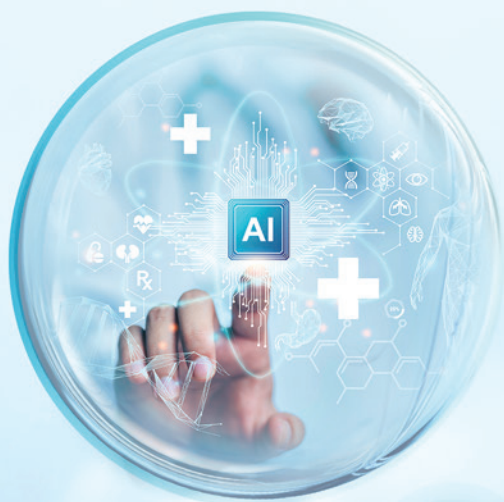


ETHK[®] Labs
華檢醫療 (1931.HK)

ETHK Labs Inc.
華 檢 醫 療 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1931



2026
INTERIM REPORT



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CORPORATE INFORMATION

DIRECTORS

Executive Directors

Mr. Lin Xianya
Mr. Chan Siu Kei Ken
Ms. Yi Xiao (*appointed with effect from 6 February 2026*)
Mr. Law Kim Fai (*resigned with effect from 13 January 2026*)
Ms. Tai Yang (*resigned with effect from 13 January 2026*)

Non-executive Directors

Ms. Yao Haiyun
Mr. Liu Fei

Independent Non-executive Directors

Dr. Zhong Renqian
Mr. Xu Da
Mr. Zhang Jianlei
Dr. Wong Sze Lok (*resigned with effect from 13 January 2026*)

COMPANY SECRETARY

Mr. Chan Siu Kei Ken (*appointed with effect from 13 January 2026*)
Mr. Law Kim Fai (*resigned with effect from 13 January 2026*)

AUTHORISED REPRESENTATIVES

Mr. Lin Xianya (*appointed with effect from 13 January 2026*)
Mr. Chan Siu Kei Ken
Mr. Law Kim Fai (*resigned with effect from 13 January 2026*)

AUDIT COMMITTEE

Mr. Zhang Jianlei (*Chairman*) (*appointed as Chairman with effect from 13 January 2026*)
Dr. Zhong Renqian
Mr. Xu Da
Dr. Wong Sze Lok (*Chairman*) (*resigned with effect from 13 January 2026*)

REMUNERATION COMMITTEE

Mr. Zhang Jianlei (*Chairman*) (*appointed as Chairman with effect from 13 January 2026*)
Dr. Zhong Renqian (*appointed as member with effect from 13 January 2026*)
Mr. Xu Da (*appointed as member with effect from 13 January 2026*)
Dr. Wong Sze Lok (*Chairman*) (*resigned with effect from 13 January 2026*)
Mr. Law Kim Fai (*resigned with effect from 13 January 2026*)

NOMINATION COMMITTEE

Mr. Zhang Jianlei (*Chairman*)
Mr. Xu Da
Mr. Chan Siu Kei Ken (*appointed as member with effect from 13 January 2026*)
Dr. Wong Sze Lok (*resigned with effect from 13 January 2026*)
Ms. Tai Yang (*resigned with effect from 13 January 2026*)

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PEOPLE'S REPUBLIC OF CHINA

Room 602, Building 6
Lane 299, Bisheng Road
Zhangjiang Hi-Tech Park
Pudong New Area District
Shanghai, China

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1703
Grandtech Centre
8 On Ping Street
Sha Tin
Hong Kong

AUDITOR

CLA Prism Hong Kong Limited
(FORMERLY KNOWN AS PRISM
HONG KONG LIMITED)
Registered Public Interest Entity Auditor
Units 1903A-1905, 19/F
8 Observatory Road
Tsim Sha Tsui
Kowloon
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

COMPANY WEBSITE

<http://www.ivd.xyz.com>

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
(Hong Kong Branch)
Bank of Communications Co. Ltd.
(Hong Kong Branch)
Hang Seng Bank (China) Limited
(Shanghai Branch)
The Hongkong and Shanghai Banking
Corporation Limited

LISTING INFORMATION AND STOCK CODE

The Company's ordinary shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (Stock Code: 1931.HK)

FINANCIAL HIGHLIGHTS

Six months ended 30 June			
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)	Change
Revenue	1,353,707	1,269,595	6.6%
Gross profit	297,359	279,594	6.4%
(Loss)/Profit for the period	(182,274)	38,326	(575.6%)
(Loss)/Profit attributable to owners of the parent	(70,493)	39,119	(280.2%)
Adjusted (loss)/profit for the period (Non-GAAP, see Note)	(184,579)	35,628	(618.1%)
Adjusted (loss)/profit attributable to owners of the parent (Non-GAAP, see Note)	(68,727)	36,421	(288.7%)
(Loss)/Earnings per share			
Basic and diluted (RMB cents)	(4.39)	2.41	(282.2%)

Note: Adjusted profit for the period and adjusted profit attributable to owners of the parent are non-GAAP financial measures and are calculated by profit for the period and profit attributable to owners of the parent excluding certain impact of non-operating items which affect the results presented in the financial statements but are not indicative of the operating performance of the Group, with the intent to provide the shareholders (the “**Shareholders**”) of ETHK Labs Inc. (formerly known as IVD Medical Holding Limited) (the “**Company**”, together with its subsