60.00	Hospital management services
北京環康礦冶醫院管理有限公司*** (Beijing Huankang Mining and Metallurgy Hospital Management Co., Ltd.)	PRC/Chinese Mainland	RMB1,393,484,200	–	100.00	Hospital management services
環視康眼科醫院(北京)有限公司*** (前稱北京環康中興醫院管理有限公司) (Huanshikang Ophthalmology Hospital (Beijing) Co., Ltd.) (Formerly known as Beijing Huankang Zhongxing Hospital Management Co., Ltd.)	PRC/Chinese Mainland	RMB10,000,000	–	66.00	Hospital management services
北京國通環康醫院管理有限公司*** (Beijing Guotong Huankang Hospital Management Co., Ltd.)	PRC/Chinese Mainland	RMB1,000,000	–	100.00	Hospital management services
西電集團醫院**** (Xi'an XD Group Hospital)	PRC/Chinese Mainland	RMB99,215,200	–	63.00	Medical services
鞍鋼集團公司總醫院**** (Ansteel Group Hospital)	PRC/Chinese Mainland	RMB626,501,000 <sup>#</sup>	–	51.15	Medical services
通用環球中鐵西安醫院**** (Generotec Universal CREC Xi'an Hospital)	PRC/Chinese Mainland	RMB156,030,000 <sup>#</sup>	–	51.00	Medical services
咸陽彩虹醫院**** (Xianyang Caihong Hospital)	PRC/Chinese Mainland	RMB402,965,100 <sup>#</sup>	–	52.63	Medical services
陽泉煤業(集團)有限責任公司總醫院**** (Yangquan Coal Industry (Group) General Hospital)	PRC/Chinese Mainland	RMB176,850,000	–	51.00	Medical services

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 1. CORPORATE AND GROUP INFORMATION (Continued)

#### Information about subsidiaries (Continued)

Particulars of the Company's principal subsidiaries are as follows: (Continued)

Company name	Place of incorporation/ registration and business	Issued ordinary share/registered capital/start-up capital	Percentage of equity interests attributable to the Company		Principal activities
			Direct	Indirect	
通用環球中鐵邳州醫院**** (Genertec Universal CREC Pizhou Hospital)	PRC/Chinese Mainland	RMB73,290,000	–	51.00	Medical services
通用環球兵工西安醫院**** (Genertec Universal NORINCO Xi'an Hospital)	PRC/Chinese Mainland	RMB38,775,700	–	100.00	Medical services
通用環球西安北環醫院**** (Genertec Universal Xi'an Beihuan Hospital)	PRC/Chinese Mainland	RMB10,000,000	–	72.75	Medical services
攀鋼西昌醫院**** (Pangang Group Xichang Hospital)	PRC/Chinese Mainland	RMB133,180,000	–	51.00	Medical services
通用環球北京東裡中西醫結合醫院**** (Genertec Universal Beijing Dongli Hospital of Traditional Chinese and Western Medicine)	PRC/Chinese Mainland	RMB3,500,000	–	60.00	Medical services
上海中冶醫院**** (Shanghai MCC Hospital)	PRC/Chinese Mainland	RMB45,880,000	–	100.00	Medical services
馬鞍山十七冶醫院**** (Ma'anshan MCC17 Hospital)	PRC/Chinese Mainland	RMB50,000,000	–	100.00	Medical services
通用環球(成都)腎病醫院有限公司*** (前稱畢士大(成都)腎病醫院有限公司) (Genertec Universal (Chengdu) Nephrology Hospital Co., Ltd.) (Formerly known as Beth Hesda (Chengdu) Nephrology Hospital Co., Ltd.)	PRC/Chinese Mainland	RMB60,000,000	–	60.00	Medical services
北京中興醫院**** (Beijing Zhongxing Hospital)	PRC/Chinese Mainland	RMB8,520,000	–	66.00	Medical services
北京市海澱區西三旗街道新材社區衛生服務站**** (Beijing Haidian District Xisanqi Street Xincai Community Healthcare Service Station)	PRC/Chinese Mainland	RMB50,000	–	100.00	Medical services

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*For the year ended 31 December 2025*

### 1. CORPORATE AND GROUP INFORMATION (Continued)

#### Information about subsidiaries (Continued)

Particulars of the Company's principal subsidiaries are as follows: (Continued)

Company name	Place of incorporation/ registration and business	Issued ordinary share/registered capital/start-up capital	Percentage of equity interests attributable to the Company		Principal activities
			Direct	Indirect	
四〇八醫院**** (No.408 Hospital)	PRC/Chinese Mainland	RMB21,874,000	–	100.00	Medical services
重慶大渡口長征醫院有限公司*** (Chongqing Dadukou Changzheng Hospital Co., Ltd.)	PRC/Chinese Mainland	RMB8,000,000	–	100.00	Medical services
洛陽河柴醫院**** (Luoyang Hechai Hospital)	PRC/Chinese Mainland	RMB1,993,400	–	100.00	Medical services
山東中醫藥大學附屬眼科醫院****(iv) (Affiliated Eye Hospital of Shandong University of Traditional Chinese Medicine)	PRC/Chinese Mainland	RMB120,000,000 <sup>#</sup>	–	41.20	Medical services
通用環球青島健康科技股份有限公司*** (前稱山東青島軟通信息技術股份有限公司) (Genertec Universal Jadebird Health Technology Co., Ltd.) (Formerly known as ShanDong JB Soft & Info Technology Co., Ltd.)	PRC/Chinese Mainland	RMB59,745,621	–	51.00	Software development and elderly care services
四川眾齊健康產業有限公司*** (Sichuan Zhongqi Health Industry Co., Ltd.)	PRC/Chinese Mainland	RMB138,000,000	–	61.28	Hospital management
攀鋼集團總醫院**** (Pangang Group General Hospital)	PRC/Chinese Mainland	RMB33,000,000	–	61.28	Medical services
北京金旭儀科醫療器械有限公司***(v) (Beijing Jinxu Yike Medical Equipment Co., Ltd.)	PRC/Chinese Mainland	RMB6,060,600	–	67.00	Sales of goods
通用環球國際醫療(海南)有限公司**(vi) (Genertec Universal International Medical (Hainan) Co., Ltd)	PRC/Chinese Mainland	RMB30,000,000	50.50	–	Medical services

\* Registered as a wholly-foreign-owned entity under PRC law

\*\* Registered as a Sino-foreign joint venture under PRC law

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

## 1. CORPORATE AND GROUP INFORMATION (Continued)

### Information about subsidiaries (Continued)

Particulars of the Company's principal subsidiaries are as follows: (Continued)

\*\*\* Registered as limited liability companies under PRC law

\*\*\*\* These institutions, as not-for-profit hospitals, cannot be registered as companies under PRC law. The sponsors of these institutions have the respective obligations to contribute the start-up capital to such institutions. Such start-up capital, once contributed, shall not be withdrawn by the sponsors. Given the charity nature of the not-for-profit hospitals, the legal income of such hospitals shall only be used in line with its purpose and within its business scope, and where applicable, in accordance with the articles of association of such hospitals, and therefore, the net income is not distributable to their sponsors as dividends, which is different from companies with shareholders who own the equity interests in the companies.

# There were changes in registered capital for these subsidiaries during the year ended 31 December 2025.

- (i) On 1 February 2025, Genertec Universal Hospital Investment & Management (Tianjin) Co., Ltd. acquired a 18.49% equity interest in Chengdu Genertec Jindian Hospital Management Co., Ltd., and Chengdu Genertec Jindian Hospital Management Co., Ltd. had been a wholly-owned subsidiary of Genertec Universal Hospital Investment & Management (Tianjin) Co., Ltd.
- (ii) On 1 March 2025, Genertec Universal Hospital Investment & Management (Tianjin) Co., Ltd. acquired a 49% equity interest in Genertec Universal NORINCO (Xi'an) Hospital Management Co., Ltd., and Genertec Universal NORINCO (Xi'an) Hospital Management Co., Ltd. had been a wholly-owned subsidiary of Genertec Universal Hospital Investment & Management (Tianjin) Co., Ltd.
- (iii) On 25 January 2024, Genertec Universal Hospital Investment & Management (Tianjin) Co., Ltd. acquired a 2% equity interest in Shaanxi Huahong Pharmaceutical Co., Ltd. and Shaanxi Huahong Pharmaceutical Co., Ltd. had been a wholly-owned subsidiary of Genertec Universal Hospital Investment & Management (Tianjin) Co., Ltd.

## 1. CORPORATE AND GROUP INFORMATION (Continued)

### Information about subsidiaries (Continued)

Particulars of the Company's principal subsidiaries are as follows: (Continued)

- (iv) According to the articles of association of Shandong University of Traditional Chinese Medicine Affiliated Ophthalmology Hospital ("Shandong Ophthalmology Hospital"), the Group held the majority of seats in the board of directors of Shandong Ophthalmology Hospital, and led their major financial and operating decisions. Therefore, the Group had substantial control over Shandong Ophthalmology Hospital and included it in the scope of consolidation as a subsidiary.
- (v) On 1 May 2025, Genertec Universal Medical Technology Service (Tianjin) Co., Ltd. a wholly-owned subsidiary of General Universal Medical Group Limited, acquired a 67% equity interest in Beijing Jinxu Yike Medical Equipment Co., Ltd.
- (vi) On 5 December 2025, Genertec Universal Medical Group Co., Ltd. established Genertec Universal International Medical (Hainan) Co., Ltd.
- (vii) During the year ended 31 December 2025, Haiyang Senzhikang Hospital Co., Ltd. and Sichuan Huankang Hospital Management Co., Ltd. were deregistered.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 2. ACCOUNTING POLICIES

#### 2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”) and the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for derivative financial instruments, financial assets and liabilities at fair value through profit or loss, equity investments and debt investments at fair value through other comprehensive income which have been measured at fair value. These financial statements are presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand except when otherwise indicated.

##### Basis of consolidation

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

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

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

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

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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 2.1 BASIS OF PREPARATION (Continued)

#### Basis of consolidation (Continued)

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

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

### 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

In the current year, the Group has applied, for the first time, the following amendments to a HKFRS Accounting Standard issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") which are effective for the Group's financial year beginning on 1 January 2025:

Amendments to HKAS 21

*Lack of Exchangeability*

The application of the amendments to HKAS 21 in the current year has had no material impact on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in these consolidated financial statements.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 2.3 NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

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

HKFRS 18	<i>Presentation and Disclosure in Financial Statements</i> <sup>2</sup>
Amendments to HKFRS 9 and HKFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments</i> <sup>2</sup>
Amendments to HKFRS 9 and HKFRS 7	<i>Contracts Referencing Nature-dependent Electricity</i> <sup>1</sup>
Amendments to HKFRS 10 and HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> <sup>3</sup>
<i>Annual Improvements to HKFRS Accounting Standards</i>	<i>Annual Improvements to HKFRS Accounting Standards – Volume 11</i> <sup>1</sup>
<i>Amendments to HKAS 21</i>	<i>Translation to a Hyperinflationary Presentation Currency</i> <sup>2</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2026.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2027.

<sup>3</sup> Effective for annual periods beginning on or after a date to be determined.

The directors of the Company anticipate that, except as described below, the application of other new and amendments to HKFRS Accounting Standards will have no material impact on the results and the financial position of the Group.

#### HKFRS 18 – Presentation and Disclosure in Financial Statements

HKFRS 18 sets out requirements on presentation and disclosures in financial statements and will replace HKAS 1 Presentation of Financial Statements. HKFRS 18 introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the consolidated financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. Minor amendments to HKAS 7 “Statement of Cash Flows” and HKAS 33 “Earnings per Share” are also made.

HKFRS 18, and the consequential amendments to other HKFRS Accounting Standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted.

The application of HKFRS 18 is not expected to have material impact on the financial position of the Group but is expected to affect the presentation of the consolidated statement of profit or loss and consolidated statement of other comprehensive income and statement of cash flows and disclosures in the future financial statements. The Group will continue to assess the impact of HKFRS 18 on the consolidated financial statements of the Group.

### 2.4 MATERIAL ACCOUNTING POLICIES

#### Investments in associates and joint ventures

An associate is an entity in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group's investments in associates and joint ventures are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

The Group's share of the post-acquisition results and other comprehensive income of associates and joint ventures is included in the consolidated statement of profit or loss and consolidated other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's investments in the associates or joint ventures, except where unrealised losses provide evidence of an impairment of the asset transferred. Goodwill arising from the acquisition of associates or joint ventures is included as part of the Group's investments in associates or joint ventures.

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other cases, upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

When an investment in an associate or a joint venture is classified as held for sale, it is accounted for in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### Interests in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group recognises in relation to its interest in a joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

The assets, liabilities, revenues and expenses relating to the Group's interest in a joint operation are accounted for in accordance with the HKFRSs applicable to the particular assets, liabilities, revenues and expenses.

When a group entity enters into a transaction with a joint operation in which the group entity is a joint operator, such as a sale or contribution of assets, the Group is considered to be conducting the transaction with the other parties to the joint operation and the Group recognises gains and losses resulting from such a transaction only to the extent of the other parties' interests in the joint operation.

When a group entity enters into a transaction with a joint operation in which the group entity is a joint operator, such as a purchase of assets, the Group recognises its share of the gains and losses until it resells those assets to a third party.

#### Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets includes an input and a substantive process that together significantly contribute to the ability to create outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

## 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

### Business combinations and goodwill (Continued)

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or other comprehensive income, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports in its financial statements provisional amounts for the items for which the accounting is incomplete. During the measurement period, the Group retrospectively adjusts the provisional amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognised as of that date. During the measurement period, the Group also recognises additional assets or liabilities if new information is obtained about facts and circumstances that existed as of the acquisition date and, if known, would have resulted in the recognition of those assets and liabilities as of that date. The measurement period ends as soon as the Group receives the information it was seeking about facts and circumstances that existed as of the acquisition date or learns that more information is not obtainable. However, the measurement period shall not exceed one year from the acquisition date.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### Business combinations and goodwill (Continued)

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

#### Fair value measurement

The Group measures its derivative financial instruments, debt investments, equity investment and financial liabilities at fair value through profit or loss at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### Fair value measurement (Continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Fair value measurements are those derived from quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 – Fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 – Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

#### Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for property, plant and equipment, investment properties, right-of-use assets, other intangible assets are conducted, the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In testing a cash-generating unit for impairment, a portion of the carrying amount of a corporate asset is allocated to an individual cash-generating unit if it can be allocated on a reasonable and consistent basis or, otherwise, to the smallest group of cash-generating units.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the statement of profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### Impairment of non-financial assets (Continued)

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the statement of profit or loss in the period in which it arises, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

#### Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
  - (i) has control or joint control over the Group;
  - (ii) has significant influence over the Group; or
  - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies
  - (i) the entity and the Group are members of the same group;
  - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
  - (iii) the entity and the Group are joint ventures of the same third party;
  - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
  - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group; and the sponsoring employers of the post-employment benefit plan;

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### Related parties (Continued)

- (vi) the entity is controlled or jointly controlled by a person identified in (a);
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

#### Investment properties

Investment properties are interests in land and buildings (including right-of-use assets) held to earn rental income and/or for capital appreciation. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and any impairment losses.

Depreciation is calculated on a straight-line basis to write off the cost of each item of investment properties.

Any gains or losses on the retirement or disposal of an investment property are recognised in the statement of profit or loss in the year of the retirement or disposal.

#### Property, plant and equipment and deprecation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. When an item of property, plant and equipment is classified as held for sale or when it is part of a disposal group classified as held for sale, it is not depreciated and is accounted for in accordance with HKFRS 5. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognizes such parts as individual assets with specific useful lives and depreciates them accordingly.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### Property, plant and equipment and depreciation (Continued)

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Category	Annual depreciation rate
Transportation equipment	6.49% to 20.00%
Office equipment	4.85% to 19.40%
Electronic equipment	8.08% to 33.33%
Medical equipment	7.01% to 32.33%
Leasehold improvements	20.00% to 33.33%
Buildings	1.90% to 11.88%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the statement of profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress is stated at cost less any impairment losses, and is not depreciated. It is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

#### Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

## 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

### Intangible assets (other than goodwill) (Continued)

#### **Software**

Purchased software are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful lives of 5 to 10 years.

#### **Leases**

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### **Group as a lessee**

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### (a) Right-of-use assets

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Leasehold land	Over the remaining lease term
Property and Equipment	2 to 20 years

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### Leases (Continued)

##### **Group as a lessee (Continued)**

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in interest-bearing bank and other borrowings.

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of properties and equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment and laptop computers that are considered to be of low value.

Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term.

## 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

### Leases (Continued)

#### ***Group as a lessor***

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease term and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases that transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee are accounted for as finance leases. At the commencement date, the cost of the leased asset is capitalised at the present value of the lease payments and related payments (including the initial direct costs), and presented as a receivable at an amount equal to the net investment in the lease. The finance income on the net investment in the lease is recognised in the statement of profit or loss so as to provide a constant periodic rate of return over the lease terms.

When the Group is an intermediate lessor, a sublease is classified as a finance lease or operating lease with reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease to which the Group applies the on-balance sheet recognition exemption, the Group classifies the sublease as an operating lease.

#### ***Sale-and-leaseback transactions***

HKFRS 16 requires sale-and-leaseback transactions to be determined based on the requirements of HKFRS 15 as to whether the transfer of the relevant assets should be accounted for as a sale. Upon application of HKFRS 16, the Group applies the requirements of HKFRS 15 to assess whether a sale-and-leaseback transaction constitutes a sale by a seller-lessee. For a transfer that does not satisfy the requirements as a sale, the Group accounts for the transfer proceeds as receivables arising from sale-and-leaseback arrangements within the scope of HKFRS 9.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### Investments and other financial assets

##### ***Initial recognition and measurement***

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under HKFRS 15 in accordance with the policies set out for "Revenue Recognition" below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

Purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset.

##### ***Subsequent measurement***

The subsequent measurement of financial assets depends on their classification as follows:

## 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

### Investments and other financial assets (Continued)

#### ***Financial assets at amortised cost (debt instruments)***

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the statement of profit or loss when the asset is derecognised, modified or impaired.

#### ***Financial assets at fair value through other comprehensive income (debt instruments)***

For debt investments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to the statement of profit or loss.

#### ***Financial assets designated at fair value through other comprehensive income (equity investments)***

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity investments designated at fair value through other comprehensive income when they meet the definition of equity under HKAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to the statement of profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### Investments and other financial assets (Continued)

##### ***Financial assets at fair value through profit or loss***

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes derivative instruments and equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on the equity investments are also recognised as other income in the statement of profit or loss when the right of payment has been established.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in the statement of profit or loss. Reassessment occurs if there is a change in the terms of the contract that significantly modifies the cash flows.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

#### Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to received cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

## 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

### Derecognition of financial assets (Continued)

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of the consideration that the Group could be required to repay.

### Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

#### ***General approach***

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information. The Group considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### Impairment of financial assets (Continued)

##### **General approach (Continued)**

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Debt investments at fair value through other comprehensive income and financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables and contract assets which apply the simplified approach as detailed below.

Stage 1 – Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-months ECLs

Stage 2 – Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs

Stage 3 – Financial assets that are credit-impaired at the reporting date (but that are not purchase or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

##### **Simplified approach**

For trade receivables and contract assets that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience and forward looking information that is available without undue cost or effort.

## 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

### Financial liabilities

#### ***Initial recognition and measurement***

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and bills payables, other payables and accruals, derivative financial instruments and interest-bearing bank and other borrowings.

The Group classifies financial liabilities that arise from a supplier finance arrangement within trade and bills payables in the statement of financial position if they have a similar nature and function to trade payables. This is the case if the supplier finance arrangement is part of the working capital used in the Group's normal operating cycle, the level of security provided is similar to trade payables and the terms of the liabilities that are part of the supply chain finance arrangement are not substantially different from the terms of trade payables that are not part of the arrangement. Cash flows related to liabilities arising from supplier finance arrangements that are classified in trade and bills payables in the statement of financial position are included in operating activities in the statement of cash flows. Otherwise, the financial liabilities are classified in interest-bearing bank and other borrowings in the statement of financial position and the related cash flows are included in financing activities in the statement of cash flows.

#### ***Subsequent measurement***

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by HKFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss. The net fair value gain or loss recognised in the statement of profit or loss does not include any interest charged on these financial liabilities.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### Financial liabilities (Continued)

##### **Subsequent measurement (Continued)**

Financial liabilities designated upon initial recognition as at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in HKFRS 9 are satisfied. Gains or losses on liabilities designated at fair value through profit or loss are recognised in the statement of profit or loss, except for the gains or losses arising from the Group's own credit risk which are presented in other comprehensive income with no subsequent reclassification to the statement of profit or loss. The net fair value gain or loss recognised in the statement of profit or loss does not include any interest charged on these financial liabilities.

Financial liabilities at amortised cost (trade and other payables, and borrowings)

After initial recognition, trade and other payables, and interest-bearing borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortization is included in finance costs in the statement of profit or loss.

##### **Convertible bonds**

The component of convertible bonds that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs. On issuance of convertible bonds, the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond; and this amount is carried as a long term liability on the amortised cost basis until extinguished on conversion or redemption. The remainder of the proceeds is allocated to the conversion option that is recognised and included in shareholders' equity, net of transaction costs. The carrying amount of the conversion option is not remeasured in subsequent years. Transaction costs are apportioned between the liability and equity components of the convertible bonds based on the allocation of proceeds to the liability and equity components when the instruments are first recognised.

##### **Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

## 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

### Financial liabilities (Continued)

#### ***Derecognition of financial liabilities***

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the statement of profit or loss.

### Derivative financial instruments and hedge accounting

#### ***Initial recognition and subsequent measurement***

The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risk and interest rate risk, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value of derivatives are taken directly to the statement of profit or loss, except for the effective portion of cash flow hedges, which is recognised in other comprehensive income and later reclassified to profit or loss when the hedged item affects profit or loss.

For the purpose of hedge accounting, hedges are classified as:

- fair value hedges when hedging the exposure to changes in the fair value of recognised asset or liability or an unrecognised firm commitment; or
- cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction, or a foreign currency risk in an unrecognised firm commitment; or
- hedges of a net investment in a foreign operation

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting, the risk management objective and its strategy for undertaking the hedge.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### Derivative financial instruments and hedge accounting (Continued)

##### ***Initial recognition and subsequent measurement (Continued)***

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is “an economic relationship” between the hedged item and the hedging instrument.
- The effect of credit risk does not “dominate the value changes” that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges which meet all the qualifying criteria for hedge accounting are accounted for as follows:

##### ***Cash flow hedges***

The effective portion of the gain or loss on the hedging instrument is recognised directly in other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit or loss. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The amounts accumulated in other comprehensive income are accounted for, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the amount accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and will not be recognised in other comprehensive income for the period. This also applies where the hedged forecast transaction of a non-financial asset or non-financial liability subsequently becomes a firm commitment to which fair value hedge accounting is applied.

For any other cash flow hedges, the amount accumulated in other comprehensive income is reclassified to the statement of profit or loss as a reclassification adjustment in the same period or periods during which the hedged cash flows affect the statement of profit or loss.

## 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

### Derivative financial instruments and hedge accounting (Continued)

#### **Cash flow hedges (Continued)**

If cash flow hedge accounting is discontinued, the amount that has been accumulated in other comprehensive income must remain in accumulated other comprehensive income if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to the statement of profit or loss as a reclassification adjustment. After the discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated other comprehensive income is accounted for depending on the nature of the underlying transaction as described above.

#### Renewable corporate bonds

Renewable corporate bonds issued by the Group contain no contractual obligation to deliver cash or another financial asset, or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Group. The Group classifies such renewable corporate bonds issued as equity instruments. Fees, commissions and other transaction costs of such renewable corporate bonds issuance are deducted from equity. The distributions on renewable corporate bonds are recognised as profit distributions at the time of declaration.

#### Inventories

Inventories are goods valued at the lower of cost and net realisable value at the end of the reporting period. The cost of inventories issued is determined on the weighted – average basis and specific identification basis. The difference between the cost and the lower net realisable value is stated as a provision. Net realisable value is based on estimated selling price less any estimated costs to be incurred to completion and disposal.

#### Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand and at banks, and short-term highly liquid deposits with a maturity of generally within three months that are readily convertible into known amounts of cash, subject to an insignificant risk of changes in value and held for the purpose of meeting short-term cash commitments.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and at banks, and short-term deposits as defined above, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the statement of profit or loss.

#### Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associate and joint ventures when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

## 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

### Income tax (Continued)

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred taxes assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, for which it is intended to compensate, are expensed. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognized as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

#### Revenue recognition

##### ***Finance lease, receivables income arising from sale-and-leaseback arrangements and factoring income***

Finance lease, receivables income arising from sale-and-leaseback arrangements and factoring income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial assets.

##### ***Revenue from contracts with customers***

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

When the contract contains a financing component which provides the customer with a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group with a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in HKFRS 15.

## 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

### Revenue recognition (Continued)

#### **Revenue from contracts with customers (Continued)**

(a) Sale of finished goods

Revenue from the sale of finished goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the finished goods.

Some contracts for the sale of finished goods provide customers with rights of return and volume rebates, giving rise to variable consideration.

(i) Rights of return

For contracts which provide a customer with a right to return the goods within a specified period, the expected value method is used to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in HKFRS 15 on constraining estimates of variable consideration are applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, a refund liability is recognised. A right-of-return asset (and the corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

(ii) Volume rebates

Retrospective volume rebates may be provided to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the most likely amount method is used for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The requirements on constraining estimates of variable consideration are applied and a refund liability for the expected future rebates is recognised.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### Revenue recognition (Continued)

##### **Revenue from contracts with customers (Continued)**

- (b) Provision of management services

Revenue from the provision of management services is recognised over the scheduled period on a straight-line basis or at a point in time.

##### **Operating lease income**

Operating lease income is recognised on a time proportion basis over the lease terms. Variable lease payments that do not depend on index or a rate are recognised as income in the accounting period in which they are incurred.

##### **Other income**

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Dividend income is recognised when the shareholders' right to receive payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

#### Contract assets

If the Group performs by transferring goods or services to a customer before being unconditionally entitled to the consideration under the contract terms, a contract asset is recognised for the earned consideration that is conditional. Contract assets are subject to impairment assessment, details of which are included in the accounting policies for impairment of financial assets. They are reclassified to trade receivables when the right to the consideration becomes unconditional.

#### Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

## 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

### Events after the reporting period

If the Group receives information after the reporting period, but prior to the date of authorisation for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its financial statements. The Group will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Group will not change the amounts recognised in its financial statements, but will disclose the nature of the non-adjusting events and an estimate of their financial effects, or a statement that such an estimate cannot be made, if applicable.

### Employee benefits

Salaries and bonuses, social security contributions and other short term employee benefits are accrued in which services have been rendered by the employees of the Group.

### Other employee benefits

#### *Pension obligations*

The Group operates a defined contribution Mandatory Provident Fund retirement scheme (the "MPF" Scheme") under the Mandatory Provident Fund Schemes Ordinance in Hong Kong for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to the statement of profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

The employees of the Group's subsidiaries which operate in Chinese Mainland are required to participate in a central pension scheme operated by the local municipal government. The Group's subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension scheme. The contributions are charged to the statement of profit or loss as they become payable in accordance with the rules of the central pension scheme.

In addition, employees in Chinese Mainland also participate in a defined contribution retirement benefit plan established by the Group (the "Annuity Plan") since 2015. The Group and its employees are required to contribute a certain percentage of the employees' previous year salaries to the Annuity Plan. The contributions are charged to the statement of profit or loss immediately when they occur. The Group pays a fixed contribution into the Annuity Plan and has no obligation to pay further contributions even if the Annuity Plan does not hold sufficient assets to pay all employee benefits.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### Other employee benefits (Continued)

##### **Defined benefit plan**

The Group provides eligible retirees with certain post-retirement benefits including retirement subsidies, transportation allowance as well as other welfare. The defined post-retirement benefits are unfunded. The cost of providing benefits under the post-retirement benefit plan is determined using the projected unit credit actuarial valuation method.

Remeasurements arising from the post-retirement benefit plan, comprising actuarial gains and losses, the effect of the asset ceiling (excluding net interest) and the return on plan assets (excluding net interest), are recognised immediately in the consolidated statement of financial position with a corresponding debit or credit to equity through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss at the earlier of:

- the date of the plan amendment or curtailment; and
- the date the Group recognizes restructuring-related costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation under “Wages, salaries and benefits” and “Finance costs” in profit or loss:

- service costs comprising current service costs, past-service cost, gains and losses on curtailments and non-routine settlements
- net interest expense

#### Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the notes to the consolidated financial statements.

#### Foreign currencies

These financial statements are presented in RMB, which is the Company’s functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

### 2.4 MATERIAL ACCOUNTING POLICIES (Continued)

#### Foreign currencies (Continued)

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

The functional currencies of certain entities in the Group are currencies other than RMB. As at the end of the reporting period, the assets and liabilities of these entities are translated into the presentation currency of the Company at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into RMB at the exchange rates that approximate to those prevailing at the dates of the transactions.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve, except to the extent that the differences are attributable to non-controlling interests. On disposal of a foreign operation, the cumulative amount in the reserve relating to that particular foreign operation is recognised in the statement of profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

For the purpose of the consolidated statement of cash flows, the cash flows of the entities of the Group whose functional currencies are other than RMB are translated into RMB at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of entities with functional currencies other than RMB which arise throughout the year are translated into RMB at the weighted average exchange rates for the year.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

#### Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

##### ***Classification between finance leases and operating leases***

Leases are required to be classified as either finance leases (which transfer substantially all the risks and rewards of ownership, and give rise to asset and liability recognition by the lessee and a receivable by the lessor) and operating leases (which result in asset and liability recognition by the lessee, with the asset remaining recognised by the lessor).

The determination of whether the Group has transferred substantially all the risks and rewards incidental to ownership depends on an assessment of the relevant arrangements relating to the lease and this involves critical judgements by management.

#### Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

##### ***Impairment of non-financial assets (other than goodwill)***

The Group assesses whether there are any indicators of impairment for all non-financial assets (including the right-of-use assets) at the end of each reporting period. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

#### Estimation uncertainty (Continued)

##### ***Deferred tax assets***

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

##### ***Impairment of financial instruments***

The measurement of impairment losses under HKFRS 9 across debt instruments recorded at amortised cost or at FVOCI and loans and accounts receivables requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Group's ECL calculations are outputs of appropriate models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- (i) The Group's internal credit grading model, which assigns the probability of defaults to the individual grades
- (ii) The Group's criteria for assessing if there has been a significant increase in credit risk and allowances for financial assets should be measured on a lifetime ECL basis and the qualitative assessment
- (iii) Development of ECL models, including the various formulas and the choice of inputs
- (iv) Determination of associations between macroeconomic scenarios and, economic inputs, and the effect on the probability of defaults, the exposure of defaults and the loss given defaults

The Group will regularly review the expected credit loss model in the context of actual loss experience and adjust it when necessary.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

#### Estimation uncertainty (Continued)

##### ***Fair value of financial instruments***

For financial instruments where there is no active market, the fair value is determined using appropriate valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument which is substantially the same; a discounted cash flow analysis; and option pricing models or other valuation models.

Valuation techniques make use of observable market information to the greatest extent, however, when the observable market information cannot be obtained, management will have to make assumptions on the credit risk, market volatility and correlations of the Group and the counterparties, and any changes in these underlying assumptions will affect the fair value of financial instruments.

##### ***Impairment of goodwill***

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill at 31 December 2025 was RMB384,301,000 (2024: RMB380,996,000). Further details are given in Note 14.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*For the year ended 31 December 2025*

### 4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into two operating segments, namely the finance business and the healthcare business based on the internal organisational structure, management's requirement and the internal reporting system:

- The finance business comprises primarily (a) direct finance leasing; (b) sale-and-leaseback; (c) factoring; (d) operating leases; and (e) advisory services.
- The healthcare business comprises primarily (a) medical and healthcare services; (b) hospital operation; (c) import and export trade and domestic trade of medical-related goods; (d) equipment life cycle management; (e) medical digitalization services; and (f) intelligent medical health and elder care.

Management monitors the operating results of the Group's business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group.

Segment revenue, results and assets mainly include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Intersegment transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 4. OPERATING SEGMENT INFORMATION (Continued)

As at and for the year ended 31 December 2025

	Finance business RMB' 000	Healthcare business RMB' 000	Adjustments and eliminations RMB' 000	Total RMB' 000
<b>Segment revenue:</b>				
Sales to external customers	5,299,906	9,639,611	–	14,939,517
Intersegment sales	22,567	262,224	(284,791)	–
Cost of sales	(1,990,329)	(8,328,593)	409,441	(9,909,481)
Other income and gains	283,297	261,282	(210,211)	334,368
Selling and distribution costs and administrative expenses	(702,692)	(1,160,526)	59,720	(1,803,498)
Impairment losses on financial assets, net	(293,398)	(37,925)	–	(331,323)
Share of losses of associates	153	(8,914)	–	(8,761)
Share of profit of a joint venture	–	(331)	–	(331)
Other expenses	(106,239)	(25,758)	–	(131,997)
Finance costs	(13,136)	(75,061)	18,851	(69,346)
Profit before tax	2,500,129	526,009	(6,990)	3,019,148
Income tax expense	(614,175)	(87,381)	–	(701,556)
Profit after tax	1,885,954	438,628	(6,990)	2,317,592
<b>Segment assets</b>	<b>72,542,668</b>	<b>16,896,197</b>	<b>(5,121,201)</b>	<b>84,317,664</b>
<b>Segment liabilities</b>	<b>58,072,884</b>	<b>6,329,880</b>	<b>(5,124,077)</b>	<b>59,278,687</b>
<b>Other segment information:</b>				
Impairment losses recognised in the statement of profit or loss	293,398	37,925	–	331,323
Depreciation and amortisation	146,642	641,815	–	788,457
Investments in associates	52,716	47,593	–	100,309
Investment in a joint venture	–	754	–	754
Capital expenditure	101,680	887,233	–	988,913

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 4. OPERATING SEGMENT INFORMATION (Continued)

As at and for the year ended 31 December 2024

	Finance business RMB'000	Healthcare business RMB'000	Adjustments and eliminations RMB'000	Total RMB'000
<b>Segment revenue:</b>				
Sales to external customers	5,193,130	8,470,355	–	13,663,485
Intersegment sales	34,037	17,921	(51,958)	–
Cost of sales	(2,199,061)	(7,086,495)	213,911	(9,071,645)
Other income and gains	549,427	288,058	(222,971)	614,514
Selling and distribution costs and administrative expenses	(726,587)	(1,008,421)	25,746	(1,709,262)
Impairment losses on financial assets, net	(304,410)	(18,570)	–	(322,980)
Loss on derecognition of financial assets measured at amortised cost	(519)	–	–	(519)
Share of losses of associates	(2,449)	(3,018)	–	(5,467)
Share of profit of a joint venture	–	32,031	–	32,031
Other expenses	(222,755)	(19,572)	–	(242,327)
Finance costs	(1,939)	(72,509)	23,737	(50,711)
Profit before tax	2,318,874	599,780	(11,535)	2,907,119
Income tax expense	(571,242)	(77,543)	–	(648,785)
Profit after tax	1,747,632	522,237	(11,535)	2,258,334
<b>Segment assets</b>	74,811,321	16,457,247	(5,236,273)	86,032,295
<b>Segment liabilities</b>	62,406,975	5,582,478	(4,826,903)	63,162,550
<b>Other segment information:</b>				
Impairment losses recognised in the statement of profit or loss	304,410	18,857	–	323,267
Depreciation and amortisation	64,698	537,559	–	602,257
Investments in associates	52,710	55,055	–	107,765
Investment in a joint venture	–	1,085	–	1,085
Capital expenditure	106,584	1,148,484	–	1,255,068

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 4. OPERATING SEGMENT INFORMATION (Continued)

#### Geographical information

(a) *Revenue external customers*

	2025 RMB' 000	2024 RMB'000
Chinese Mainland	<b>14,939,517</b>	13,663,485

The revenue information above is based on the locations of customers.

- (b) Substantially all non-current assets of the operations, excluding financial instruments, are located in the Chinese Mainland.

#### Information about a major customer

There was no revenue derived from a single customer which amounted to 10% or more of the total revenue of the Group during the year.

### 5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	2025 RMB' 000	2024 RMB'000
<b>Revenue</b>		
Finance lease income	<b>53,510</b>	34,262
Receivables income arising from sale-and-leaseback arrangements	<b>5,019,274</b>	4,679,680
Factoring income	<b>10,841</b>	44,489
Revenue from contracts with customers	<b>9,832,964</b>	8,877,181
Revenue from other sources – others	<b>63,120</b>	64,607
Taxes and surcharges	<b>(40,192)</b>	(36,734)
Total revenue	<b>14,939,517</b>	13,663,485

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 5. REVENUE, OTHER INCOME AND GAINS (Continued)

#### Revenue from contracts with customers

(i) *Disaggregated revenue information for revenue from contracts with customer and reconciliation of disaggregated revenue with the Group's reportable segment*

For the year ended 31 December 2025

Segments	Finance business RMB' 000	Healthcare business RMB' 000	Total RMB' 000
<b>Types of goods or services</b>			
Service fee income	202,922	79,768	282,690
Sale of finished goods	30,447	264,657	295,104
Intelligent medical health and elder care	–	499,905	499,905
Equipment life cycle management	–	925,024	925,024
Healthcare service income	–	7,830,241	7,830,241
Total revenue from contracts with customers	233,369	9,599,595	9,832,964
Finance lease income	53,510	–	53,510
Receivables income arising from sale-and- leaseback arrangements	5,019,274	–	5,019,274
Factoring income	10,841	–	10,841
Revenue from other sources – others	3,954	59,166	63,120
Tax and surcharges	(21,042)	(19,150)	(40,192)
External revenue as reported in segment	5,299,906	9,639,611	14,939,517
<b>Geographical market</b>			
Chinese Mainland	233,369	9,599,595	9,832,964
<b>Timing of revenue recognition</b>			
Goods transferred at a point in time	30,447	264,657	295,104
Services transferred at a point in time	202,922	7,910,009	8,112,931
Services transferred over time	–	1,424,929	1,424,929
Total revenue from contracts with customers	233,369	9,599,595	9,832,964

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 5. REVENUE, OTHER INCOME AND GAINS (Continued)

#### Revenue from contracts with customers (Continued)

**(i) Disaggregated revenue information for revenue from contracts with customer and reconciliation of disaggregated revenue with the Group's reportable segment (Continued)**

For the year ended 31 December 2024

Segments	Finance business RMB'000	Healthcare business RMB'000	Total RMB'000
<b>Types of goods or services</b>			
Service fee income	449,025	63,138	512,163
Sale of finished goods	–	346,434	346,434
Intelligent medical health and elder care	–	137,734	137,734
Equipment life cycle management	–	585,247	585,247
Healthcare service income	–	7,295,603	7,295,603
Total revenue from contracts with customers	449,025	8,428,156	8,877,181
Finance lease income	34,262	–	34,262
Receivables income arising from sale-and- leaseback arrangements	4,679,680	–	4,679,680
Factoring income	44,489	–	44,489
Revenue from other sources – others	6,947	57,660	64,607
Tax and surcharges	(21,273)	(15,461)	(36,734)
External revenue as reported in segment	5,193,130	8,470,355	13,663,485
<b>Geographical market</b>			
Chinese Mainland	449,025	8,428,156	8,877,181
<b>Timing of revenue recognition</b>			
Goods transferred at a point in time	–	346,434	346,434
Services transferred at a point in time	449,025	7,459,444	7,908,469
Services transferred over time	–	622,278	622,278
Total revenue from contracts with customers	449,025	8,428,156	8,877,181

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 5. REVENUE, OTHER INCOME AND GAINS (Continued)

#### Revenue from contracts with customers (Continued)

- (i) *Disaggregated revenue information for revenue from contracts with customer and reconciliation of disaggregated revenue with the Group's reportable segment (Continued)*

For the year ended 31 December 2025

Segments	Finance business RMB' 000	Healthcare business RMB' 000	Total RMB' 000
<b>Revenue from contracts with customers</b>			
External customers	233,369	9,599,595	9,832,964
Intersegment sales	1,490	132,707	134,197
Subtotal	234,859	9,732,302	9,967,161
Intersegment adjustments and eliminations	(1,490)	(132,707)	(134,197)
Total	233,369	9,599,595	9,832,964

For the year ended 31 December 2024

Segments	Finance business RMB'000	Healthcare business RMB'000	Total RMB'000
<b>Revenue from contracts with customers</b>			
External customers	449,025	8,428,156	8,877,181
Intersegment sales	–	14,894	14,894
Subtotal	449,025	8,443,050	8,892,075
Intersegment adjustments and eliminations	–	(14,894)	(14,894)
Total	449,025	8,428,156	8,877,181

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 5. REVENUE, OTHER INCOME AND GAINS (Continued)

#### Revenue from contracts with customers (Continued)

**(i) Disaggregated revenue information for revenue from contracts with customer and reconciliation of disaggregated revenue with the Group's reportable segment (Continued)**

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 RMB' 000	2024 RMB'000
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:		
Services fee income	151,591	81,833
Sale of finished goods	9,292	22,028
Intelligent medical health and elder care	15,582	–
Equipment life cycle management	38,981	–
Healthcare services	142,278	144,628
Total	357,724	248,489

**(ii) Performance obligations**

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

Sale of finished goods

The performance obligation is satisfied upon delivery of the goods and payment is generally due within 90 to 180 days from delivery. Some contracts provide customers with a right of return which gives rise to variable consideration subject to certain restrictions.

Service fee income

The performance obligation is satisfied at the point in time as services are rendered and short-term advances are normally required before rendering the services.

Healthcare service income

The performance obligation is satisfied at the point in time as services are rendered.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 5. REVENUE, OTHER INCOME AND GAINS (Continued)

#### Revenue from contracts with customers (Continued)

##### (ii) Performance obligations (Continued)

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

##### Equipment life cycle management

The performance obligation is satisfied over time as services are rendered and short-term advances are normally required before rendering the services.

##### Intelligent medical health and elder care

The performance obligation is satisfied over time or at the point in time as services are rendered and short-term advances are normally required before rendering the services.

All of the contracts to customers are with an original expected duration of one year or less or contracts for which revenue is recognised at the amount to which that Group has the right to invoice for the goods delivered or services performed. Accordingly, the Group has elected the practical expedient and has not disclosed the amount of transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the reporting period.

An Analysis of other income and gains as follow: –

	2025 RMB' 000	2024 RMB'000
<b>Other income and gains</b>		
Interest income	41,942	31,384
Government grants (note 5a)	35,410	204,208
Derivative financial instruments – transactions not qualifying as hedges:		
– Realised fair value gains, net	53,976	308,582
Gain on unlisted debt investments, at fair value	1,026	6,831
Interest income from continuing involvement in transferred assets	–	24,124
Gain on bargain purchase	–	31,926
Exchange gain	195,792	–
Others	6,222	7,459
<b>Total other income and gains</b>	<b>334,368</b>	614,514

#### 5a. Government grants

	2025 RMB' 000	2024 RMB'000
Government special subsidies	35,410	204,208

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 6. PROFIT BEFORE TAX

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

	2025 RMB'000	2024 RMB'000
Cost of borrowings included in cost of sales	1,629,955	1,989,653
Cost of inventories sold	262,724	386,210
Cost of medical services	6,979,175	4,041,078
Cost of intelligent medical health and elder care	403,800	126,244
Cost of equipment life cycle management	583,671	247,613
Cost of others	50,156	36,358
Depreciation of property, plant and equipment*	617,888	499,907
Loss on disposal of property, plant and equipment, net	(1,367)	1,001
Depreciation of right-of-use assets*	85,455	60,621
Amortisation of intangible assets*	79,877	36,633
Lease payments not included in the measurement of lease liabilities	28,139	26,571
Auditor's remuneration		
– Audit services	2,980	3,496
– Other services (include interim review)	1,200	3,832
<b>Total</b>	<b>4,180</b>	<b>7,328</b>
Research and development expenses	77,658	66,780
Employee benefits expense*		
(including directors' remuneration (Note 7))		
– Equity-settled share-based compensation expense	–	–
– Wages and salaries	2,280,791	2,385,058
– Pension scheme contributions (defined contribution schemes)	378,990	351,426
– Other employee benefits	1,282,483	1,188,747
<b>Total</b>	<b>3,942,264</b>	<b>3,925,231</b>
Impairment of loans and accounts receivables and other receivables	331,323	322,980
Impairment of inventories	2,601	343
Impairment of contract assets	(468)	(56)
Foreign exchange (gain) losses, net	(195,792)	202,014
Derivative financial instruments –		
transactions not qualifying as hedges:		
– Unrealised fair value losses, net	93,481	15,149
– Realised fair value gains, net	(53,976)	(308,582)

\* The depreciation of property, plant and equipment, right-of-use assets, the amortisation of intangible assets and the employee benefits expense from research and development activities are included in research and development expenses.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 7. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors' and chief executive' remuneration for the year, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

	Group	
	2025 RMB' 000	2024 RMB'000
Fees	1,520	1,468
Other emoluments:		
Salaries, allowances and benefits in kind	3,053	3,052
Performance related bonuses*	2,932	3,573
Pension scheme contributions	710	693
Subtotal	6,695	7,318
Total	8,215	8,786

\* Certain executive directors of the Company are entitled to bonus payments which are determined based on the business performance of the Group.

#### (a) Independent non-executive directors

The fees paid to independent non-executive directors during the year were as follows:

	2025 RMB' 000	2024 RMB'000
Mr. Li Yinquan	365	367
Mr. Chow Siu Lui	365	367
Mr. Chan, Hiu Fung Nicholas	365	367
Mr. Xu Zhiming	365	367
Total	1,460	1,468

There were no other emoluments payable to the independent non-executive directors during the year (2024: Nil).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 7. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (Continued)

(b) Executive directors, non-executive directors and the chief executive

	Fees RMB' 000	Salaries, allowances and benefits in kind RMB' 000	Performance related bonuses RMB' 000	Pension scheme contributions RMB' 000	Total RMB' 000
<b>2025</b>					
<b>Executive directors:</b>					
Mr. Chen Shisu	–	1,087	867	254	2,208
Ms. Wang Lin	–	879	1,164	202	2,245
Subtotal	–	1,966	2,031	456	4,453
<b>Chief executive:</b>					
Mr. Wang Wenbing (i)	–	1,087	901	254	2,242
<b>Non-executive directors:</b>					
Mr. Chan Kai Kong (ii)	–	–	–	–	–
Mr. Lin Chunhai (iii)	–	–	–	–	–
Mr. Ma Wanming (iv)	–	–	–	–	–
Mr. Xu Ming (v)	–	–	–	–	–
Mr. Zhu Ziyang (vi)	–	–	–	–	–
Mr. Huang Youjie (vii)	–	–	–	–	–
Mr. Tong Chaoyin	60	–	–	–	60
Subtotal	60	–	–	–	60
<b>Total</b>	<b>60</b>	<b>3,053</b>	<b>2,932</b>	<b>710</b>	<b>6,755</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 7. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION (Continued)

#### (b) Executive directors, non-executive directors and the chief executive (Continued)

	Fees RMB'000	Salaries, allowances and benefits in kind RMB'000	Performance related bonuses RMB'000	Pension scheme contributions RMB'000	Total RMB'000
2024					
Executive directors:					
Mr. Chen Shisu (viii)	–	634	910	151	1,695
Ms. Wang Lin	–	879	1,246	178	2,303
Ms. Peng Jiahong (ix)	–	453	325	107	885
Subtotal	–	1,966	2,481	436	4,883
Chief executive:					
Mr. Wang Wenbing	–	1,086	1,092	257	2,435
Non-executive directors:					
Mr. Chan Kai Kong	–	–	–	–	–
Mr. Xu Ming	–	–	–	–	–
Mr. Tong Chaoyin	–	–	–	–	–
Mr. Zhu Ziyang	–	–	–	–	–
Subtotal	–	–	–	–	–
Total	–	3,052	3,573	693	7,318

#### Notes:

- (i) Resigned on 25 March 2026
- (ii) Resigned on 25 July 2025
- (iii) Appointed on 25 April 2025
- (iv) Appointed on 18 December 2025
- (v) Resigned on 25 April 2025
- (vi) Resigned on 17 November 2025
- (vii) Appointed on 17 November 2025
- (viii) Appointed on 16 May 2024
- (ix) Resigned on 16 May 2024

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the year (2024: Nil).

No emoluments were paid by the Group to any of the director of the Company as an inducement to join or upon joining the Group or as compensation for loss of office for the years ended 31 December 2025 (2024: Nil).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 8. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included one director and one chief executive (2024: the five highest paid employees during the year included two directors and one chief executive), details of whose remuneration are set out in Note 7 above. Details of the remuneration for the year of the remaining three (2024: two) highest paid employees who are neither a director nor chief executive of the Company are as follows:

	2025 RMB' 000	2024 RMB'000
Salaries, allowances and benefits in kind	2,092	750
Performance related bonuses	4,460	3,942
Pension scheme contributions	761	421
Total	7,313	5,113

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

	Number of employees	
	2025 RMB' 000	2024 RMB'000
HKD2,000,001 to HKD2,500,000 (RMB1,806,400 to RMB2,258,000)	–	1
HKD2,500,001 to HKD3,000,000 (RMB2,258,001 to RMB2,709,600)	3	–
HKD3,000,001 to HKD3,500,000 (RMB2,709,601 to RMB3,161,200)	–	1
Total	3	2

No emoluments were paid by the Group to any of five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office for the years ended 31 December 2025 (2024: Nil).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 9. INCOME TAX EXPENSE

	2025 RMB' 000	2024 RMB'000
Chinese Mainland		
Current tax	<b>797,451</b>	754,104
Overprovision in in prior years	<b>(36,785)</b>	(3,601)
	<b>760,666</b>	750,503
Deferred tax	<b>(59,110)</b>	(101,718)
Total tax charge for the year	<b>701,556</b>	648,785

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits arising in Hong Kong for the year (2024: 16.5%).

The income tax provision of the Group in respect of its operations in Chinese Mainland has been calculated at the applicable tax rate of 25% on the estimated assessable profits for the year, based on existing legislation, interpretations and practices in respect thereof. Casstar Medical Technology Wuxi Co., Ltd. and Genertec Universal Jadebird Health Technology Co., Ltd. have been recognised as High and New-technology Enterprises by the Science and Technology Commission and are therefore entitled to a preferential tax rate of 15%.

A reconciliation of the tax charge applicable to profit before tax using the statutory/applicable rate for the jurisdiction in which the Company and the majority of its subsidiaries are domiciled and/or operate to the tax charge at the effective tax rate is as follows:

	2025 RMB' 000	2024 RMB'000
Profit before tax	<b>3,019,148</b>	2,907,119
At the statutory/applicable income tax rate	<b>747,620</b>	713,440
Expenses not deductible for tax purposes	<b>15,155</b>	15,633
Income not subject to tax	<b>(65,626)</b>	(113,384)
Losses attributable to a joint venture and associates	<b>2,273</b>	1,330
Adjustment on current income tax in respect of prior years	<b>(36,785)</b>	(3,601)
Unrecognised tax losses	<b>22,574</b>	16,488
Additional deductible expense	<b>(4,286)</b>	(10,892)
Utilisation of previously unrecognised tax losses	<b>(369)</b>	(729)
Effect of withholding tax on the distributable profits of the Group's PRC subsidiaries	<b>21,000</b>	30,500
Income tax expense as reported in the consolidated statement of profit or loss	<b>701,556</b>	648,785

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 9. INCOME TAX EXPENSE (Continued)

#### Pillar Two income taxes

The Group has assessed its potential exposure based on the information available regarding the financial performance of the Group in the reporting periods. As such, it may not be entirely representative of future circumstances. Based on the assessment, the Pillar Two effective tax rates in most of the jurisdictions in which it operates are above 15%. There are a limited number of jurisdictions where the Pillar Two effective tax rate is slightly below 15%. The Group does not expect a material exposure to Pillar Two income taxes.

### 10. DIVIDENDS

	2025 RMB' 000	2024 RMB' 000
Dividend recognised as distribution during the year: 2024 Final – HKD0.35 (2024: 2023 final dividend HKD0.35) per share	<b>604,137</b>	604,468
Proposed final dividend – HKD0.36 (2024: HKD0.35) per ordinary share	<b>647,029</b>	609,523

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

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

The calculations of basic and diluted earnings per share are based on:

	2025 RMB' 000	2024 RMB' 000
Profit attributable to ordinary equity holders of the parent	<b>2,156,763</b>	2,031,740
Interest on convertible bonds	<b>22,478</b>	15,348
Profit attributable to ordinary equity holders of the parent, before the above impact arising from convertible bonds	<b>2,179,241</b>	2,047,088

	Number of shares	
	2025	2024
Shares		
Weighted average number of ordinary shares outstanding during the year used in the basic earnings per share calculation	<b>1,908,343,122</b>	1,891,539,661
Effect of dilution – weighted average number of ordinary shares:		
Convertible bonds	<b>104,742,542</b>	118,708,319
Weighted average number of ordinary shares for diluted earnings per share	<b>2,013,085,664</b>	2,010,247,980

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 12. PROPERTY, PLANT AND EQUIPMENT

31 December 2025

	Transportation equipment RMB' 000	Office equipment RMB' 000	Electronic equipment RMB' 000	Medical equipment RMB' 000	Leasehold improvements RMB' 000	Buildings RMB' 000	Construction in progress RMB' 000	Total RMB' 000
At 1 January 2025								
Cost	44,060	73,317	758,881	2,105,793	617,037	3,700,154	398,435	7,697,677
Accumulated depreciation	(19,653)	(48,814)	(377,373)	(951,542)	(91,919)	(321,865)	-	(1,811,166)
Net carrying amount	24,407	24,503	381,508	1,154,251	525,118	3,378,289	398,435	5,886,511
At 1 January 2025, net of accumulated depreciation	24,407	24,503	381,508	1,154,251	525,118	3,378,289	398,435	5,886,511
Additions	2,037	4,170	24,994	255,868	149,431	205,426	229,125	871,051
Acquisition of subsidiaries (Note 33)	-	-	776	-	-	-	-	776
Disposals of a subsidiary	-	-	-	(13,451)	-	-	-	(13,451)
Depreciation provided during the year	(3,861)	(6,450)	(113,370)	(322,122)	(60,999)	(114,783)	-	(621,585)
Transfer	-	11	9,653	3,963	-	111,666	(125,293)	-
Disposal	(390)	(507)	(4,514)	-	-	-	-	(5,411)
At 31 December 2025, net of accumulated depreciation	22,193	21,727	299,047	1,078,509	613,550	3,580,598	502,267	6,117,891
At 31 December 2025								
Cost	45,408	71,285	565,310	2,347,556	766,468	4,017,246	502,267	8,315,540
Accumulated depreciation	(23,215)	(49,558)	(266,263)	(1,269,047)	(152,918)	(436,648)	-	(2,197,649)
Net carrying amount	22,193	21,727	299,047	1,078,509	613,550	3,580,598	502,267	6,117,891

As at 31 December 2025, the Group has not obtained the property ownership certificates for buildings with a net book value of RMB2,857,450,000 (31 December 2024: RMB2,237,771,000). The Group was in the process of applying for the property ownership certificates for the above buildings as at 31 December 2025.

As at 31 December 2025, no property, plant and equipment (31 December 2024: Nil) were pledged to secure general banking facilities granted to the Group.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 12. PROPERTY, PLANT AND EQUIPMENT (Continued)

31 December 2024

	Transportation equipment RMB'000	Office equipment RMB'000	Electronic equipment RMB'000	Medical equipment RMB'000	Leasehold improvements RMB'000	Buildings RMB'000	Construction in progress RMB'000	Total RMB'000
At 1 January 2024								
Cost	38,480	65,507	633,474	1,618,737	289,787	2,367,290	796,870	5,810,145
Accumulated depreciation	(16,536)	(42,396)	(253,864)	(736,438)	(93,234)	(276,260)	-	(1,418,728)
Net carrying amount	21,944	23,111	379,610	882,299	196,553	2,091,030	796,870	4,391,417
At 1 January 2024, net of								
accumulated depreciation	21,944	23,111	379,610	882,299	196,553	2,091,030	796,870	4,391,417
Additions	3,601	3,690	21,081	328,239	299,691	-	766,637	1,422,939
Acquisition of subsidiaries	3,173	2,164	49,369	203,383	95,098	201,496	177,306	731,989
Disposals of a subsidiary	(511)	(589)	(7,421)	(33,268)	(17,404)	(18,952)	-	(78,145)
Depreciation provided during the year	(3,781)	(7,087)	(127,470)	(245,475)	(48,820)	(68,959)	-	(501,592)
Transfer	-	3,945	71,287	19,781	-	1,247,365	(1,342,378)	-
Disposal	(19)	(731)	(4,948)	(708)	-	(73,691)	-	(80,097)
At 31 December 2024, net of								
accumulated depreciation	24,407	24,503	381,508	1,154,251	525,118	3,378,289	398,435	5,886,511
At 31 December 2024								
Cost	44,060	73,317	758,881	2,105,793	617,037	3,700,154	398,435	7,697,677
Accumulated depreciation	(19,653)	(48,814)	(377,373)	(951,542)	(91,919)	(321,865)	-	(1,811,166)
Net carrying amount	24,407	24,503	381,508	1,154,251	525,118	3,378,289	398,435	5,886,511

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 13. LEASES

#### The Group as a lessee

The Group has lease contracts for various items of properties and equipment used in its operations. Lump sum payments were made upfront to acquire the leased land from the owners with lease periods of 38 years to indefinite useful life, and no ongoing payments will be made under the terms of these land leases. The right-of-use land for certain hospitals, allocated from the government, is restricted to change its use nature. Leases of properties and equipment generally have lease terms between 2 and 20 years. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

#### (a) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the year are as follows:

	Right-of-use assets		
	Property and Equipment RMB' 000	Leasehold land RMB' 000	Total RMB' 000
As at 31 December 2023 and 1 January 2024	241,125	920,334	1,161,459
Additions	396,845	61,000	457,845
Acquisition of subsidiaries	48,083	184,801	232,884
Depreciation charge	(70,976)	(4,161)	(75,137)
Revision of a lease term arising from a change in the non- cancellable period of a lease	(391)	–	(391)
Disposal of a subsidiary	(561)	–	(561)
Disposals	(3,578)	(32,127)	(35,705)
As at 31 December 2024 and 1 January 2025	610,547	1,129,847	1,740,394
Additions	33,852	40,692	74,544
Depreciation charge	(79,245)	(6,210)	(85,455)
Disposals of a subsidiary	(34,448)	–	(34,448)
Disposals	(16,816)	(18,924)	(35,740)
<b>As at 31 December 2025</b>	<b>513,890</b>	<b>1,145,405</b>	<b>1,659,295</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 13. LEASES (Continued)

#### The Group as a lessee (Continued)

##### (b) Lease liabilities

The carrying amount of lease liabilities (included under interest-bearing bank and other borrowings) and the movements during the year are as follows:

	2025 RMB' 000	2024 RMB'000
Carrying amount at 1 January	1,254,497	330,163
New leases	33,852	1,024,676
Accretion of interest recognised during the year	29,547	37,156
Payments	(705,700)	(181,149)
Acquisition of subsidiaries	–	48,349
Disposals	(33,300)	(3,855)
Disposals of a subsidiary	(34,830)	(452)
Revision of a lease term arising from a change in the non-cancellable period of a lease	–	(391)
Carrying amount at 31 December	544,066	1,254,497
Analysed into:		
Current portion	52,518	692,658
Non-current portion	491,548	561,839

The maturity analysis of lease liabilities is disclosed in note 41 to the consolidated financial statements.

##### (c) Lease liabilities

	2025 RMB' 000	2024 RMB'000
Interest on lease liabilities	29,547	37,156
Depreciation charge of right-of-use assets	85,455	75,137
Expense relating to short-term leases (include in administrative expenses)	28,139	26,571
Total amount recognised in profit or loss	143,141	138,864

(d) The total cash outflow for leases is disclosed in note 34(c) to the consolidated financial statements.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 14. GOODWILL

	RMB' 000
At 1 January 2024:	
Cost	286,538
Accumulated impairment	–
Net carrying amount	286,538
Cost at 1 January 2024, net of accumulated impairment	286,538
Acquisition of subsidiaries	94,458
Impairment during the year	–
Cost and net carrying amount at 31 December 2024	380,996
At 31 December 2024:	
Cost	380,996
Accumulated impairment	–
Net carrying amount	380,996
Cost at 1 January 2025, net of accumulated impairment	<b>380,996</b>
Acquisition of subsidiaries (Note 33)	<b>3,305</b>
Impairment during the year	–
Cost and net carrying amount at 31 December 2025	<b>384,301</b>
At 31 December 2025:	
Cost	<b>384,301</b>
Accumulated impairment	–
Net carrying amount	<b>384,301</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*For the year ended 31 December 2025*

### 14. GOODWILL (Continued)

Goodwill acquired through business combinations is allocated to each of the acquired subsidiaries which are the cash-generating units (“CGUs”) for impairment testing within the healthcare business.

The recoverable amount of each CGUs within the healthcare business has been determined based on a value-in-use calculation using cash flow projections based on financial budgets covering a five-year period which can be justified approved by senior management. The post-tax discount rates applied to the cash flow projections are 9.68% to 12.48% (2024: 10.92% to 14%). The implied pre-tax discount rates for the cash flow projections are 11.39% to 12.48% (2024: 11.38% to 14%). As at 31 December 2025, the Group assessed the impairment of goodwill and the recoverable amount exceeded the carrying amount, and hence the goodwill was not regarded as impaired (2024: Nil).

Assumptions were used in the value in use calculation of each CGUs within the healthcare business for 31 December 2025 and 31 December 2024. The following describes each key assumption on which management has based its cash flows projections to undertake impairment testing of goodwill.

Budgeted gross margin – the basis used to determine the value assigned to the budgeted gross margin is the average gross margin achieved in the year immediately before the budget year, increased for expected efficiency improvement, and expected market development.

Discount rates – the discount rates used reflect specific risks relating to the unit. The values assigned to the key assumptions on market development, and the discount rates are comparable to external information sources.

Management believes that any reasonably possible change in any of these assumptions would not cause the carrying amount of each CGUs within the healthcare business to exceed the aggregate recoverable amount of the respective CGU.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 15. OTHER INTANGIBLE ASSETS

	Software RMB' 000	Others RMB' 000	Total RMB' 000
31 December 2025			
Cost at 1 January 2025, net of accumulated amortisation	296,626	7,166	303,792
Additions	62,327	4,348	66,675
Acquisition of subsidiaries (Note 33)	–	188	188
Disposals	(5,640)	–	(5,640)
Disposals of a subsidiary	(1,030)	–	(1,030)
Amortisation provided during the year	(76,375)	(3,502)	(79,877)
At 31 December 2025	275,908	8,200	284,108
At 31 December 2025			
Cost	469,681	19,073	488,754
Accumulated amortisation	(193,773)	(10,873)	(204,646)
Net carrying amount	275,908	8,200	284,108
31 December 2024			
Cost at 1 January 2024, net of accumulated amortisation	152,713	8,553	161,266
Additions	109,808	399	110,207
Acquisition of subsidiaries	76,665	–	76,665
Disposals	(3,861)	–	(3,861)
Disposal of a subsidiary	(1,609)	–	(1,609)
Amortisation provided during the year	(37,090)	(1,786)	(38,876)
At 31 December 2024	296,626	7,166	303,792
At 31 December 2024			
Cost	415,657	14,537	430,194
Accumulated amortisation	(119,031)	(7,371)	(126,402)
Net carrying amount	296,626	7,166	303,792

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 16. INVESTMENTS IN ASSOCIATES

	2025 RMB' 000	2024 RMB'000
Share of net assets	<b>100,309</b>	107,765

The following table illustrates the aggregate financial information of the Group's associates that are not individually material:

	2025 RMB' 000	2024 RMB'000
Carrying amount of the investments	<b>100,309</b>	107,765
Share of the associates' profit or loss for the year	<b>(8,761)</b>	(5,467)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 17. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025 RMB' 000	2024 RMB'000
Unlisted debt investments, at fair value	–	500
Unlisted equity investments, at fair value	<b>20,000</b>	20,000
Total	<b>20,000</b>	20,500
Analysed into:		
Current portion	–	500
Non-current portion	<b>20,000</b>	20,000
	<b>20,000</b>	20,500

The above debt investments were mandatorily classified as financial assets at fair value through profit or loss as their contractual cash flows are not solely payments of principal and interest.

The above debt investments at 31 December 2025 included a carrying amount of nil (31 December 2024: RMB500,000), and they were investments of asset-backed securities. The Group does not have the current ability to direct the activities of those products that significantly affect their returns. The Group's maximum exposure to those debt investments approximates to their carrying amounts.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 18. DERIVATIVE FINANCIAL INSTRUMENTS

	2025		2024	
	Assets RMB' 000	Liabilities RMB' 000	Assets RMB'000	Liabilities RMB'000
Forward currency contracts	92,930	55,271	247,457	1,559
Interest rate swaps	473	38,893	52,254	5,820
Cross-currency interest rate swaps	–	15,846	3,493	–
<b>Total</b>	<b>93,403</b>	<b>110,010</b>	303,204	7,379
Portion classified as non-current:				
Forward currency contracts	92,930	425	91,477	1,559
Interest rate swaps	473	37,207	51,536	5,320
Cross-currency interest rate swaps	–	3,110	–	–
Current portion	–	69,268	160,191	500
	<b>93,403</b>	<b>110,010</b>	303,204	7,379

#### Cash flow hedge under HKFRS 9

During the year, the Group newly designated 29 (2024: 23) forward currency contracts, 20 (2024: 22) interest rate swap contracts and 3 (2024: 1) cross-currency interest rate swaps, as hedges for future cash flows arising from borrowings which will be settled in United States dollars, Hong Kong dollars and Japanese yen.

There is an economic relationship between the hedged items and the hedging instruments as the terms of the forward currency contracts, interest rate swap contracts and cross-currency interest rate swaps match the terms of the bank loans (i.e., notional amount, expected payment date and interest rate). The Group has established a hedge ratio of 1:1 for the hedging relationships as the underlying risks of the forward currency contracts, interest rate swap contracts and cross-currency interest rate swaps are identical to the hedged risk components. To measure the hedge effectiveness, the Group uses the hypothetical derivative method and compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

The Group holds forward currency contracts, with a positive net fair value of RMB64,587,000 (31 December 2024: RMB160,225,000) and a total notional amount of USD1,142,800,000 (31 December 2024: USD1,112,800,000); and with a negative net fair value of RMB18,949,000 (31 December 2024: nil) and a total notional amount of JPY7,150,029,000 (31 December 2024: nil). These forward currency contracts were designated as hedging instruments in cash flow hedges of currency risks arising from bank loans denominated in United States dollars and Japanese yen.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 18. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

#### Cash flow hedge under HKFRS 9 (Continued)

The Group holds interest rate swap contracts, with a negative net fair value of RMB7,194,000 (31 December 2024: positive net fair value of RMB13,544,000), and a total notional amount of USD378,000,000 (31 December 2024: USD370,000,000) whereby the Group pays a fixed rate of interest on the USD notional amount at 3.30% to 4.17% per annum (31 December 2024: 3.30% to 4.88%). The swaps are being used to hedge the interest rate exposure of six (31 December 2024: six) floating rate long-term borrowings denominated in United States dollars with a total face value of USD378,000,000 (31 December 2024: USD370,000,000); a negative net fair value of RMB31,226,000 (31 December 2024: positive net fair value of RMB33,062,000), and a total notional amount of HKD5,559,100,000 (31 December 2024: HKD5,612,100,000) whereby the Group pays a fixed rate of interest on the HKD notional amount at 2.79% to 4.43% per annum (31 December 2024: 2.79% to 4.45% per annum). The swaps are being used to hedge the interest rate exposure of fourteen (31 December 2024: sixteen) floating rate long-term borrowings denominated in Hong Kong dollars with a total face value of HKD5,559,100,000 (31 December 2024: HKD5,612,100,000).

The Group holds cross-currency interest rate swaps, with a negative net fair value of RMB15,846,000 (31 December 2024: positive net fair value of RMB3,493,000), and a total notional amount of USD117,600,000 (31 December 2024: USD31,000,000) whereby the Group pays a fixed rate of interest on the USD notional amount at 2.23% to 2.59% (31 December 2024: 2.88%) per annum. These swaps were designated as hedging instruments in cash flow hedges of currency risks arising from bank loans denominated in United States dollars and are being used to hedge the interest rate exposure of three (31 December 2024: one) floating rate long-term borrowings denominated in United States dollars with the total face value of USD117,600,000 (31 December 2024: USD31,000,000).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 18. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

#### Cash flow hedge under HKFRS 9 (Continued)

The time distribution and average rates of the notional amounts of forward currency contracts, interest rate swap contracts and cross-currency interest rate swap contracts held by the Group are as follows:

	Maturity						Total
	Less than 3 months	3 to 6 months	6 to 9 months	9 to 12 months	1 to 2 years	2 to 5 years	
<b>As at 31 December 2025</b>							
<b>Forward currency contracts</b>							
Notional amount (in USD'000)	288,000	-	-	-	854,800	-	1,142,800
Average forward rate (USD/RMB)	7.09	-	-	-	6.75	-	-
Notional amount (in JPY'000)	7,150,029	-	-	-	-	-	7,150,029
Average forward rate (JPY/RMB)	0.05	-	-	-	-	-	-
<b>Interest rate swap contracts</b>							
Notional amount (in USD'000)	108,000	-	-	-	270,000	-	378,000
Average fixed rate	4.16%	-	-	-	3.76%	-	-
Notional amount (in HKD'000)	1,185,000	-	-	-	4,374,100	-	5,559,100
Average fixed rate	4.14%	-	-	-	3.29%	-	-
<b>Cross-currency interests rate swaps</b>							
Notional amount (in USD'000)	26,600	-	39,000	-	52,000	-	117,600
Average forward rate (USD/RMB)	7.25	-	7.18	-	7.85	-	-
Average fixed rate	2.50%	-	2.23%	-	2.59%	-	-
<b>Hedge rate</b>	<b>100%</b>	<b>-</b>	<b>100%</b>	<b>-</b>	<b>100%</b>	<b>-</b>	<b>-</b>
<b>As at 31 December 2024</b>							
<b>Forward currency contracts</b>							
Notional amount (in USD'000)	156,000	52,000	50,000	-	-	854,800	1,112,800
Average forward rate (USD/RMB)	7.03	6.97	6.90	-	-	6.75	-
<b>Interest rate swap contracts</b>							
Notional amount (in USD'000)	50,000	-	50,000	-	-	270,000	370,000
Average fixed rate	4.88%	-	3.91%	-	-	3.76%	-
Notional amount (in HKD'000)	1,238,000	-	-	-	-	4,374,100	5,612,100
Average fixed rate	4.43%	-	-	-	-	3.29%	-
<b>Cross-currency interests rate swaps</b>							
Notional amount (in USD'000)	31,000	-	-	-	-	-	31,000
Average forward rate (USD/RMB)	7.20	-	-	-	-	-	-
Average fixed rate	2.88%	-	-	-	-	-	-
<b>Hedge rate</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>-</b>	<b>-</b>	<b>100%</b>	<b>-</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 18. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

#### Cash flow hedge under HKFRS 9 (Continued)

The impacts of the hedging instruments on the statement of financial position are as follows:

	Notional amount USD/JPY/HKD' 000	Carrying amount RMB' 000	Line item in the statement of financial position	Change in fair value RMB' 000
<b>As at 31 December 2025</b>				
Forward currency contracts (USD/RMB)	1,142,800	64,587	Derivative financial instruments (asset/ liabilities)	(95,636)
Forward currency contracts (JPY/RMB)	7,150,029	(18,949)	Derivative financial instruments (asset/ liabilities)	(18,949)
Interest rate swaps (in USD'000)	378,000	(7,194)	Derivative financial instruments (asset/ liabilities)	(20,738)
Interest rate swaps (in HKD'000)	5,559,100	(31,226)	Derivative financial instruments (asset/ liabilities)	(64,289)
Cross-currency interest rate swaps (USD/RMB)	117,600	(15,846)	Derivative financial instruments (liabilities)	(19,339)
<b>As at 31 December 2024</b>				
Forward currency contracts (USD/RMB)	1,112,800	160,225	Derivative financial instruments (asset/ liabilities)	78,971
Interest rate swaps (in USD'000)	370,000	13,544	Derivative financial instruments (asset/ liabilities)	(2,300)
Interest rate swaps (in HKD'000)	5,612,100	33,062	Derivative financial instruments (asset/ liabilities)	15,971
Cross-currency interest rate swaps (USD/RMB)	31,000	3,493	Derivative financial instruments (asset)	(19,029)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 18. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

#### Cash flow hedge under HKFRS 9 (Continued)

The effects of the cash flow hedge on the statement of profit or loss and the statement of comprehensive income are as follows:

##### Year ended 31 December 2025

	Total hedging gain/(loss) recognised in other comprehensive income			Amount reclassified from other comprehensive income to profit or loss			Line item in the statement of profit or loss RMB' 000
	Gross amount RMB' 000	Tax effect RMB' 000	Total RMB' 000	Gross amount RMB' 000	Tax effect RMB' 000	Total RMB' 000	
	Forward currency contracts	(114,585)	42,201	(72,384)	70,306	(6,242)	
Cross-currency interest rate swaps	(19,339)	4,057	(15,282)	3,493	(873)	2,620	Other expense
Interest rate swaps	(85,027)	–	(85,027)	390	–	390	Other expense
<b>Total</b>	<b>(218,951)</b>	<b>46,258</b>	<b>(172,693)</b>	<b>74,189</b>	<b>(7,115)</b>	<b>67,074</b>	

##### Year ended 31 December 2024

	Total hedging gain/(loss) recognised in other comprehensive income			Amount reclassified from other comprehensive income to profit or loss			Line item in the statement of profit or loss RMB' 000
	Gross amount RMB' 000	Tax effect RMB' 000	Total RMB' 000	Gross amount RMB' 000	Tax effect RMB' 000	Total RMB' 000	
	Forward currency contracts	78,971	(3,260)	75,711	39,683	(20,378)	
Cross-currency interest rate swaps	(19,029)	4,757	(14,272)	16,752	(4,188)	12,564	Other expense
Interest rate swaps	13,671	–	13,671	–	–	–	N/A
<b>Total</b>	<b>73,613</b>	<b>1,497</b>	<b>75,110</b>	<b>56,435</b>	<b>(24,566)</b>	<b>31,869</b>	

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 18. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

#### Cash flow hedge under HKFRS 9 (Continued)

Derivative financial instruments – transactions not qualifying as hedges:

Forward currency contracts with total nominal amounts of USD90,000,000 (2024: total nominal amounts of USD290,000,000) and interest rate swaps with total nominal amounts of nil (2024: total nominal amounts of USD135,000,000) are not designated for hedge purposes and are measured at fair value through profit or loss. Unrealised losses on the fair value of these financial derivatives amounting to RMB93,481,000 (2024: unrealised losses RMB15,149,000) was included in the statement of profit or loss during the year ended 31 December 2025.

### 19. INVENTORIES

	2025 RMB' 000	2024 RMB'000
Finished goods	<b>931,063</b>	506,786

### 20. LOANS AND ACCOUNTS RECEIVABLES

	2025 RMB' 000	2024 RMB'000
Loans and accounts receivables due within 1 years	<b>31,401,627</b>	28,501,307
Loans and accounts receivables due after 1 years	<b>38,620,664</b>	43,075,977
Total	<b>70,022,291</b>	71,577,284

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 20. LOANS AND ACCOUNTS RECEIVABLES (Continued)

#### 20a. Loans and accounts receivables by nature

	2025 RMB' 000	2024 RMB'000
Gross lease receivables (note 20b)	<b>3,321,456</b>	3,229,311
Less: Unearned finance income	<b>(1,311,125)</b>	(1,178,368)
Net lease receivables (note 20b) **	<b>2,010,331</b>	2,050,943
Receivables arising from sale-and-leaseback arrangements (note 20c) **	<b>66,912,187</b>	68,281,494
Factoring receivables (note 20d) **	<b>691,671</b>	944,982
Subtotal of interest-earning assets **	<b>69,614,189</b>	71,277,419
Accounts receivable (note 20e) *	<b>2,839,004</b>	2,457,418
Notes receivable (note 20f)	<b>1,922</b>	12,003
Subtotal of loans and accounts receivables	<b>72,455,115</b>	73,746,840
Less:		
Provision for lease receivables	<b>(440,449)</b>	(486,754)
Provision for receivables arising from sale-and-leaseback arrangements	<b>(1,748,518)</b>	(1,555,513)
Provision for factoring receivables	<b>(151,647)</b>	(80,639)
Provision for interest-earning assets (note 20g) **	<b>(2,340,614)</b>	(2,122,906)
Provision for accounts receivable (note 20e)	<b>92,210</b>	(46,650)
Total	<b>70,022,291</b>	71,577,284

\* These balances included balances with related parties which are disclosed in note 20i to the consolidated financial statements.

\*\* These balances are included in the interest-earning assets disclosed in note 20g to the consolidated financial statements.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 20. LOANS AND ACCOUNTS RECEIVABLES (Continued)

20b(1). An ageing analysis of these lease receivables, determined based on the age of the receivables since the effective dates of the relevant lease contract, as at the end of the reporting period is as follows:

	2025 RMB' 000	2024 RMB'000
Gross lease receivables		
Within 1 year	420,137	185,377
1 to 2 years	134,873	8,406
2 to 3 years	16,058	–
3 years to beyond	2,750,388	3,035,528
<b>Total</b>	<b>3,321,456</b>	<b>3,229,311</b>

	2025 RMB' 000	2024 RMB'000
Net lease receivables		
Within 1 year	355,809	152,638
1 to 2 years	115,185	6,724
2 to 3 years	13,839	–
3 years to beyond	1,525,498	1,891,581
<b>Total</b>	<b>2,010,331</b>	<b>2,050,943</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 20. LOANS AND ACCOUNTS RECEIVABLES (Continued)

20b(2). The table below illustrates the amounts of lease receivables the Group expects to receive in the following consecutive accounting years:

	2025 RMB' 000	2024 RMB' 000
Gross lease receivables		
Due within 1 year	<b>959,468</b>	1,247,679
Due in 1 to 2 years	<b>753,660</b>	971,836
Due in 2 to 3 years	<b>1,410,429</b>	560,352
Due after 3 years and beyond	<b>197,899</b>	449,444
<b>Total</b>	<b>3,321,456</b>	3,229,311

	2025 RMB' 000	2024 RMB' 000
Net lease receivables		
Due within 1 year	<b>453,086</b>	504,473
Due in 1 to 2 years	<b>610,036</b>	753,836
Due in 2 to 3 years	<b>768,111</b>	455,527
Due after 3 years and beyond	<b>179,098</b>	337,107
<b>Total</b>	<b>2,010,331</b>	2,050,943

There was no unguaranteed residual value in connection with finance lease arrangements or contingent lease arrangements of the Group that needed to be recorded as at the end of the reporting period.

As at 31 December 2025, the amounts of the gross lease receivables and net lease receivables pledged as security for the Group's borrowings were RMB138,161,000 and RMB105,451,000 (As at 31 December 2024: RMB175,005,000 and RMB151,173,000), respectively.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 20. LOANS AND ACCOUNTS RECEIVABLES (Continued)

20c(1). An ageing analysis of receivables arising from sale-and-leaseback arrangements, determined based on the age of the receivables since the effective dates of the relevant loan contracts, as at the end of the reporting period is as follows:

	2025 RMB' 000	2024 RMB'000
Within 1 year	<b>26,711,583</b>	25,513,006
1 to 2 years	<b>18,099,533</b>	18,234,480
2 to 3 years	<b>10,289,819</b>	12,492,596
3 years and beyond	<b>11,811,252</b>	12,041,412
<b>Total</b>	<b>66,912,187</b>	68,281,494

20c(2). The table below illustrates the amounts of receivables arising from sale-and-leaseback arrangements the Group expects to receive in the following consecutive accounting years:

	2025 RMB' 000	2024 RMB'000
Due within 1 year	<b>29,152,310</b>	26,083,346
Due in 1 to 2 years	<b>21,772,626</b>	20,400,207
Due in 2 to 3 years	<b>11,608,411</b>	12,656,213
Due after 3 years and beyond	<b>4,378,840</b>	9,141,728
<b>Total</b>	<b>66,912,187</b>	68,281,494

As at 31 December 2025, the Group's receivables arising from sale-and-leaseback arrangements pledged or charged as security for the Group's bank and other borrowings amounted to RMB9,543,045,000 (31 December 2024: RMB11,507,847,000).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 20. LOANS AND ACCOUNTS RECEIVABLES (Continued)

20d. An ageing analysis of the factoring receivables, determined based on the age of the receivables since the recognition date of the factoring receivables, as at the end of the year is as follows:

	2025 RMB' 000	2024 RMB' 000
Within 1 year	–	–
More than 1 year	691,671	944,982
<b>Total</b>	<b>691,671</b>	<b>944,982</b>

20e(1). An ageing analysis of the accounts receivable, determined based on the age of the receivables since the recognition date of the accounts receivable, as at the end of the year is as follows:

	2025 RMB' 000	2024 RMB' 000
Within 1 year	2,334,216	2,188,136
More than 1 year	504,788	269,282
<b>Total</b>	<b>2,839,004</b>	<b>2,457,418</b>

Accounts receivable arose from the sale of medical equipment and medicines, equipment life cycle management, intelligent medical health and elder care and the provision of medical services. Except for some specific contracts, the Group generally does not provide credit terms to customers.

#### 20e(2). Provision for accounts receivables

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on ageing for groupings of various customer segments with similar loss patterns.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 20. LOANS AND ACCOUNTS RECEIVABLES (Continued)

#### 20e(2). Provision for accounts receivables (Continued)

Set out below is the information about the credit risk exposure on the Group's accounts receivable using a provision matrix:

##### As at 31 December 2025

	Ageing		Total RMB'000
	Within 1 year RMB'000	Over 1 years RMB'000	
Gross carrying amount	2,334,216	504,788	2,839,004
Expected credit loss	34,230	57,980	92,210
Average expected credit loss rate	1.47%	11.49%	3.25%

##### As at 31 December 2024

	Ageing		Total RMB'000
	Within 1 year RMB'000	Over 1 years RMB'000	
Gross carrying amount	2,188,136	269,282	2,457,418
Expected credit loss	16,236	30,414	46,650
Average expected credit loss rate	0.74%	11.29%	1.90%

20f. An ageing analysis of the notes receivable, determined based on the age of the receivables since the recognition date of the notes receivable, as at the end of the year is as follows:

	2025 RMB'000	2024 RMB'000
Within 1 year	1,922	12,003

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 20. LOANS AND ACCOUNTS RECEIVABLES (Continued)

#### 20g. Analysis of interest-earning assets

As at 31 December 2025	Stage I (12-month ECLs) RMB'000	Stage II (Lifetime ECLs) RMB'000	Stage III (Lifetime ECLs-impaired) RMB'000	Total RMB'000
Total interest-earning assets	62,019,330	6,904,780	690,079	69,614,189
Allowance for impairment losses	(907,046)	(996,335)	(437,233)	(2,340,614)
Interest-earning assets, net	61,112,284	5,908,445	252,846	67,273,575

As at 31 December 2024	Stage I (12-month ECLs) RMB'000	Stage II (Lifetime ECLs) RMB'000	Stage III (Lifetime ECLs-impaired) RMB'000	Total RMB'000
Total interest-earning assets	62,985,736	7,588,418	703,265	71,277,419
Allowance for impairment losses	(992,197)	(766,068)	(364,641)	(2,122,906)
Interest-earning assets, net	61,993,539	6,822,350	338,624	69,154,513

#### 20h. Movements in provision for interest-earning assets

The Group has applied the general approach to providing for expected credited losses (“ECLs”) prescribed by HKFRS 9, which permits the use of either a twelve-month basis or a lifetime basis to record expected credit losses based on an expected credit loss model for interest-earning assets.

The Group has conducted an assessment of ECLs according to forward-looking information and used appropriate models and a large number of assumptions in its expected measurement of credit losses. These models and assumptions relate to the future macroeconomic conditions and the Borrower’s creditworthiness (e.g., the likelihood of default by customers and the corresponding losses). The Group has adopted judgement, assumptions and estimation techniques in order to measure ECLs according to the requirements of accounting standards, such as the criteria for judging significant increases in credit risk, definition of credit-impaired financial assets, parameters for measuring ECLs and forward-looking information.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 20. LOANS AND ACCOUNTS RECEIVABLES (Continued)

#### 20h. Movements in provision for interest-earning assets (Continued)

	2025			Total RMB' 000
	Stage I (12-month ECLs) RMB' 000	Stage II (Lifetime ECLs) RMB' 000	Stage III (Lifetime ECLs-impaired) RMB' 000	
At beginning of the year	992,197	766,068	364,641	2,122,906
Impairment losses for the year	(150,602)	289,489	133,220	272,107
Conversion to Stage I	158,846	(158,846)	–	–
Conversion to Stage II	(93,395)	140,642	(47,247)	–
Conversion to Stage III	–	(41,018)	41,018	–
Written off	–	–	(54,799)	(54,799)
Recoveries of interest-earning assets previously written off	–	–	400	400
At end of the year	907,046	996,335	437,233	2,340,614

	2024			Total RMB'000
	Stage I (12-month ECLs) RMB'000	Stage II (Lifetime ECLs) RMB'000	Stage III (Lifetime ECLs-impaired) RMB'000	
At beginning of the year	945,255	591,420	348,298	1,884,973
Impairment losses for the year	(143,121)	335,065	114,943	306,887
Conversion to Stage I	268,308	(268,308)	–	–
Conversion to Stage II	(78,245)	134,135	(55,890)	–
Conversion to Stage III	–	(26,244)	26,244	–
Written off	–	–	(69,064)	(69,064)
Recoveries of interest-earning assets previously written off	–	–	110	110
At end of the year	992,197	766,068	364,641	2,122,906

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 20. LOANS AND ACCOUNTS RECEIVABLES (Continued)

#### 20i. Balances with related parties

The balances of loans and accounts receivables of the Group included the balances with related parties are as follows:

Accounts receivable:

	2025 RMB' 000	2024 RMB'000
Genertec Group and subsidiaries of Genertec Group:		
Beijing Meikang Borui Technology Co., Ltd.	19,522	9,254
Shenyang Aerospace Hospital	5,482	4,603
General Medical Devices (Beijing) Co., Ltd.	3,658	2,666
Weiyang West Road Community Health Service Center (Caihong Community Health Station), Qindu District	2,863	–
Hefei Physical Examination Center, China Health (Shanghai) Health Management Co., Ltd.	1,597	–
China Xinxing Construction & Development Co., Ltd.	1,285	104
General Technology Group Beijing Yongzheng Pharmaceutical Co., Ltd.	1,152	974
Hami Baoshihua Tuha Hospital	850	–
Inner Mongolia Baogang Hospital	673	–
Hunan Aerospace Hospital	650	–
China Post Digital Intelligence (Xi'an) Technology Co., Ltd.	641	–
China Health (Beijing) Supply Chain Management Co., Ltd.	596	–
Guihang Guiyang Hospital	509	–
General Technology Group Health Management Technology Co., Ltd.	441	3,783
Beijing General Health Clinic Co., Ltd.	321	–
Shandong Electric Power Central Hospital	314	373
Shaanxi Huashi Pharmaceutical Co., Ltd.	245	–
China National Instruments Import & Export Group Co., Ltd.	159	4,793
Xi'an Branch, General Technology Group Machine Tool Engineering Research Institute Co., Ltd.	144	27
Chongqing Steel General Hospital	131	–
Beijing Minzu Garden Clinic Co., Ltd.	117	–
Shanghai Electric Power Hospital	106	106

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 20. LOANS AND ACCOUNTS RECEIVABLES (Continued)

#### 20i. Balances with related parties (Continued)

Accounts receivable: (Continued)

	2025 RMB' 000	2024 RMB'000
Beijing Branch, Baoshihua Medical Health Investment Holding Group Co., Ltd.	87	–
Baoshihua (Hainan) Internet Hospital Co., Ltd.	85	1
363 Hospital	76	192
Guihang Pingba Hospital	57	–
General Medical Xi'an Hospital	46	199
General Medical Qinling Hospital	15	17
Guilin Baoshihua Medical & Elderly Care Management Service Co., Ltd.	9	–
Chongqing Pharmaceutical Group Sichuan Pharmaceutical Co., Ltd.	3	–
Xi'an Electric Power Central Hospital	1	–
Chengfei Hospital	–	5
Associates:		
Beijing Mili Zhongkang Elderly Care Technology Co., Ltd.	8,908	1,409
General Technology Group Health Digital Technology (Beijing) Co., Ltd.	2,487	–
Zunyi Qingniao Jiale Health Service Co., Ltd.	545	162
Jinjiang Qingniao Shijia Rehabilitation Hospital Co., Ltd.	11	11
Shanghai Qingniao Yunqi Technology Co., Ltd.	5	5
General Technology Group Digital Intelligent Technology Co., Ltd.	–	1,422
Qingniao Yiju (Jinjiang) Elderly Care Service Co., Ltd.	–	553
Joint venture:		
Fuzhou Qingsheng Yijiafu Health & Senior Care industry Co., Ltd.	92	54
<b>Total due from related parties</b>	<b>53,883</b>	<b>30,713</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 20. LOANS AND ACCOUNTS RECEIVABLES (Continued)

#### 20i. Balances with related parties (Continued)

The above related parties are subsidiaries of China General Technology (Group) Holding Company Limited (“Genertec Group”).

The balances with the related parties are unsecured, interest-free and repayable on demand.

### 21. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	Note	2025 RMB' 000	2024 RMB' 000
Current:			
Prepayments		226,875	217,759
Other receivables		350,029	594,601
Other current assets		132,554	107,141
Due from related parties	21a	218,432	112,398
<b>Total – current</b>		<b>927,890</b>	1,031,899
Non-current:			
Prepayments for non-current assets		22,931	77,959
Other receivables for non-current assets		3,661	3,690
Interest receivables for non-current assets		–	10,108
Other non-current assets		147,812	100,000
<b>Total – non-current</b>		<b>174,404</b>	191,757
Impairment allowance		(49,119)	(34,098)
<b>Total</b>		<b>1,053,175</b>	1,189,558

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 21. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS (Continued)

#### 21a. Balances with related parties

Particulars of amounts due from related parties are as follows:

	Notes	2025 RMB' 000	2024 RMB'000
Due from related parties			
Genertec Group and subsidiaries of			
Genertec Group:			
Genertec Hong Kong International Capital Limited	(i)	195,720	93,801
China Xinxing Construction & Development Co., Ltd.	(ii)	4,461	3,040
Beijing Tongchan Ruizi Commercial Management Co., Ltd.	(ii)	3,477	–
China General Technology (Group) Holding Company Limited	(ii)	3,129	3,129
Weiyang West Road Community Health Service Center of Qindu District (Rainbow Community Health Service Station)	(ii)	895	–
Instrimpex International Tendering Co., Ltd.	(ii)	387	120
Genertec Group Asset Management Co., Ltd.	(ii)	344	–
China International Tendering Co., Ltd.	(ii)	31	21
General Technology Group Finance Co., Ltd.	(ii)	11	–
Shaanxi Huashi Medicine Co., Ltd.	(ii)	10	–
Genertec International Logistics Co., Ltd.	(ii)	1	–
Hunan Aerospace Hospital	(ii)	1	–
Genertec Group Health Management Technology Co., Ltd.	(ii)	–	80
China National Instruments Import & Export (Group) Corporation	(ii)	–	38
Genertec International Logistics Co., Ltd.	(ii)	–	1
Joint venture:			
Fuzhou Qingsheng Yijiafu Health & Senior Care Industry Co., Ltd.	(ii)	–	5

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 21. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS (Continued)

#### 21a. Balances with related parties (Continued)

Particulars of amounts due from related parties are as follows: (Continued)

	Notes	2025 RMB' 000	2024 RMB'000
Associates:			
Genertec Group Healthcare Digital Technology (Beijing) Co., Ltd.	(ii)	<b>8,567</b>	10,596
Qingdao Xihaian Supply & Marketing Group Qingniao Senior Service Co., Ltd.	(ii)	<b>1,200</b>	1,200
Qingniao Shouer kang (Chongqing) Senior Care Service Co., Ltd.	(ii)	<b>135</b>	354
Pingyao Qingniao Yiju Elderly Care Service Co., Ltd.	(ii)	<b>50</b>	–
Zunyi Qingniao Jiale Health Care Service Co., Ltd.	(ii)	<b>13</b>	13
<b>Total due from related parties</b>		<b>218,432</b>	112,398

(i) The balance of Genertec Hong Kong International Capital Limited is unsecured and the interest rate was charged at rates ranging 3.50% to 5.49% per annum.

(ii) The balance with the related parties are unsecured and interest-free.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 22. CASH AND CASH EQUIVALENTS AND RESTRICTED DEPOSITS

	2025 RMB' 000	2024 RMB'000
Cash and bank balances	<b>2,389,469</b>	2,853,266
Time deposits	<b>340,000</b>	360,000
Subtotal	<b>2,729,469</b>	3,213,266
Less: Restricted deposits and time deposits:		
Pledged deposits and restricted bank deposits	<b>(281,685)</b>	(473,960)
Time deposits with original maturity of more than three months	<b>(340,000)</b>	(360,000)
Cash and cash equivalents	<b>2,107,784</b>	2,379,306

As at 31 December 2025, the cash and bank balances of the Group denominated in RMB amounted to RMB2,723,934,000 (31 December 2024: RMB3,168,050,000). RMB is freely convertible into other currencies, however, under Chinese Mainland's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at either fixed or floating rates based on daily bank deposit rates.

As at 31 December 2025, cash of RMB261,847,000 (31 December 2024: RMB468,685,000) was pledged and restricted for bank and other borrowings.

As at 31 December 2025, cash of RMB19,838,000 (31 December 2024: RMB5,275,000) was pledged for bank acceptances, letters of credit and others.

As at 31 December 2025, cash of RMB1,555,608,000 (31 December 2024: 1,410,785,000) was deposited with Genertec Finance Co., Ltd., a related party.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 23. DEBT INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	2025 RMB' 000	2024 RMB'000
Measured at fair value:		
Notes receivable	<b>9,701</b>	782

### 24. TRADE AND BILLS PAYABLES

	2025 RMB' 000	2024 RMB'000
Bills payables	<b>193,074</b>	301,181
Trade payables	<b>2,473,535</b>	2,312,945
Due to related parties (note 24b)	<b>238,318</b>	161,669
Total	<b>2,904,927</b>	2,775,795

The trade and bills payables are non-interest-bearing and are normally repayable within one year.

**24a.** An ageing analysis of the trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

	2025 RMB' 000	2024 RMB'000
Within 1 year	<b>2,406,153</b>	2,464,073
1 to 2 years	<b>399,475</b>	193,538
2 to 3 years	<b>44,211</b>	95,886
Over 3 years	<b>55,088</b>	22,298
Total	<b>2,904,927</b>	2,775,795

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 24. TRADE AND BILLS PAYABLES (Continued)

#### 24b. Balances with related parties

Particulars of the amounts due to related parties are as follows:

	2025 RMB' 000	2024 RMB' 000
Due to related parties:		
Genertec Group and subsidiaries of Genertec Group:		
Beijing Meikang Borui Technology Co., Ltd.	158,243	95,319
China Xinxing Construction Engineering Co., Ltd.	38,036	50,506
Handan General Pharmaceutical Co., Ltd.	7,245	3,886
Shaanxi Huashi Pharmaceutical Co., Ltd.	6,915	–
Zhongyao Holdings Anhui Co., Ltd.	5,638	–
Zhongyao Holdings Shanxi Kangmeilai Pharmaceutical Co., Ltd.	3,002	–
China Meheco MEDICAL Instruments & Surgical Dressings Corporation	2,233	–
China Medical Devices Technical Service Co., Ltd.	1,437	814
Chongqing Pharmaceutical Group Sichuan Pharmaceutical Co., Ltd.	1,372	–
Zhongyao (Liaoning) Medical Equipment Co., Ltd.	1,307	–
Hebei General Huachuang Medical Equipment Co., Ltd.	1,063	1,784
Beijing General Health Outpatient Department Co., Ltd.	1,000	–
Shanghai Haixin Pharmaceutical Co., Ltd.	875	–
Zhongyao Holdings (Dalian) Co., Ltd.	645	–
Liaoning Sanitation Service Co., Ltd.	456	–
Chongqing Pharmaceutical Group Shaanxi Co., Ltd.	440	–
Zhongyao Holdings Shaanxi Pharmaceutical Co., Ltd.	344	–
Xiong'an Xinxing Rongli Urban Operation Service Co., Ltd.	334	–
Chongqing Pharmaceutical (GROUP) Co., Ltd.	325	–
Hebei General Pharmaceutical Co., Ltd.	319	316
Zhongyao Holdings (Sichuan) Co., Ltd.	240	–
China Instrument International Tendering Corporation	201	376
Beijing Tongchan Ruizi Business Management Co., Ltd.	171	–
Zhongyi Medical Equipment Co., Ltd.	135	–

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 24. TRADE AND BILLS PAYABLES (Continued)

#### 24b. Balances with related parties (Continued)

Particulars of the amounts due to related parties are as follows: (Continued)

	2025 RMB' 000	2024 RMB'000
Due to related parties: (Continued)		
General Technology Smart Cloud Shadow Technology (Beijing) Co., Ltd.	134	–
China National Instruments Import & Export Group Corporation	98	385
Genertec International Logistics Co., Ltd.	80	79
ChongGang General Hospital	79	–
General Technology Liaoning Pharmaceutical Co., Ltd.	60	1
Zhongji Zhiyuan Technology Co., Ltd.	49	–
China International Tendering Co., Ltd.	31	–
Beijing Meikang Baitai Pharmaceutical Technology Co., Ltd.	25	7
General Technology Group Beijing Yongzheng Pharmaceutical Co., Ltd.	23	118
Sino Textile Testing & Certification Co., Ltd.	12	–
China Post & Telecommunications Equipment Beijing Co., Ltd.	8	107
Jiangbei Yudaishan Community Health Service Center	4	–
State Grid Corporation Beijing Electric Power Hospital	3	3
Chongqing Pharmaceutical Group Henan Co., Ltd. Luoyang Branch	2	–
General Technology Group Engineering Design Co., Ltd.	1	1
General Technology Group Digital Intelligent Technology Co., Ltd.	–	1,297
General Technology Group Asset Management Co., Ltd.	–	114
Genertec Group Italy Co., Ltd.	–	81
Beijing Rongli Industrial Co., Ltd.	–	41
General Technology Group Yongzheng Pharmaceutical Qinhuangdao Co., Ltd.	–	4

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 24. TRADE AND BILLS PAYABLES (Continued)

#### 24b. Balances with related parties (Continued)

Particulars of the amounts due to related parties are as follows: (Continued)

	2025 RMB' 000	2024 RMB' 000
Associates:		
General Technology Group Health Digital Technology (Beijing) Co., Ltd.	4,395	4,933
Zunyi Qingniao Jiale Health Service Co., Ltd.	1,169	–
Baotou Gangxing Qingniao Elderly Care Service Co., Ltd.	5	93
Qingniao Shouer kang (Chongqing) Elderly Care Service Co., Ltd.	–	5
Joint venture:		
Fuzhou Qingsheng Yijiafu Health and Elderly Care Industry Co., Ltd	164	1,399
Total due to related parties	238,318	161,669

The balances with the related parties are unsecured, interest-free or based on the payment schedules agreed between the Group and respective parties.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 25. OTHER PAYABLES AND ACCRUALS

	Notes	2025 RMB' 000	2024 RMB'000
Current:			
Lease deposits due within one year		<b>1,211,388</b>	930,478
Accrued salaries		<b>353,654</b>	530,837
Welfare payables		<b>68,767</b>	73,138
Current portion of post-retirement benefit obligation	29	<b>7,614</b>	6,959
Contract liabilities	25a	<b>441,479</b>	357,724
Due to related parties	25b	<b>858,174</b>	31,443
Other taxes payable		<b>58,180</b>	121,853
Interest payable		<b>255,885</b>	313,180
Funds collected on behalf of special purpose entities in relation to asset-backed securitisations*		<b>79,355</b>	335,179
Other payables		<b>32,390</b>	787,168
<b>Total – current</b>		<b>3,366,886</b>	3,487,959
Non-current			
Lease deposits due after one year		<b>3,297,375</b>	3,559,259
Accrued salaries		<b>1,004,494</b>	869,681
Non-current portion of retirement benefit obligation	29	<b>91,714</b>	88,348
Deferred income**		<b>108,503</b>	114,229
Other payables		<b>13,284</b>	5,239
<b>Total – non-current</b>		<b>4,515,370</b>	4,636,756
<b>Total</b>		<b>7,882,256</b>	8,124,715

\* The Group transferred loans and accounts receivables to special purpose entities. The Group collected the receivables on behalf of special purpose entities and would pay the funds based on the payment schedule agreed between the Group and the special purpose entities.

\*\* Government grants received for which related expenditure have not yet been undertaken are included in deferred income in the consolidated statement of financial position.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 25. OTHER PAYABLES AND ACCRUALS (Continued)

25a. Details of contract liabilities are as follows:

	31 December 2025 RMB' 000	31 December 2024 RMB'000	1 January 2024 RMB'000
Service fee income	<b>56,464</b>	151,591	81,833
Sale of finished goods	<b>197,517</b>	9,292	22,028
Intelligent medical health and elder care	<b>18,882</b>	15,582	–
Equipment life cycle management	<b>37,469</b>	38,981	–
Healthcare service	<b>131,147</b>	142,278	144,628
Total	<b>441,479</b>	357,724	248,489

Contract liabilities include short-term advances received to deliver goods and render services.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 25. OTHER PAYABLES AND ACCRUALS (Continued)

#### 25b. Balances with related parties

Details for the amounts due to related parties are as follows:

	2025 RMB' 000	2024 RMB'000
Due to related parties:		
Genertec Group and subsidiaries of Genertec Group:		
China General Technology (Group) Holding Company Limited	438,651	17
Beijing Meikang Borui Technology Co., Ltd.	316,486	–
China XinXing Construction & Development Co., Ltd.	60,733	2,368
Genertec Group Asset Management Co., Ltd	17,994	7,697
Handan General Pharmaceutical Co., Ltd.	14,530	20
China General Technology Group Property Management Co., Ltd.	7,820	–
Instrimpex International Tendering Co., Ltd.	423	10
Hainan General Sanyang Pharmaceutical Co., Ltd.	4	26
Genertec Hong Kong International Capital Limited	–	20,097
Baoshihua Pharmaceutical Technology (Beijing) Co., Ltd.	–	26
Associates:		
Zunyi Qingniao Jiale Kangyang Service Co., Ltd.	1,359	
Beijing Mili Zhongkang Elderly Care Technology Co., Ltd.	61	
Baotou Gangxing Qingniao Elderly Care Service Co., Ltd.	13	
Qingniao Yiju (Jinjiang) Elderly Care Service Co., Ltd	–	761
Genertec Group Healthcare Digital Technology (Beijing) Co., Ltd.	–	115
Joint ventures:		
Fuzhou Qingsheng Yijiafu Health and Elderly Care Industry Co., Ltd	100	306
<b>Total due to related parties</b>	<b>858,174</b>	<b>31,443</b>

The balance with related parties were unsecured and repayable based on the payment schedule agreed between the Group and the related parties.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 26. INTEREST-BEARING BANK AND OTHER BORROWINGS

	31 December 2025			31 December 2024		
	Effective annual interest rate (%)	Maturity	RMB' 000	Effective annual interest rate (%)	Maturity	RMB' 000
Current:						
Bank loans						
– Secured	2.11~2.20	2026	227,000	2.60~4.25	2025	207,400
– unsecured	1.19~5.07	2026	6,295,710	2.40~5.94	2025	5,249,083
Current portion of long-term bank loans:						
– secured	2.24~3.45	2026	2,328,991	2.42~3.45	2025	3,098,783
– unsecured	2.15~5.01	2026	3,837,538	2.50~5.35	2025	4,689,806
Lease liabilities						
– secured	–	–	–	3.50	2025	640,750
– unsecured	3.95~4.90	2026	52,518	3.95~4.90	2025	51,908
Bonds payables						
– secured	2.08~6.50	2026	1,371,748	2.08~4.50	2025	1,154,956
– unsecured	1.69~3.65	2026	5,447,848	1.83~3.65	2025	7,095,949
Due to a related party						
– unsecured	3.65	2026	200,000	–	–	–
<b>Total-current</b>			<b>19,761,353</b>			<b>22,188,635</b>
Non-current:						
Bank loans						
– secured	2.24~2.80	2027-2029	2,756,601	2.42~3.35	2026-2029	5,144,249
– unsecured	2.15~5.49	2027-2040	11,751,936	2.50~5.56	2026-2039	9,747,536
Bonds payables						
– secured	2.08~2.40	2027-2030	835,576	2.20~6.50	2026-2027	807,855
– unsecured	2.08~3.65	2027-2030	10,824,575	2.13~3.65	2027~2029	10,591,709
Lease liabilities						
– unsecured	3.95~4.90	2027-2044	491,548	3.95~4.90	2026~2031	561,839
Due to related parties						
– unsecured	3.50~5.49	2027	1,805,760	3.50~7.93	2026~2027	2,337,680
<b>Subtotal – non-current</b>			<b>28,465,996</b>			<b>29,190,868</b>
Convertible bonds						
– host debts (Note 27)	–	–	–	2.00	2026	635,451
<b>Total – non-current</b>			<b>28,465,996</b>			<b>29,826,319</b>
<b>Total</b>			<b>48,227,349</b>			<b>52,014,954</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 26. INTEREST-BEARING BANK AND OTHER BORROWINGS (Continued)

	2025 RMB' 000	2024 RMB'000
Analysed into:		
Bank loans repayable:		
Within one year	12,689,239	13,245,072
In the second year	7,657,098	5,342,155
In the third to fifth years, inclusive	6,636,769	9,146,350
Beyond five years	214,670	403,280
Subtotal	27,197,776	28,136,857
Other borrowings repayable:		
Within one year	7,072,114	8,943,563
In the second year	3,984,295	593,832
In the third to fifth years, inclusive	9,481,615	14,340,702
Beyond five years	491,549	–
Subtotal	21,029,573	23,878,097
Total	48,227,349	52,014,954

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

	2025 RMB' 000	2024 RMB'000
Hong Kong dollar	5,014,963	5,196,805
RMB	39,224,651	41,498,042
JPY	316,491	–
United States dollar	3,671,244	5,320,107
Total	48,227,349	52,014,954

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 26. INTEREST-BEARING BANK AND OTHER BORROWINGS (Continued)

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

	2025 RMB' 000	2024 RMB'000
Fixed interest rate	<b>23,131,583</b>	27,496,520
Variable interest rate	<b>25,095,766</b>	24,518,434
Total	<b>48,227,349</b>	52,014,954

Notes:

- (a) The Company's wholly-owned subsidiaries, China Universal Lessing Co., Ltd. ("CULC") and Genertec Universal International Financial Leasing (Tianjin) Co., Ltd. ("TJ-Leaseing"), issued four batches of leasing assets-backed securities with the aggregate principal amount of RMB4,891,000,000 to institutional investors through asset management plans. The asset-backed securities have senior tranches and subordinated tranches. The Group received proceeds of RMB4,516,000,000 from the senior tranches which have expected annualised yields ranging from 2.08% to 6.50% and maturity periods from one year to four years. As at 31 December 2025, the amortised cost of the debt securities outstanding amounted to RMB2,207,324,000 (31 December 2024: RMB1,962,811,000).
- (b) As at 31 December 2025, the Group's bank and other borrowings secured by loans and accounts receivable, cash and bank balances and restricted deposits and time deposits were RMB7,519,916,000 (31 December 2024: RMB9,227,529,000).
- (c) As at 31 December 2025, the principal amounts of the Group's borrowings from related parties were RMB1,805,760,000 from Genertec Hong Kong International Capital Limited and RMB200,000,000 from China General Technology (Group) Holding Company Limited (31 December 2024: RMB1,837,680,000 from Genertec Hong Kong International Capital Limited and RMB500,000,000 from China General Technology (Group) Holding Company Limited).
- (d) As at 31 December 2025, China General Technology (Group) Holding Company Limited provided a comfort letter for bank borrowings in an amount of RMB5,034,701,000 (31 December 2024: RMB9,045,489,000).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*For the year ended 31 December 2025*

### 27. CONVERTIBLE BONDS

On 25 March 2021, Genertec Universal Medical Development (BVI) Co., Ltd., a wholly-owned subsidiary of the Company, issued the Convertible Bonds under the Specific Mandate (the “Convertible Bonds”) with a nominal value of USD150,000,000. The Convertible Bonds will be unconditionally and irrevocably guaranteed by the Company. The Convertible Bonds are convertible at the option of the bondholders into ordinary shares of the Company with the initial conversion price of HKD6.56 per share at any time on or after 25 March 2021 (the “Issue Date”) and up to 5:00 p.m. on the fifteenth day prior to 25 March 2026 (the “Maturity Date”).

The conversion price of the Convertible Bonds was adjusted from HKD6.56 per share to HKD6.47 per share with effect from 18 June 2021 as a result of the declaration of the final dividend for the year ended 31 December 2020, and was further adjusted from HKD6.47 per share to HKD6.28 per share with effect from 16 June 2022 as a result of the declaration of the final dividend for the year ended 31 December 2021, and then to HKD6.09 per share with effect from 16 June 2023 as a result of the declaration of the final dividend for the year ended 31 December 2022, and then to HKD5.89 per share with effect from 19 June 2024 as a result of the declaration of the final dividend for the year ended 31 December 2023, and then to HKD5.70 per share with effect from 19 June 2025 as a result of the declaration of the final dividend for the year ended 31 December 2024.

The Convertible Bonds are redeemable at the option of the bondholders at 100.00 percent of their principal amount on 25 March 2024 or 2025. According to the notice issued by certain bondholders in 22 February 2024, USD60 million out of the Bonds were required to be redeemed and were deemed on 25 March 2024 by the Group at 100.00 percent of their principal amount together with interest accrued but not paid.

During the year ended 31 December 2025, the remaining USD 90 million of the Bonds were converted into 122,665,263 ordinary shares of the Company on 12 November 2025, at the conversion price of HK\$5.7 per share. The amount of approximately HK\$42,649,000 was released in “equity component of convertible bonds” upon the conversion of convertible bonds.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 27. CONVERTIBLE BONDS (Continued)

The Convertible Bonds carry interest at a rate of 2.0 percent per annum, and interest is payable semiannually in arrears on 25 March and 25 September.

The fair value of the liability component was estimated at the issuance date using an equivalent market interest rate for a similar bond without a conversion option. The residual amount is assigned as the equity component and is included in shareholders' equity.

The changes in liability of convertible bonds during the year are as follows:

	2025 RMB' 000	2024 RMB'000
Liability component at 1 January	635,451	1,019,519
Interest expense	22,478	15,348
Interest paid	(14,562)	(16,968)
Redeemed	–	(425,976)
Conversion	(643,990)	–
Exchange realignment	623	43,528
Liability component at 31 December (Note 26)	–	635,451

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 28. DEFERRED TAX

The movements in deferred tax liabilities and assets during the year are as follows:

#### Deferred tax assets

	Impairment RMB' 000	Salary and welfare payable RMB' 000	Cash flow hedges RMB' 000	Others RMB' 000	Total RMB' 000
Gross deferred tax assets at 1 January 2025	<b>536,834</b>	<b>248,996</b>	–	<b>83,009</b>	<b>868,839</b>
Credited to the statement of profit or loss during the year	<b>71,350</b>	<b>7,106</b>	–	<b>16,347</b>	<b>94,803</b>
Credited to reserves	–	–	–	–	–
Business combination (Note 33)	<b>5</b>	–	–	–	<b>5</b>
Gross deferred tax assets at 31 December 2025	<b>608,189</b>	<b>256,102</b>	–	<b>99,356</b>	<b>963,647</b>
Gross deferred tax assets at 1 January 2024	468,130	238,337	71,208	5,323	782,998
Credited to the statement of profit or loss during the year	61,586	10,659	(48,221)	77,154	101,178
Credited to reserves	–	–	(22,987)	–	(22,987)
Business combination	7,118	–	–	532	7,650
Gross deferred tax assets at 31 December 2024	536,834	248,996	–	83,009	868,839

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 28. DEFERRED TAX (Continued)

#### Deferred tax liabilities

	Lease deposit RMB' 000	Cash flow hedges RMB' 000	Fair value loss on derivative financial instruments RMB' 000	Others RMB' 000	Total RMB' 000
Gross deferred tax liabilities at 1 January 2025	46,778	10,317	21,246	16,615	94,956
Charged to the statement of profit or loss during the year	(6,369)	31,096	9,771	1,195	35,693
Credited to reserves	–	(39,143)	–	–	(39,143)
Business combination (Note 33)	–	–	–	7	7
<b>Gross deferred tax liabilities at 31 December 2025</b>	<b>40,409</b>	<b>2,270</b>	<b>31,017</b>	<b>17,817</b>	<b>91,513</b>
Gross deferred tax liabilities at 1 January 2024	51,241	–	9,147	20,447	80,835
Charged to the statement of profit or loss during the year	(4,463)	10,235	12,099	(18,411)	(540)
Credited to reserves	–	82	–	–	82
Business combination (Note 33)	–	–	–	14,579	14,579
<b>Gross deferred tax liabilities at 31 December 2024</b>	<b>46,778</b>	<b>10,317</b>	<b>21,246</b>	<b>16,615</b>	<b>94,956</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 28. DEFERRED TAX (Continued)

For the purpose of presentation of the consolidated statement of financial position, deferred tax assets and liabilities have been offset as the deferred taxes relate to the same taxable entity and the same taxation authority, and net deferred tax assets are presented as follows:

	2025 RMB' 000	2024 RMB'000
Net deferred tax assets recognised in the consolidated statement of financial position	872,134	773,883

The Company has tax losses arising in Hong Kong of RMB192,863,000 (2024: RMB218,179,000) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose and tax losses arising in Chinese Mainland of RMB404,756,000 (2024: RMB323,168,000) that will expire in one to five years for offsetting against future taxable profits. Deferred tax assets have not been recognised in respect of these losses as they have arisen in the Company that has been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Chinese Mainland. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Chinese Mainland and the jurisdiction of the foreign investors. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in the Chinese Mainland in respect of earnings generated from 1 January 2008.

At 31 December 2025, no deferred tax has been recognized for withholding taxes that would be payable on the unremitted earnings that are subject to withholding taxes of the Group's subsidiaries established in Chinese Mainland (2024: Nil). In the opinion of the directors, part of Chinese Mainland subsidiaries' profits will be retained to expand the operations in Chinese Mainland and it is not probable that these subsidiaries will distribute such earnings in the foreseeable future. The aggregate amount of temporary differences associated with investments in subsidiaries in Chinese Mainland for which deferred tax liabilities have not been recognised approximately RMB10,372,092,000 (2024: RMB7,625,372,000).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 29. POST-RETIREMENT BENEFIT OBLIGATIONS

The Group provides eligible retirees with other post-retirement benefits, including retirement subsidies, transportation allowance as well as other welfare. The expected cost of providing these post-retirement benefits is actuarially determined and recognised by using the projected unit credit method, which involves a number of assumptions and estimates, including the inflation rate, discount rate, etc.

The plan is exposed to interest rate risk and the risk of changes in the life expectancy for pensioners.

The most recent actuarial valuation of the post-retirement benefit obligations was carried out at 31 December 2025 using the projected unit credit actuarial valuation method.

The post-retirement benefit obligations recognised in the consolidated statement of financial position are as follows:

	2025 RMB' 000	2024 RMB'000
Post-retirement benefits obligations	<b>99,328</b>	95,307
Less: current portion	<b>(7,614)</b>	(6,959)
Non-current portion	<b>91,714</b>	88,348

The principal actuarial assumptions recognise as at the end of the reporting period are as follows:

	2025	2024
Discount rate for post-retirement benefits	<b>2.00%</b>	1.85%
Mortality rate	<b>China Insurance Life Mortality Table (2010-2013). CL5 for Male and CL6 for Female</b>	China Insurance Life Mortality Table (2010-2013). CL5 for Male and CL6 for Female
Total military welfare expense growth rate	<b>6.00%</b>	6.00%
Growth rate of work-related injury and living expenses	<b>2.50%</b>	2.50%

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 29. POST-RETIREMENT BENEFIT OBLIGATIONS (Continued)

A quantitative sensitivity analysis for significant assumptions at the end of the reporting period is shown below:

2025	Increase	Increase/ (decrease) in post-retirement benefit	Decrease	Increase/ (decrease) in post-retirement benefit
	in rate %	obligations RMB' 000	in rate %	obligations RMB' 000
Discount rates for post-retirement benefits	0.25	(1,907)	0.25	1,978
Annual increase rate of military welfare expense	0.25	361	0.25	(352)
Annual increase rate of work-related injury and living expenses	0.25	–	0.25	–

2024	Increase	Increase/ (decrease) in post-retirement benefit	Decrease	Increase/ (decrease) in post-retirement benefit
	in rate %	obligations RMB'000	in rate %	obligations RMB'000
Discount rates for post-retirement benefits	0.25	(2,580)	0.25	2,696
Annual increase rate of military welfare expense	0.25	848	0.25	(817)
Annual increase rate of work-related injury and living expenses	0.25	6	0.25	(6)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 29. POST-RETIREMENT BENEFIT OBLIGATIONS (Continued)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on net post-retirement benefit obligations as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

Expected contributions to be made in the future years out of the post-retirement benefit obligations were as follows:

	2025 RMB' 000	2024 RMB'000
Within 1 year	7,614	6,959
Between 2 and 5 years	27,923	26,174
Between 6 and 10 years	26,298	28,503
Over 10 years	37,493	63,155
Total expected payments	99,328	124,791

The average duration of the post-retirement benefit obligations at the end of 2025 was 15.93 years (2024: 10.64 years).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 29. POST-RETIREMENT BENEFIT OBLIGATIONS (Continued)

The movements in the post-retirement benefit obligations were as follows:

	RMB' 000
1 January 2025	95,307
<i>Pension cost charge to profit or loss:</i>	
Past service cost	13,009
Net interest	1,906
Effect of transfer out	(2,527)
Subtotal included in profit or loss	12,388
<i>Remeasurement profits in other comprehensive income:</i>	
Changes of the financial assumptions	–
Experience adjustments	(64)
Subtotal included in other comprehensive income	(64)
Benefits settled	(8,303)
31 December 2025	99,328
	RMB' 000
1 January 2024	89,841
<i>Pension cost charge to profit or loss:</i>	
Past service cost	1,822
Net interest	2,399
Effect of transfer out	(2,273)
Subtotal included in profit or loss	1,948
<i>Remeasurement profits in other comprehensive income:</i>	
Changes of the financial assumptions	7,454
Experience adjustments	3,793
Subtotal included in other comprehensive income	11,247
Benefits settled	(7,729)
31 December 2024	95,307

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 30. SHARE CAPITAL

	2025 RMB' 000	2024 RMB'000
Issued and fully paid: 2,014,204,924 (2024: 1,891,539,661) ordinary shares	<b>5,983,893</b>	5,297,254

### 31. RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity.

#### *Capital reserve*

The capital reserve mainly comprised: (i) the share-based compensation reserve comprising the fair value of the shares awarded under the share transfer to the management of the Group recognized in accordance with the accounting policy adopted for equity compensation benefits, (ii) the excess/deficiency of the carrying amount of net assets over the purchase consideration for subsidiaries acquired under common control, and (iii) the excess/deficiency of the considerations paid for/received from over the changes in the carrying amounts of non-controlling interests in the acquisitions of further interests in subsidiaries or disposal of partial interests in subsidiaries, respectively.

#### *Statutory reserve*

Pursuant to the relevant laws and regulations and the articles of association of the subsidiaries of the Company in Chinese Mainland, if a subsidiary is registered as a Sino-foreign joint venture, it is required to, at the discretion of the board of directors, transfer a portion of its profits after taxation reported in its statutory financial statements prepared under the applicable PRC accounting standards to the statutory reserve.

If a subsidiary is registered as a wholly-foreign-invested enterprise or a domestic limited liability company, it is required to appropriate 10% of each year's statutory net profits to the statutory reserve according to the PRC accounting standards and regulations (after offsetting previous years' losses) to the statutory reserve. The PRC subsidiary may discontinue the contribution when the aggregate sum of the statutory reserve is more than 50% of its registered capital. Upon contribution to the statutory reserve using its post-tax profit, a company may make further contributions to the statutory reserve using its post-tax profit in accordance with a resolution of the board of directors. The appropriation to statutory and discretionary reserves must be made before distribution of dividends to owners. These reserves shall only be used to make up for previous years' losses, to expand production operations, or to increase the capital of the PRC subsidiary. The statutory reserve can be transferred to paid-in capital, provided that the balance of the statutory reserve after such transfer is not less than 25% of its registered capital.

## 31. RESERVES (Continued)

### ***Exchange fluctuation reserve***

The exchange fluctuation reserve comprises all foreign exchange differences arising from the translation of the financial statements of operations with a functional currency other than RMB.

### ***Share-based compensation reserve***

On 31 December 2019, the Company adopted the share option scheme (“Share Option Scheme”) effective for a period of ten years commencing from the adoption date. Details of the Share Option Scheme was set out in the “Director’s Report” section of this annual report.

The share-based compensation reserve of the Group comprises the recognition of the equity-settled share-based payments under the Share Option Scheme for share options which are yet to be exercised. The amount will either be transferred to the share capital account or shares held for the share award scheme when the related share options are exercised or awards are vested.

### ***General and regulatory reserve***

The Group maintains a general reserve within equity, through the appropriation of profit, which sets aside to guard against losses on risk assets.

### ***Special reserve***

The special reserve mainly represents the funds set aside for the purpose of certain safety production activities. Pursuant to certain regulations issued by the State Administration of Work Safety of the PRC and other relevant regulatory bodies, the subsidiary, Yangquan Medical Oxygen Factory, set aside funds mainly for construction service activities at prescribed rates. These funds can be used for maintenance and/or improvements of safety of these activities, and are not available for distribution to shareholders.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 32. PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS

Details of the Group's subsidiaries that have material non-controlling interests are set out below:

	2025	2024
Percentage of equity interest held by non-controlling interest:		
Genertec Universal Huayang Shanxi Healthcare Industry Co., Ltd.	<b>49.00%</b>	49.00%
Genertec Ansteel Hospital Management Co., Ltd.	<b>48.85%</b>	48.85%

	2025 RMB' 000	2024 RMB'000
Profit for the year allocated to non-controlling interest:		
Genertec Universal Huayang Shanxi Healthcare Industry Co., Ltd.	<b>5,848</b>	13,516
Genertec Ansteel Hospital Management Co., Ltd.	<b>37,647</b>	38,408
Accumulated balances of non-controlling interests at the reporting dates:		
Genertec Universal Huayang Shanxi Healthcare Industry Co., Ltd.	<b>694,725</b>	688,892
Genertec Ansteel Hospital Management Co., Ltd.	<b>685,803</b>	630,064

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 32. PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS (Continued)

The following tables illustrate the recognized financial information of the above subsidiaries. The amounts disclosed are before any inter-company eliminations:

2025	Genertec Universal Huayang Shanxi Healthcare Industry Co., Ltd. RMB' 000	Genertec Ansteel Hospital Management Co., Ltd. RMB' 000
Revenue	728,431	993,772
Total expenses	716,496	916,706
Profit for the year	11,935	77,066
Total comprehensive income for the year	11,935	77,066
Current assets	1,280,109	802,038
Non-current assets	612,751	927,941
Current liabilities	(471,786)	(238,990)
Non-current liabilities	(3,268)	87,091
Net cash flows from operating activities	47,246	120,841
Net cash flows used in investing activities	(85,603)	(123,904)
Net cash flows used in financing activities	-	(730)
Net increase in cash and cash equivalents	(38,357)	(3,793)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 32. PARTLY-OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS (Continued)

The following tables illustrate the recognized financial information of the above subsidiaries. The amounts disclosed are before any inter-company eliminations: (Continued)

2024	Genertec Universal Huayang Shanxi Healthcare Industry Co., Ltd. RMB'000	Genertec Ansteel Hospital Management Co., Ltd. RMB'000
Revenue	855,260	939,876
Total expenses	827,677	861,249
Profit for the year	27,583	78,627
Total comprehensive income for the year	27,583	67,380
Current assets	1,330,701	769,095
Non-current assets	586,134	825,174
Current liabilities	(505,155)	(204,032)
Non-current liabilities	(5,777)	(99,027)
Net cash flows from operating activities	70,485	130,461
Net cash flows used in investing activities	(14,407)	(117,306)
Net cash flows used in financing activities	-	(780)
Net increase in cash and cash equivalents	56,078	12,375

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 33. BUSINESS COMBINATIONS

For the year ended 31 December 2025

On 1 May 2025, General Universal Medical Technology Services (Tianjin) Co., Ltd., a wholly-owned subsidiary of the Group, acquired a 67% equity interest in Beijing Jinxuyike Medical Equipment Co., Ltd. for a consideration of RMB24,364,000. The goodwill on the acquisition were RMB3,305,000.

The fair values of the identifiable assets and liabilities of the subsidiary acquired during the period as at the date of acquisition were as follows:

	Fair value recognised on acquisition RMB' 000
<b>Assets</b>	
Property, plant and equipment (Note 12)	776
Deferred tax assets (Note 28)	5
Cash and cash equivalents	24,714
Loans and accounts receivables	1,198
Prepayments, other receivables and other assets	2,005
Inventories	4,337
Other intangible assets (Note 15)	188
<b>Total assets</b>	<b>33,223</b>
<b>Liabilities</b>	
Other payables and accruals	1,670
Tax payable	115
Deferred tax liabilities (Note 28)	7
<b>Total liabilities</b>	<b>1,792</b>
Total identifiable net assets at fair value	31,431
Non-controlling interests	10,372
Goodwill on acquisition	3,305

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 33. BUSINESS COMBINATIONS (Continued)

The fair values of the identifiable assets and liabilities of the subsidiary acquired during the period as at the date of acquisition were as follows: (Continued)

	RMB' 000
Purchase consideration transferred	24,364
Including:	
Consideration paid as additional capital injection to the subsidiary	24,364
Analysis of cash flows on acquisition:	
Consideration paid	(24,364)
Net cash acquired with the subsidiary	24,714
Net inflow of cash and cash equivalents include in cash flows from investing activities	350
Transaction costs of the acquisition included in cash flows from operating activities	55

If the acquisition had taken place at the beginning of the period, the revenue of the Group for the period would have been RMB14,944,103,000 and the net profit of the Group for the period would have been RMB2,317,217,000.

The fair values of the loans and accounts receivables and prepayments and other receivables as at the dates of acquisitions amounted to RMB1,198,000 and RMB2,005,000 respectively. The gross contractual amount of loans and accounts receivables was RMB1,198,000, of which no balance was expected to be uncollectible. The gross contractual amount of prepayments and other receivables was RMB2,005,000, of which no balance was expected to be uncollectible.

The goodwill recognised is primarily attributed to the expected synergies and other benefits from combining their assets and activities with those of the Group. The goodwill is not deductible for income tax purposes.

The Group incurred transaction costs of RMB55,000 for these acquisitions. These transaction costs have been expensed and are included in other expenses in the interim condensed consolidated statement of profit or loss.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 34. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

#### (a) Major non-cash transactions

During the year, the Group had non-cash additions to right-of-use assets and lease liabilities of RMB33,852,000 (2024: RMB396,845,000) and RMB33,852,000 (2024: 1,024,676,000), respectively, in respect of lease arrangements for property.

During the year, there was no trade payables reclassified by the Group to interest-bearing bank and other borrowings in respect of the supplier finance arrangements (2024: nil).

#### (b) Changes in liabilities arising from financing activities

	Bank and other loans RMB' 000	Bonds RMB' 000	Lease liabilities RMB' 000	Due to related parties RMB' 000	Convertible bonds RMB' 000
At 1 January 2025	28,136,857	19,650,469	1,254,497	2,337,680	635,451
Proceeds from new borrowings	23,391,695	14,240,400	–	–	–
New leases	–	–	33,852	–	–
Foreign exchange movement	(117,639)	–	–	(31,920)	623
Repayment of borrowings	(24,258,570)	(15,417,988)	(676,153)	(300,000)	–
Disposals of subsidiaries	–	–	(34,830)	–	–
Interest expense	45,433	6,866	29,547	–	22,478
Interest paid	–	–	(29,547)	–	(14,562)
Redeemed	–	–	–	–	(643,990)
Disposals	–	–	(33,300)	–	–
At 31 December 2025	27,197,776	18,479,747	544,066	2,005,760	–

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 34. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (Continued)

#### (b) Changes in liabilities arising from financing activities (Continued)

	Bank and other loans RMB'000	Bonds RMB'000	Lease liabilities RMB'000	Due to related parties RMB'000	Convertible bonds RMB'000
At 1 January 2024	26,415,315	15,438,864	330,163	4,445,739	1,019,519
Proceeds from new borrowings	27,885,757	14,929,220	–	1,400,000	–
Increase arising from					
acquisition of subsidiaries	133,057	–	48,349	–	–
New leases	–	–	1,024,676	–	–
Foreign exchange movement	145,781	853,612	–	21,140	43,528
Repayment of borrowings	(26,469,389)	(11,576,800)	(178,121)	(3,529,199)	–
Disposals of a subsidiary	–	–	(452)	–	–
Revision of a lease term arising from a change in the non- cancellable period of a lease	–	–	(391)	–	–
Interest expense	26,336	5,573	37,156	–	15,348
Interest paid	–	–	(3,028)	–	(16,968)
Redeemed	–	–	–	–	(425,976)
Disposals	–	–	(3,855)	–	–
At 31 December 2024	28,136,587	19,650,469	1,254,497	2,337,680	635,451

#### (c) Total cash outflow for leases

The total cash outflow for leases included in the statement of cash flows is as follows:

	2025 RMB' 000	2024 RMB'000
Within operating activities	28,139	26,571
Within financing activities	705,700	181,149
	<b>733,839</b>	207,720

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 35. PLEDGED OF ASSETS

Details of the Group's assets pledged for the Group's bank loans are included in notes 20, 22 and 26 to the consolidated financial statements.

### 36. COMMITMENTS

The Group had the following contractual commitments and credit commitments at the end of the reporting period:

#### (a) Capital commitments

	2025 RMB' 000	2024 RMB'000
Contracted, but not provided for	341,648	583,684

#### (b) Credit commitments

	2025 RMB' 000	2024 RMB'000
Credit commitments	1,529,500	2,639,324

Credit commitments represent undrawn finance lease facilities agreed and granted to customers. They are conditionally revocable commitments.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 37. RELATED PARTY TRANSACTIONS

In addition to the transactions and balances in notes 20, 21, 22, 24, 25 and 26 to the consolidated financial statements, the Group had the following material transactions with related parties during the year.

#### (a) Transactions with Genertec Group and companies under Genertec Group

Genertec Group was established in 1988 and is a wholly-state-owned company. Genertec Group's businesses principally cover five sectors, including equipment manufacturing, trade and engineering contracting, pharmaceutical industry, technical services and consultancy, as well as construction and real estate. Genertec Group is the ultimate controlling shareholder of the Company.

The companies under Genertec Group which had transactions with the Group during the year are subsidiaries of Genertec Group.

##### (i) Interest income:

	2025 RMB' 000	2024 RMB'000
Genertec Finance Co., Ltd.	10,409	8,977
Genertec Hong Kong International Capital Limited	56	2,052

The interest was charged at rates ranging from 0.35% to 2.30% (2024: 0.55% to 2.70%) per annum.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 37. RELATED PARTY TRANSACTIONS (Continued)

#### (a) Transactions with Genertec Group and companies under Genertec Group (Continued)

##### (ii) Purchases of goods from related parties:

	2025 RMB' 000	2024 RMB'000
China Meheco Beijing Baitai-Borui Technology Co., Ltd.	322,824	230,298
Neusoft Medical Systems Co., Ltd.	47,023	–
Genertec Europe Temax GmbH	33,820	–
China Meheco MEDICAL Instruments & Surgical Dressings Corporation	29,110	–
Heavy Pharmaceutical Holdings (Hubei) Co., Ltd.	26,335	–
Xincheng Branch of Shaanxi Huashi Medicine Co., Ltd.	23,757	–
China Meheco Med-Tech Service Co., Ltd.	12,700	8,090
Chongqing Pharmaceutical (Group) Sichuan Medicine Co., Ltd.	12,430	–
General Technology Group Property Management Co., Ltd.	9,045	–
Handan General Pharmaceutical Co., Ltd.	8,269	4,676
Zhongyao Holdings Anhui Co., Ltd.	5,638	–
Zhongyao Holdings Shanxi Kangmeilai Pharmaceutical Co., Ltd.	5,563	–
Instrimpex International Tendering Co., Ltd.	4,975	12,037
China Xinxing Construction Engineering Co., Ltd.	3,514	83,416
Zhongyao (Liaoning) Medical Equipment Co., Ltd.	3,159	–
Genertec Group Digital Intelligent Technology Co., Ltd.	3,014	13,387
Hebei General Huachuang Medical Equipment Co., Ltd.	2,890	9,544
Shanghai Haixin Pharmaceuticals Co., Ltd.	2,464	–
General Technology Smart Cloud Shadow Technology (Beijing) Co., Ltd.	2,316	333
Chongqing Pharmaceutical (GROUP) Co., Ltd.	2,191	–
China Xinxing Construction & Development Co., Ltd.	2,036	16,635
Chongqing Pharmaceutical Group Chengdu Pharmaceutical Co., Ltd.	1,959	–
China Communications Construction Fifth Engineering Bureau Co., Ltd.	1,750	242
Zhongyao Holdings (Sichuan) Co., Ltd.	1,536	–
Zhongyao Holdings Shaanxi Pharmaceutical Co., Ltd.	1,315	–
China National Posts and Telecommunications Apparatus Beijing Co., Ltd.	1,126	132

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 37. RELATED PARTY TRANSACTIONS (Continued)

#### (a) Transactions with Genertec Group and companies under Genertec Group (Continued)

##### (ii) Purchases of goods from related parties: (Continued)

	2025 RMB' 000	2024 RMB'000
Liaoning Sanitation Service Co., Ltd.	940	–
China National Instruments Import & Export Group Corporation	833	1,677
Zhongyao Holdings (Dalian) Co., Ltd.	807	–
Chongqing Pharmaceutical Group Shaanxi Co., Ltd.	786	–
CTTC Testing & Certification Co., Ltd.	617	5
General Technology Group Beijing Yongzheng Pharmaceutical Co., Ltd.	609	369
General Technology Liaoning Pharmaceutical Co., Ltd.	530	109
Hebei General Pharmaceutical Co., Ltd.	468	1,414
Xinfangsheng Digital Intelligence Technology Co., Ltd.	417	–
China Xinxing Construction Engineering Co., Ltd. Sichuan Branch	300	8,857
General Technology Group Healthcare Holdings Co., Ltd.	298	–
General Technology Group Engineering Design Co., Ltd.	280	778
Aerospace Medical Health Technology Group Co., Ltd.	275	617
Zhongji Zhiyuan Technology Co., Ltd.	209	145
Beijing Jianheng Xingda Engineering Quality Inspection Co., Ltd.	199	88
Beijing Meikang Baite Pharmaceutical Technology Co., Ltd.	167	–
China National Posts and Telecommunications Apparatus Group Co., Ltd. Beijing Branch	148	–
China National Instruments Medical Devices (Fujian) Co., Ltd.	140	–
China National Instruments Medical Equipment Co., Ltd.	138	–
China National Technical Import and Export International Tendering Co., Ltd.	112	8
Chongqing Pharmaceutical Group Special Pharmaceutical Co., Ltd.	47	–
Xinxing Ecological Technology Co., Ltd.	26	20
China General Technology (Group) Holding Co., Ltd.	26	–
Chongqing Heping Pharmaceutical Co., Ltd.	15	–
Beijing Jinsui Technology Development Co., Ltd.	9	83

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 37. RELATED PARTY TRANSACTIONS (Continued)

#### (a) Transactions with Genertec Group and companies under Genertec Group (Continued)

##### (ii) Purchases of goods from related parties: (Continued)

	2025 RMB' 000	2024 RMB'000
China National Posts and Telecommunications Apparatus Group Co., Ltd.	8	–
Chongqing Pharmaceutical Group Henan Co., Ltd. Luoyang Branch	8	–
Chongqing Pharmaceutical Group Sichuan Supply Chain Management Co., Ltd.	5	–
Zhongyao Wanwei (Beijing) Pharmaceutical Co., Ltd.	1	–
Shenyang Machine Tool Co., Ltd.	–	1,725
Beijing Xingjia Construction Engineering Co., Ltd.	–	148
Hebei Yukang Health Technology Service Co., Ltd.	–	46
Aerospace Center Hospital	–	41
Chengdu Baoshihua Hospital Co., Ltd.	–	31
Hainan General Kangli Pharmaceutical Co., Ltd.	–	21
Hainan General Sanyang Pharmaceutical Co., Ltd.	–	19
Hubei Keyi Pharmaceutical Co., Ltd.	–	16
Beijing Minzu Garden Clinic Co., Ltd.	–	7
General Hospital of Taiyuan Iron & Steel (Group) Co., Ltd.	–	6
Shanxi Taigang Medical Co., Ltd.	–	2
China National Machinery Import and Export (Group) Co., Ltd.	–	1

The purchases from the related parties were made on terms mutually agreed between the Group and the respective parties.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 37. RELATED PARTY TRANSACTIONS (Continued)

#### (a) Transactions with Genertec Group and companies under Genertec Group (Continued)

##### (iii) Rental as a lessee:

	2025 RMB' 000	2024 RMB'000
General Technology Group Property Management Co., Ltd.	8,374	
Beijing Tongchan Ruizhi Commercial Management Co., Ltd.	8,268	–
China Xinxing Construction & Development Co., Ltd.	375	–
China National Corporation For Overseas Economic Cooperation	22	44
China General Technology (Group) Holding Company Limited	–	9,386

The rentals are charged based on terms mutually agreed between the Group and the respective parties.

##### (iv) Interest expenses:

	2025 RMB' 000	2024 RMB'000
Genertec Hong Kong International Capital Limited	91,017	115,738
China General Technology (Group) Holding Company Limited	12,764	41,372
Genertec Finance Co., Ltd.	365	152

The interest expenses were charged at rates ranging from 2.55% to 6.15% (2024: 3.50% to 7.93%) per annum.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 37. RELATED PARTY TRANSACTIONS (Continued)

#### (a) Transactions with Genertec Group and companies under Genertec Group (Continued)

##### (v) Service fees:

	2025 RMB' 000	2024 RMB'000
Beijing General Health Outpatient Department Co., Ltd.	1,531	—
China Xinxing Construction & Development Co., Ltd.	884	—
Beijing Meheco Baitai Medical Technology Co., Ltd.	850	—
Xiong'an Xinxing Rongli Urban Operation Service Co., Ltd.	790	—
Beijing Golden Harvest Science and Technology Development Co., Ltd.	600	—
Beijing Rongli Industrial Co., Ltd.	522	332
731 Hospital of China Aerospace Science and Industry Corporation	260	—
Hebei General Huachuang Medical Equipment Co., Ltd.	227	—
China International Advertising Co., Ltd.	196	—
Shenyang Machine Tool (Dongguan) Intelligent Equipment Co., Ltd.	88	—
363 Hospital	86	—
General Hospital of North China Petroleum Administration	61	—
CNTIC International Tendering Co., Ltd.	53	—
Chengdu Baoshihua Hospital Co., Ltd.	36	—
Aerospace Center Hospital	33	—
Chonggang General Hospital	29	—
Baoshihua (Hainan) Internet Hospital Co., Ltd.	26	187
Yudaishan Community Health Service Center, Jiangbei District	23	—
Chongqing Baoshihua Hospital Co., Ltd.	21	—
Hebei Yukang Health Technology Service Co., Ltd.	19	—
CTTC Testing & Certification Co., Ltd.	18	—
Kunming Aerospace Hospital	13	—
China Post & Telecommunication Equipment Corporation	8	—
General Technology Group Engineering Design Co., Ltd.	6	12
China General Technology (Group) Holding Co., Ltd.	5	1,227

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 37. RELATED PARTY TRANSACTIONS (Continued)

#### (a) Transactions with Genertec Group and companies under Genertec Group (Continued)

##### (v) Service fees: (Continued)

	2025 RMB' 000	2024 RMB'000
General Kangyang (Beijing) Co., Ltd. Changping Branch	3	–
CNIEC International Tendering Co., Ltd.	2	24
General Hospital of Taiyuan Iron & Steel (Group) Co., Ltd. (The Sixth Hospital of Shanxi Medical University, The Sixth Clinical Medical College of Shanxi Medical University)	1	–
Xinfangsheng Digital Intelligence Technology Co., Ltd.	1	–
China Post & Telecommunication Equipment Beijing Co., Ltd.	1	3
General Technology Group Property Management Co., Ltd.	–	10,916
General Technology Group Digital Intelligence Technology Co., Ltd.	–	525
General Technology Group Asset Management Co., Ltd.	–	114
General Kangyang (Beijing) Co., Ltd.	–	107
China Communications Construction Fifth Engineering Bureau Co., Ltd.	–	69
Xinxing Hotel Co., Ltd.	–	30
Baoshihua Pension Center, Qixing District, Guilin City	–	13
China General Technology Consulting & Investment Co., Ltd.	–	5
China Women's Travel Service Co., Ltd.	–	1

The service expenses were charged based on prices mutually agreed between the parties.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 37. RELATED PARTY TRANSACTIONS (Continued)

#### (a) Transactions with Genertec Group and companies under Genertec Group (Continued)

##### (vi) Sales of goods to related parties and service income:

	2025 RMB' 000	2024 RMB' 000
Genertec Europe Temax GmbH (Note)	351	–
Beijing Meikang Borui Technology Co., Ltd.	18,876	11,680
Hefei Physical Examination Center of Guozhong Health (Shanghai) Health Management Co., Ltd.	12,825	–
Shenyang Aerospace Hospital	9,302	11,268
General Medical Devices (Beijing) Co., Ltd.	7,421	3,667
Genertec Group Beijing Yongzheng Pharmaceutical Co., Ltd.	2,556	2,357
China Xinxing Construction & Development Co., Ltd.	1,948	473
Upower New Energy (LINYI) Limited	1,870	–
Shandong Electric Power Central Hospital	1,802	1,517
HUNAN AEROSPACE HOSPITAL	1,438	–
Shaanxi Huashi Pharmaceutical Co., Ltd.	803	–
Hami Baoshihua Tuha Hospital	752	–
Shenyang Guokang Hospital Branch of Guozhong Health (Liaoning) Health Technology Co., Ltd.	743	–
China Post Digital Intelligence (Xi'an) Technology Co., Ltd.	623	–
Inner Mongolia Baogang Hospital	595	–
Guozhong Health (Beijing) Supply Chain Management Co., Ltd.	562	–
Genertec Medical Xi'an Hospital	522	702
Guihang Guiyang Hospital	450	–
Chonggang General Hospital	403	–
Beijing General Health Clinic Co., Ltd.	241	–
Shanghai Electric Power Hospital	200	18,704
Beijing Branch of Baoshihua Medical Health Investment Holding Group Co., Ltd.	175	–
Beijing Minzu Garden Clinic Co., Ltd.	103	–
Genertec Medical Qinling Hospital	100	61
Shanghai Branch of Genertec Group Machine Tool Engineering Research Institute Co., Ltd.	82	81
SDIC WELLE Maqiao (Shanghai) Renewable Resources Co., Ltd.	68	–
Guihang Pingba Hospital	51	124
Panjin Baoshihua Medical & Elderly Care Center	38	6
Baoshihua Pension Center, Qixing District, Guilin City	30	13
Baoshihua Pharmaceutical Technology (Beijing) Co., Ltd.	26	–
Baoding Baoshihua Oriental Hospital	21	6
Aerospace Center Hospital	19	–
Jilin Baoshihua Jiyou Medical Health Management Co., Ltd.	19	5
Ningxia Baoshihua Hospital	19	3

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 37. RELATED PARTY TRANSACTIONS (Continued)

#### (a) Transactions with Genertec Group and companies under Genertec Group (Continued)

##### (vi) Sales of goods to related parties and service income: (Continued)

	2025 RMB' 000	2024 RMB'000
Xinji Branch of Baoshihua North China Medical Health Management Co., Ltd.	17	–
Jilin Baoshihua Health Industry Development Co., Ltd.	14	3
Chengfei Hospital	11	30
General Technology Group Health Management Technology Co., Ltd	11	10,088
Guilin Baoshihua Medical & Elderly Care Management Service Co., Ltd.	9	–
Changji Prefecture Baoshihua Hospital	8	–
China General Technology (Group) Holding Co., Ltd.	8	443
Chengdu Baoshihua Hospital Co., Ltd.	7	–
Xi'an Electric Power Central Hospital	6	15
CNIEC International Tendering Co., Ltd.	5	–
363 Hospital	4	161
Baoshihua (Hainan) Internet Hospital Co., Ltd.	1	1
China National Instruments Import & Export Corporation	–	2,644
Beijing Rongli Industrial Co., Ltd.	–	188
China Xinxing Construction Engineering Co., Ltd.	–	144
Guihang Anshun Hospital	–	86
China Xinxing Mining & Chemical Co., Ltd.	–	36
Liaoning Electric Power Central Hospital	–	24
Beijing Jianheng Xingda Engineering Quality Inspection Co., Ltd.	–	18
Beijing Dapeng Logistics Service Co., Ltd.	–	9

The sales of goods and service income were made based on prices mutually agreed between the parties.

Note: This balance comprises financial lease interest only, with the related principal amounting to RMB29,647 thousand.

**37. RELATED PARTY TRANSACTIONS (Continued)****(a) Transactions with Genertec Group and companies under Genertec Group (Continued)****(vii) Capital commitments:**

	2025 RMB' 000	2024 RMB'000
China Xinxing Construction Engineering Co., Ltd.	25,055	9,333
Beijing Meikang Borui Technology Co., Ltd.	1,380	–
Parkvin Engineering Technical Consulting Co., Ltd.	35	–
China Xinxing Construction & Development Co., Ltd.	–	40,368
Beijing Xingjia Construction Engineering Co., Ltd.	–	960
Genertec Group Engineering Design Co., Ltd.	–	176

The related party transactions in respect of items (i), (ii), (iii), (v), (vi), and (vii) above also constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules.

**(b) Significant transactions with other government-related entities**

The largest shareholder of the Company is a state-owned enterprise. In accordance with HKAS 24 Related Party Disclosures, government-related entities include entities that are directly or indirectly controlled, jointly controlled or significantly influenced by the PRC government. On this basis, related parties include other government-related entities, in addition to Genertec Group and companies under Genertec Group.

During the year, the Group's significant transactions with other government-related entities constituted a large portion of the finance lease services and advisory services. In addition, substantially all restricted cash, time deposits, cash and cash equivalents and borrowings as at 31 December 2025 and 2024 and the relevant interest earned and paid during the years were transacted with banks and other financial institutions which are controlled by the PRC government.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 37. RELATED PARTY TRANSACTIONS (Continued)

#### (c) Transactions and balances with a company under CITIC Capital Holdings Limited

CITIC Capital Holdings Limited is one of the major shareholders of the Company. CCP Leasing II Limited is the subsidiary of CITIC Capital Holdings Limited. CCP Leasing II Limited, as subscriber, completed the subscription of the guaranteed convertible bonds in an aggregate principal amount of USD150,000,000 on 25 March 2021. During the year ended 31 December 2025, the remaining USD90 million of the Bonds were converted into 122,665,263 ordinary shares of the Company on 12 November 2025. As at 31 December 2025, the principal amount of the convertible bonds was USDnil (As at 31 December 2024: USD90,000,000). The interest payment was RMB14,562,000 during the year ended 31 December 2025 (2024: RMB16,968,000).

#### (d) Transactions with associates

##### (i) Interest expense:

	2025 RMB' 000	2024 RMB'000
Genertec Group Healthcare Digital Technology (Beijing) Co., Ltd.	12	4,016

The interest expenses were charged at a rate of 3.20% per annum.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 37. RELATED PARTY TRANSACTIONS (Continued)

#### (d) Transactions with associates (Continued)

##### (ii) Sales of goods to related parties and service income:

	2025 RMB' 000	2024 RMB'000
Beijing Mili Zhongkang Senior Care Technology Co., Ltd.	14,369	1,470
Genertec Group Healthcare Digital Technology (Beijing) Co., Ltd.	2,935	4,560
Tiandi Qingniao (Xiamen) Senior Care Service Co., Ltd.	559	98
Zunyi City Qingniao Jiale Health and Elderly Care Service Co., Ltd.	317	190
Qingniao Shouer kang (Chongqing) Senior Care Service Co., Ltd.	13	4
Beijing Tongrentang Anshan Traditional Chinese Medicine Hospital Co., Ltd.	–	895

The sales of goods and service income were charged based on prices mutually agreed between the parties.

##### (iii) Purchase of goods:

	2025 RMB' 000	2024 RMB'000
Genertec Group Healthcare Digital Technology (Beijing) Co., Ltd.	16,013	39,995
Baotou Gangxing Qingniao Elderly Care Service Co., Ltd.	889	
Beijing Mili Zhongkang Elderly Care Technology Co., Ltd.	679	
Zunyi Qingniao Jiale Health Service Co., Ltd.	602	
Beijing Tongrentang Anshan Traditional Chinese Medicine Hospital Co., Ltd.	–	7

The purchases were made on terms mutually agreed between the Group and the respective parties.

The related party transactions with Genertec Group Healthcare Digital Technology (Beijing) Co., Ltd. in respect of items ((ii) and (iii) above also constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 37. RELATED PARTY TRANSACTIONS (Continued)

#### (e) Compensation of key management personnel:

	2025 RMB' 000	2024 RMB' 000
Short-term employee benefits	15,029	15,636

### 38. OTHER EQUITY INSTRUMENTS

CULC issued the first tranche of the bonds (the "2023 T1 Bonds") of the renewable corporate bond with a total principal amount of RMB300,000,000, with a basic term of two years from 27 March 2023. The 2023 T1 Bonds are with an initial distribution rate of 4.80% per annum. The issue price is RMB100 per bond, which is equal to 100% of the principal value of the 2023 T1 Bonds. The 2023 T1 Bonds have been fully redeemed on 13 March 2025.

CULC issued the second tranche of the bonds (the "2023 T2 Bonds") of the renewable corporate bond with a total principal amount of RMB600,000,000, with a basic term of two years from 29 June 2023. The 2023 T2 Bonds are with an initial distribution rate of 4.30% per annum. The issue price is RMB100 per bond, which is equal to 100% of the principal value of the 2023 T2 Bonds. The 2023 T2 Bonds have been fully redeemed on 17 June 2025.

CULC issued the third tranche of the bonds (the "2023 T3 Bonds") of the renewable corporate bond with a total principal amount of RMB500,000,000, with a basic term of one year from 7 September 2023. The 2023 T3 Bonds are with an initial distribution rate of 3.38% per annum. The issue price is RMB100 per bond, which is equal to 100% of the principal value of the 2023 T3 Bonds. The 2023 T3 Bonds have been fully redeemed on 5 September 2024.

CULC issued the first tranche of the notes (the "2023 T1 Notes") of the perpetual medium-term notes with a total principal amount of RMB250,000,000, with a basic term of two years from 27 December 2023. The 2023 T1 Notes are with an initial distribution rate of 3.75% per annum. The issue price is RMB100 per note, which is equal to 100% of the principal value of the 2023 T1 Notes. The 2023 T1 Notes have been fully redeemed on 23 December 2025.

CULC issued the first tranche of the bonds (the "2024 T1 Bonds") of the renewable corporate bond with a total principal amount of RMB500,000,000, with a basic term of three years from 19 April 2024. The 2024 T1 Bonds are with an initial distribution rate of 2.99% per annum. The issue price is RMB100 per note, which is equal to 100% of the principal value of the 2024 T1 Bonds.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*For the year ended 31 December 2025*

### 38. OTHER EQUITY INSTRUMENTS (Continued)

CULC issued the first tranche of the bonds (the “2025 T1 Bonds”) of the renewable corporate bond with a total principal amount of RMB300,000,000, with a basic term of two years from 7 March 2025. The 2025 T1 Bonds are with an initial distribution rate of 2.68% per annum. The issue price is RMB100 per note, which is equal to 100% of the principal value of the 2025 T1 Bonds.

CULC issued the second tranche of the bonds (the “2025 T2 Bonds”) of the renewable corporate bond with a total principal amount of RMB550,000,000, with a basic term of three years from 7 August 2025. The 2025 T2 Bonds are with an initial distribution rate of 2.35% per annum. The issue price is RMB100 per note, which is equal to 100% of the principal value of the 2025 T2 Bonds.

CULC issued the third tranche of the bonds (the “2025 T3 Bonds”) of the renewable corporate bond with a total principal amount of RMB300,000,000, with a basic term of one year from 27 October 2025. The 2025 T3 Bonds are with an initial distribution rate of 2.05% per annum. The issue price is RMB100 per note, which is equal to 100% of the principal value of the 2025 T3 Bonds.

CULC is entitled, at the end of the agreed basic term and each extended period, to an option to extend the term of the bonds. Distributions of the renewable bonds may be paid annually and may be deferred at the discretion of CULC unless a compulsory distribution payment event (including distributions to the shareholders of CULC) has occurred. Following a deferral, arrears of distributions are cumulative. As the Group has no contractual obligation to deliver cash or another financial asset, or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Group, the Group classified the renewable corporate bonds issued as equity instruments.

For the year ended 31 December 2025, the profits attributable to holders of the renewable corporate bonds based on the applicable distribution rates were RMB52,188,000 (For the year ended 31 December 2024: RMB72,217,000) and the distribution made by the Group to the holders of the renewable corporate bonds was RMB64,525,000 (For the year ended 31 December 2024: RMB66,475,000).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 39. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of each reporting period are as follows:

2025

	RMB' 000
<b>Financial assets</b>	
Financial assets at amortised cost:	
Loans and accounts receivables	70,022,291
Financial assets included in prepayments, other receivables and other assets	572,122
Restricted deposits and time deposits	621,685
Cash and cash equivalents	2,107,784
Financial assets at fair value through profit or loss:	
Derivative financial instruments	–
Financial assets at fair value through profit or loss	20,000
Financial assets at fair value through other comprehensive income:	
Debt investments at fair value through other comprehensive income	9,701
Equity investments designated at fair value through other comprehensive income	2,778
Hedging instruments designated as cash flow hedges:	
Derivative financial instruments designated as cash flow hedges	93,403
<b>Total</b>	<b>73,449,764</b>
<b>Financial liabilities</b>	
Financial liabilities at amortised cost:	
Trade and bills payables	2,904,927
Financial liabilities included in other payables and accruals	5,734,567
Convertible bonds – host debts	–
Interest-bearing bank and other borrowings	48,227,349
Financial liabilities at fair value through profit or loss:	
Derivative financial instruments	7,979
Financial liabilities at fair value through profit or loss	22,240
Hedging instruments designated as cash flow hedges:	
Derivative financial instruments designated as cash flow hedges	102,031
<b>Total</b>	<b>56,999,093</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 39. FINANCIAL INSTRUMENTS BY CATEGORY (Continued)

The carrying amounts of each of the categories of financial instruments as at the end of each reporting period are as follows: (Continued)

2024

	RMB'000
<b>Financial assets</b>	
Financial assets at amortised cost:	
Loans and accounts receivables	71,577,284
Financial assets included in prepayments, other receivables and other assets	507,082
Restricted deposits and time deposits	833,960
Cash and cash equivalents	2,379,306
Financial assets at fair value through profit or loss:	
Derivative financial instruments	85,673
Financial assets at fair value through profit or loss	20,500
Financial assets at fair value through other comprehensive income:	
Debt investments at fair value through other comprehensive income	782
Equity investments designated at fair value through other comprehensive income	2,778
Hedging instruments designated as cash flow hedges:	
Derivative financial instruments designated as cash flow hedges	217,531
<b>Total</b>	<b>75,624,896</b>
<b>Financial liabilities</b>	
Financial liabilities at amortised cost:	
Trade and bills payables	2,775,795
Financial liabilities included in other payables and accruals	1,262,323
Convertible bonds – host debts	635,451
Interest-bearing bank and other borrowings	51,379,503
Financial liabilities at fair value through profit or loss:	
Derivative financial instruments	172
Financial liabilities at fair value through profit or loss	75,333
Hedging instruments designated as cash flow hedges:	
Derivative financial instruments designated as cash flow hedges	7,207
<b>Total</b>	<b>56,135,784</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 40. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

#### Financial instruments not measured at fair value

Financial assets and liabilities not presented at their fair value on the statement of financial position mainly represent cash and cash equivalents, restricted deposits and time deposits, loans and accounts receivables, financial assets included in other receivables, trade and bills payables, financial liabilities included in other payables and accruals, convertible bonds-host debts, and interest-bearing bank and other borrowings.

***Cash and bank balances, restricted deposits, accounts receivable, notes receivable, current portion of financial assets included in other receivables, trade and bills payables, short-term borrowings and current portion of financial liabilities included in other payables and accruals***

Substantially all of the financial assets and liabilities mature within one year from the end of each reporting period and their carrying values approximate to their fair values.

***Lease receivables, receivables arising from sale-and-leaseback arrangements, factoring receivables, interest-bearing bank and other borrowings excluding bonds issued and short-term borrowings***

Substantially all of the interest-bearing bank and other borrowings, excluding bonds issued and short-term borrowings, are on floating rate terms, bear interest at prevailing market interest rates, and their carrying values approximate to their fair values. For loans and accounts receivables with long-term remaining maturities, the applied interest rates approximate to prevailing market interest rates and their carrying values approximate to their fair value.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 40. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

#### Financial instruments not measured at fair value (Continued)

##### ***Bonds issued and Convertible bonds – host debts***

The fair values of the bonds and convertible bonds – host debts are calculated based on quoted market prices or a discounted cash flow model that is used based on a current yield curve appropriate for the remaining term to maturity.

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

	Carrying amounts		Fair values	
	2025 RMB' 000	2024 RMB' 000	2025 RMB' 000	2024 RMB' 000
Bonds issued	<b>18,479,747</b>	19,650,469	<b>18,710,522</b>	19,810,405
Convertible bonds – host debts	–	635,451	–	624,171
	<b>18,479,747</b>	20,285,920	<b>18,710,522</b>	20,434,576

##### ***Non-current portion of financial assets included in other receivables and non-current portion of financial liabilities included in other payables and accruals.***

The fair values of the non-current portion of financial assets included in other receivables and the non-current portion of financial liabilities included in other payables and accruals have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The differences between the carrying amounts and fair values of those financial assets and liabilities are not significant.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 40. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

#### Financial instruments measured at fair value (Continued)

##### ***Interest rate swap contracts***

The Group enters into several derivative financial instrument contracts with several counterparties. The interest rate swaps are measured using valuation techniques similar to the present value calculations of the swap models, which incorporate various market observable inputs including the credit quality of the counterparty and yield curves.

##### ***Forward currency contracts***

The Group enters into several derivative financial instrument contracts with several counterparties. The foreign exchange rate swaps are measured using valuation techniques similar to the present value calculations of the forward pricing, which incorporate various market observable inputs.

##### ***Cross-currency interest rate swaps***

The Group enters into one derivative financial instrument contracts with one counterparty. The cross-currency interest rate swaps are measured using valuation techniques similar to the present value calculations of the forward pricing and swap models, which incorporate various market observable inputs.

##### ***Financial assets at fair value through profit or loss***

The valuations of the financial assets at fair value through profit or loss were based on information known to the Group and market conditions existing at the end of the reporting period. The fair values were determined by using appropriate valuation techniques. Valuation techniques include using recent arm's length market transactions, referring to the current market value of another instrument that is substantially the same and making as much use of available and supportable market data as possible.

## 40. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

### Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair values of financial instruments:

- Level 1: Fair value measurements are those derived from quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2: Fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 40. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

#### Fair value hierarchy (Continued)

#### *Assets and liabilities measured at fair value:*

As at 31 December 2025

	Level 1 RMB' 000	Level 2 RMB' 000	Level 3 RMB' 000	Total RMB' 000
Financial assets at fair value through profit or loss	–	–	20,000	20,000
Debt investments at fair value through other comprehensive income	–	9,701	–	9,701
Equity investments designated at fair value through other comprehensive income	–	–	2,778	2,778
Derivative financial assets				
– Forward currency contracts	–	92,930	–	92,930
– Interest rate swap contracts	–	473	–	473
		103,104	22,778	125,882
Derivative financial assets				
– Forward currency contracts	–	(55,271)	–	(55,271)
– Interest rate swap contracts	–	(38,893)	–	(38,893)
– Cross-currency interest rate swaps	–	(15,846)	–	(15,846)
Financial liabilities at fair value through profit or loss	–	(22,240)	–	(22,240)
	–	(132,250)	–	(132,250)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 40. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

#### Fair value hierarchy (Continued)

##### *Assets and liabilities measured at fair value: (Continued)*

As at 31 December 2024

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Financial assets at fair value through profit or loss	–	500	20,000	20,500
Debt investments at fair value through other comprehensive income	–	782	–	782
Equity investments designated at fair value through other comprehensive income	–	–	2,778	2,778
Derivative financial assets				
– Forward currency contracts	–	247,457	–	247,457
– Interest rate swap contracts	–	52,254	–	52,254
– Cross-currency interest rate swaps	–	3,493	–	3,493
	–	304,486	22,778	327,264
Derivative financial assets				
– Forward currency contracts	–	(1,559)	–	(1,559)
– Interest rate swap contracts	–	(5,820)	–	(5,820)
Financial liabilities at fair value through profit or loss	–	(75,333)	–	(75,333)
	–	(82,712)	–	(82,712)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 40. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

#### Fair value hierarchy (Continued)

##### *Liabilities for which fair values are disclosed:*

As at 31 December 2025

	Level 1 RMB' 000	Level 2 RMB' 000	Level 3 RMB' 000	Total RMB' 000
Bonds issued	18,710,522	–	–	18,710,522

As at 31 December 2024

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Bonds issued	19,810,405	–	–	19,810,405
Convertible bonds – host debts	–	624,171	–	624,171
	19,810,405	624,171	–	20,434,576

During the year ended 31 December 2025, there were no transfers of fair value measurement between Level 1 and Level 2 and no transfers into or out of Level 3 (2024: Nil).

### 41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise loans and accounts receivables, trade and bills payables, interest-bearing bank and other borrowings, cash and short term deposits, and derivative financial instruments. The main purpose of interest-bearing bank and other borrowings is to finance the Group's operations while other financial assets and liabilities such as loans and accounts receivables and trade and bills payables are directly related to the Group's operating activities.

The Group also enters into derivative transactions, including principally interest rate swap contracts, forward currency contracts, and cross-currency interest rate swaps. The purpose is to manage the interest rate and currency risks arising from the Group's operations and its sources of finance.

The main risks arising from the Group's financial instruments are interest rate risk, currency risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks.

#### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's interest-bearing bank and other borrowings and loans and accounts receivables. The Group aims to mitigate such risks by reducing future variability in cash flows or fair value, while balancing the cost of such risk mitigation measure.

The table below demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, to the Group's profit before tax.

The sensitivity of the profit before tax is the effect of the assumed changes in interest rates on profit before tax, based on the financial assets and financial liabilities held at the end of each reporting period subject to repricing within the coming year.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

#### Interest rate risk (Continued)

	Increase/(decrease) in profit before tax as at 31 December	
	2025 RMB' 000	2024 RMB' 000
Change in basis points		
+ 100 basis points	(103,826)	(104,359)
– 100 basis points	103,826	104,359

The interest rate sensitivity set out in the table above is for illustration only and is based on simplified scenarios. The figures represent the effect of the pro forma movements in profit before tax based on the projected yield curve scenarios and the Group's current interest rate risk profile. This effect, however, does not incorporate actions that would be taken by management to mitigate the impact of interest rate risk. The projections above also assume that interest rates of financial instruments with different maturities move by the same amount and, therefore, do not reflect the potential impact on profit before tax in the case where some rates change while others remain unchanged.

#### Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange relates primarily to the operating activities of the Group (when receipt or payment is settled using a currency that is different from the functional currency).

The Group conducts its businesses mainly in RMB, with certain transactions denominated in United States dollar, and to a lesser extent, other currencies. The Group's exposure to treasury operations mainly arises from its transactions in currencies other than RMB. The Group seeks to limit its exposure to foreign currency risk by minimising its net foreign currency position. For example, the Group enters into cross currency interest rate swaps and forward currency contracts to mitigate the currency risk arising from variable cash flows of some of its foreign currency floating rate loans (see Note 18).

The exchange rate of RMB to the United States dollar ("USD") is managed under a floating exchange rate system. The Hong Kong dollar ("HKD") exchange rate has been pegged to USD and therefore the exchange rate of RMB to HKD has fluctuated in line with the changes in the exchange rate of RMB to USD.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

#### Currency risk (Continued)

The table below is a sensitivity analysis of exchange rate changes of the currencies to which the Group had significant exposure on its monetary assets and liabilities and its forecast cash flows. The analysis shows the effect of a reasonably possible movement in the currency rate against RMB, with all other variables held constant, on profit before tax. This effect, however, was based on the assumption that the Group's foreign exchange exposures as at the end of each reporting period were kept unchanged and, therefore, have not incorporated actions that would be taken by the Group to mitigate the adverse impact of this foreign exchange risk.

	Increase/ (decrease) in foreign exchange rate	Increase/(decrease) in profit before tax as at 31 December	
		2025 RMB' 000	2024 RMB'000
	%		
<b>Currency</b>			
If RMB strengthens against USD/HKD	(1)	<b>640</b>	1,562
If RMB weakens against USD/HKD	1	<b>(640)</b>	(1,562)

#### Credit risk

The Group uses a set of criteria to assess the likelihood of repayment by the borrower and the collectability of principal and interest on the interest earning assets of the Group. Interest-earning assets classification criteria of the Group include the following criteria:

Category	Description
Pass	The debtor is able to fulfil the contract, and there is no objective evidence indicating the debtor is not able to repay the principal and interests in full on time.
Special Mention	Although there exists some factors that might have adverse impacts on the debtor's ability in performing the contract, the debtor is currently able to repay the principal and interests.
Substandard	The debtor is not able to repay the principal and interests in full, and the interest-earning assets have been credit-impaired.
Doubtful	The debtor is not able to repay the principal and interests in full, and the interest-earning assets have been significantly credit-impaired.
Loss	After taking all possible measures, only very little or none of the principal and interests could be recovered.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

#### Credit risk (Continued)

Credit risk is the risk of loss arising from a lessee's or counterparty's inability to meet its obligations.

The Group enters into transactions only with the recognised and creditworthy third parties. In accordance with the policy of the Group, the Group examines and verifies the credit risk of all customers that the Group has credit transactions with. Besides, the Group monitors and controls the loans and accounts receivables regularly to mitigate the risk of significant exposure from bad debts.

Other financial assets of the Group include cash and bank deposits, accounts receivable, notes receivable, derivative financial instruments, financial assets at fair value through profit or loss, equity investments designated at fair value through other comprehensive income, and financial assets included in other receivables. The credit risk of these financial assets arises from the counterparty's inability to meet its obligations. The maximum exposure to credit risk is equal to the carrying amounts of these assets.

Credit risk is often greater when lessees are concentrated in one single industry or geographical location or have comparable economic characteristics. Customers of the Group are diversely located in the Chinese Mainland. Lessees of the Group are from different industries as follows:

	As at 31 December 2025		As at 31 December 2024	
	RMB' 000	%	RMB'000	%
<b>Interest-earning assets</b>				
Healthcare	<b>6,902,415</b>	<b>10</b>	8,303,649	12
Urban public utility	<b>48,254,781</b>	<b>69</b>	54,633,286	76
Cultural tourism	<b>4,677,200</b>	<b>7</b>	2,823,243	4
Project construction	<b>3,456,198</b>	<b>5</b>	1,954,943	3
Chemical equipment	<b>1,744,709</b>	<b>2</b>	47,807	1
Others	<b>4,578,886</b>	<b>7</b>	3,514,491	4
	<b>69,614,189</b>	<b>100</b>	71,277,419	100
Less: provision for interest-earning assets	<b>2,340,614</b>		2,122,906	
Net	<b>67,273,575</b>		69,154,513	

As the customers of the Group are widely dispersed and are engaged in different industries, there is no significant credit risk concentration within the Group.

## 41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

### Credit risk (Continued)

#### *Maximum exposure and year-end staging*

The tables below show the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on the customers' creditworthiness unless other information is available without undue cost or effort, and year-end staging classification as at 31 December. The amounts presented are gross carrying amounts for financial assets.

#### **As at 31 December 2025**

	Stage I (12-month ECLs) RMB' 000	Stage II (Lifetime ECLs) RMB' 000	Stage III (Lifetime ECLs – impaired) RMB' 000	Simplified approach RMB' 000	Total RMB' 000
Account receivable	–	–	–	2,746,794	2,746,794
Contract assets	–	–	–	8,845	8,845
Notes receivable*	1,922	–	–	–	1,922
Interest-earning assets	61,112,284	5,908,445	252,846	–	67,273,575
Financial assets included in prepayments, other receivables and other assets	567,254	3,477	1,391	–	572,122
Restricted deposits	621,685	–	–	–	621,685
Cash and cash equivalents	2,107,784	–	–	–	2,107,784
<b>Total</b>	<b>64,410,929</b>	<b>5,911,922</b>	<b>254,237</b>	<b>2,755,639</b>	<b>73,332,727</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

#### Credit risk (Continued)

##### Maximum exposure and year-end staging (Continued)

As at 31 December 2024

	Stage I (12-month ECLs) RMB'000	Stage II (Lifetime ECLs) RMB'000	Stage III (Lifetime ECLs – impaired) RMB'000	Simplified approach RMB'000	Total RMB'000
Account receivable	–	–	–	2,410,768	2,410,768
Contract assets	–	–	–	4,519	4,519
Notes receivable*	12,785	–	–	–	12,785
Interest-earning assets	61,993,539	6,822,350	338,624	–	69,154,513
Financial assets included in prepayments, other receivables and other assets	495,803	9,376	1,903	–	507,082
Restricted deposits	833,960	–	–	–	833,960
Cash and cash equivalents	2,379,306	–	–	–	2,379,306
<b>Total</b>	<b>65,715,393</b>	<b>6,831,726</b>	<b>340,527</b>	<b>2,415,287</b>	<b>75,302,933</b>

\* includes notes receivable classified as debt investments at fair value through other comprehensive income

Note:

Among which, all the financial assets in stage 1 are credit rated as Pass.

As 31 December 2025, no “Pass” assets were past due over 30 days and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition.

When the lease payment for a period is past due by one day as at each reporting date, the whole interest-earning assets is classified as past due.

#### Liquidity risk

The Group manages its liquidity risk through maintaining flexibility in funding by keeping sufficient available loan facilities or loan commitments provided by banks and other financial institutions, making projections of future cash flows and evaluating the appropriate net current asset/liability position, and maintaining an efficient internal fund transfer mechanism within the Group.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

#### Liquidity risk (Continued)

The tables below summarise the maturity profile of the Group's financial assets and liabilities based on the contractual undiscounted cash flows:

	As at 31 December 2025						Total RMB' 000
	On demand RMB' 000	Less than 3 months RMB' 000	3 to less than 12 months RMB' 000	1 to 5 years RMB' 000	Over 5 years RMB' 000	Undated RMB' 000	
<b>Financial assets:</b>							
Loans and accounts receivables	689,503	9,089,965	24,445,525	43,744,515	7,885	-	77,977,393
Financial assets included in prepayments, other receivables and other assets	-	3,661	568,461	-	-	-	572,122
Restricted deposits	-	340,107	219,622	63,982	-	-	623,711
Derivative financial assets	-	-	-	93,403	-	-	93,403
Financial assets at fair value through profit or loss	-	-	-	-	20,000	-	20,000
Debt investments at fair value through other comprehensive income	-	9,701	-	-	-	-	9,701
Equity investments designated at fair value through other comprehensive income	-	-	-	-	-	2,778	2,778
Cash and cash equivalents	2,107,784	-	-	-	-	-	2,107,784
<b>Total financial assets</b>	<b>2,797,287</b>	<b>9,443,434</b>	<b>25,233,608</b>	<b>43,901,900</b>	<b>27,885</b>	<b>2,778</b>	<b>81,406,892</b>
<b>Financial liabilities</b>							
Trade and bills payables	-	283,094	2,621,833	-	-	-	2,904,927
Financial liabilities included in other payables and accruals	1,464,603	321,695	874,814	2,961,753	111,702	-	5,734,567
Derivative financial liabilities	-	63,073	6,194	40,743	-	-	110,010
Financial liabilities at fair value through profit or loss	-	-	22,240	-	-	-	22,240
Convertible bonds – host debts	-	-	-	-	-	-	-
Interest-bearing bank and other borrowings	-	8,844,374	11,963,331	28,961,372	637,765	-	50,406,842
<b>Total financial liabilities</b>	<b>1,464,603</b>	<b>9,512,236</b>	<b>15,488,412</b>	<b>31,963,868</b>	<b>749,467</b>	<b>-</b>	<b>59,178,586</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

#### Liquidity risk (Continued)

The tables below summarise the maturity profile of the Group's financial assets and liabilities based on the contractual undiscounted cash flows: (Continued)

	As at 31 December 2024						
	On demand RMB'000	Less than 3 months RMB'000	3 to less than 12 months RMB'000	1 to 5 years RMB'000	Over 5 years RMB'000	Undated RMB'000	Total RMB'000
<b>Financial assets:</b>							
Loans and accounts receivables	298,140	10,260,906	22,940,096	48,073,288	–	–	81,572,430
Financial assets included in prepayments, other receivables and other assets	–	104,816	402,266	–	–	–	507,082
Restricted deposits	–	479,285	45,432	341,780	–	–	866,497
Derivative financial assets	–	133,395	26,796	143,013	–	–	303,204
Financial assets at fair value through profit or loss	–	–	500	–	20,000	–	20,500
Debt investments at fair value through other comprehensive income	–	782	–	–	–	–	782
Equity investments designated at fair value through other comprehensive income	–	–	–	–	–	2,778	2,778
Cash and cash equivalents	2,379,306	–	–	–	–	–	2,379,306
<b>Total financial assets</b>	<b>2,677,446</b>	<b>10,979,184</b>	<b>23,415,090</b>	<b>48,558,081</b>	<b>20,000</b>	<b>2,778</b>	<b>85,652,579</b>
<b>Financial liabilities</b>							
Trade and bills payables	–	357,272	2,418,523	–	–	–	2,775,795
Financial liabilities included in other payables and accruals	91,613	226,744	1,244,316	3,980,360	13,000	–	5,556,033
Derivative financial liabilities	–	500	–	6,879	–	–	7,379
Financial liabilities at fair value through profit or loss	–	555	2,445	86,902	–	–	89,902
Convertible bonds – host debts	–	10,783	10,783	646,956	–	–	668,522
Interest-bearing bank and other borrowings	–	9,848,128	13,839,081	30,247,020	926,856	–	54,861,085
<b>Total financial liabilities</b>	<b>91,613</b>	<b>10,443,982</b>	<b>17,515,148</b>	<b>34,968,117</b>	<b>939,856</b>	<b>–</b>	<b>63,958,716</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

#### Liquidity risk (Continued)

The table below summarises the maturity profile of the Group's credit commitments based on contractual undiscounted cash flows:

	As at 31 December	
	2025 RMB' 000	2024 RMB' 000
Credit commitments:		
Less than 3 months	1,529,500	2,389,324
3 to 12 months	–	250,000
<b>Total</b>	<b>1,529,500</b>	<b>2,639,324</b>

#### Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust dividend payments to shareholders, return capital to shareholders, raise new debt or issue new shares. No changes were made to the objectives, policies or processes for managing capital during the year.

The Group monitors capital using a gearing ratio, which is calculated as bank and other borrowings divided by total equity. The gearing ratios as at the end of the reporting date were as follows:

#### Group

	As at 31 December	
	2025 RMB' 000	2024 RMB' 000
Bank and other borrowing (Note 26)	48,227,349	52,014,954
Total equity	25,038,977	22,869,745
<b>Gearing ratio</b>	<b>1.93</b>	<b>2.27</b>

CULC and Genertec Universal International Financial Leasing (Tianjin) Co., Ltd. ("TJLeasing")

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

#### Capital management (Continued)

##### Group (Continued)

The primary objective of the capital management of CULC and TJ-Leasing, principal subsidiaries of the Group located in Chinese Mainland, is to ensure that they comply with the regulatory requirements of the Ministry of Commerce of the PRC (the "MOFCOM") in addition to the general requirements that are relevant to the Group. In accordance with the "Administration of Foreign Investment in the Leasing Industry" promulgated by the MOFCOM on 3 February 2005, the "Interim Measures for the Supervision and Management of Financial Leasing Companies" issued by the CBIRC on 26 May 2020 and other relevant laws and regulations, CULC and TJ-Leasing have set up appropriate business development and capital management programs and established a comprehensive evaluation system. They actively adjust the capital structure in light of changes in the market and the risks confronted by adjusting their dividend policy or financing channels. During the year, there were no significant changes in the policies or processes for managing the capital of CULC and TJ-Leasing.

In accordance with the aforementioned requirements, CULC and TJ-Leasing should maintain their risk assets ("Risk Assets") within 8 times of their equity. The Risk Assets shall be determined on the basis of the total assets less cash. The calculations of the ratios of the Risk Assets to equity as at each reporting date were as follows:

##### CULC

	As at 31 December	
	2025 RMB' 000	2024 RMB'000
Total assets	<b>53,003,676</b>	57,384,975
Less: Cash and cash equivalents	<b>(727,600)</b>	(1,182,112)
Total risk assets	<b>52,276,076</b>	56,202,863
Equity	<b>11,987,851</b>	11,641,706
Ratio of risk assets to equity	<b>4.36</b>	4.83

## 41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

### Capital management (Continued)

#### TJ-Leasing

	As at 31 December	
	2025 RMB' 000	2024 RMB' 000
Total assets	<b>32,639,601</b>	35,680,965
Less: Cash and cash equivalents	<b>(696,659)</b>	(725,364)
Total risk assets	<b>31,942,942</b>	34,955,601
Equity	<b>8,246,914</b>	7,240,301
Ratio of risk assets to equity	<b>3.87</b>	4.83

## 42. TRANSFERES OF FINANCIAL ASSETS AND INTERESTS IN THE UNCONSOLIDATED STRUCTURED ENTITIES

The Group enters into securitisation transactions in the normal course of business whereby it transfers loans and accounts receivables to special purpose entities. These special purpose entities are structured entities established with the narrow and well-defined objectives to provide investors opportunities to invest in those loans and accounts receivables and they generally finance the purchase of the loans and accounts receivables by issuing asset-backed securities to investors. The Group assessed and determined that those structured entities need not be consolidated as the Group has no control over them.

The Group may hold some subordinated tranches of those asset-backed securities and accordingly may retain portions of the risks and rewards of the transferred loans and accounts receivables. The Group would determine whether or not to derecognise the transferred loans and accounts receivables mainly by evaluating the extent to which it retains the risks and rewards of the transferred assets.

During the year ended 31 December 2025, the Group did not transfer loans and accounts receivable to the unconsolidated structured entity, consequently, no such assets were qualified for full derecognition (2024: Nil).

As at 31 December 2025, the balance of subordinated tranches of asset-backed securities held by the Group amounted to RMB500,000 (2024: Nil).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 43. EVENTS AFTER THE REPORTING PERIOD

On 5 February 2026, CULC issued the first tranche of the bonds (the “2026 T1 Bonds”) of the renewable corporate bond with a total principal amount of RMB1,000,000,000, with a basic term of five years from 5 February 2026. The 2026 T1 Bonds are with an initial distribution rate of 2.12% per annum. The issue price is RMB100 per note, which is equal to 100% of the principal value of the 2026 T1 Bonds.

### 44. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

	2025 RMB' 000	2024 RMB'000
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	33,966	204
Prepayments, other receivables and other assets	5,256,146	5,749,536
Investments in subsidiaries	6,865,858	6,630,858
Right-of-use assets	1,933	471
Derivative financial instruments	9,792	90,295
<b>Total non-current assets</b>	<b>12,167,695</b>	12,471,364
<b>CURRENT ASSETS</b>		
Prepayments, other receivables and other assets	2,939,492	4,851,610
Dividends receivable from a subsidiary	399,000	579,500
Derivative financial instruments	–	10,287
Cash and cash equivalents	6,561	42,930
<b>Total current assets</b>	<b>3,345,053</b>	5,484,327
<b>CURRENT LIABILITIES</b>		
Trade payables	712	277
Other payables and accruals	34,887	45,413
Interest-bearing bank and other borrowings	2,704,452	4,388,593
Derivative financial instruments	1,686	500
<b>Total current liabilities</b>	<b>2,741,737</b>	4,434,783
<b>NET CURRENT ASSETS</b>	<b>603,316</b>	1,049,544
<b>TOTAL ASSET LESS CURRENT LIABILITIES</b>	<b>12,771,011</b>	13,520,908

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 44. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

Information about the statement of financial position of the Company at the end of the reporting period is as follows: (Continued)

	2025 RMB' 000	2024 RMB'000
<b>NON-CURRENT LIABILITIES</b>		
Interest-bearing bank and other borrowing	<b>6,122,555</b>	7,405,032
Derivative financial instruments	<b>40,742</b>	5,320
<b>Net assets</b>	<b>6,607,714</b>	6,110,556
<b>EQUITY</b>		
Share capital	<b>5,983,893</b>	5,297,254
Reserves (note)	<b>623,821</b>	813,302
Total equity	<b>6,607,714</b>	6,110,556

Chen Shisu  
Director

Wang Wenbing  
Director

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

### 44. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

Note:

A summary of the Company's reserves is as follows:

	Capital reserve RMB' 000	Hedge reserve RMB' 000	Retained profits RMB' 000	Share-based compensation reserves RMB' 000	Total RMB' 000
Balance at 1 January 2025	33,302	49,350	717,553	13,097	813,302
Profit for the year	–	–	567,116	–	567,116
Other comprehensive income for the year:					
Conversion of convertible bonds	(46,399)	–	–	–	(46,399)
Cash flow hedges, net of tax	–	(106,061)	–	–	(106,061)
Dividends	–	–	(604,137)	–	(604,137)
At 31 December 2025	(13,097)	(56,711)	680,532	13,097	623,821
Balance at 1 January 2024	33,302	(13,024)	644,810	13,097	678,185
Profit for the year	–	–	677,211	–	677,211
Other comprehensive income for the year:					
Cash flow hedges, net of tax	–	62,374	–	–	62,374
Dividends	–	–	(604,468)	–	(604,468)
At 31 December 2024	33,302	49,350	717,553	13,097	813,302

### 45. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 25 March 2026.



**通用技术环球医疗**  
**GENERTEC UNIVERSAL MEDICAL**



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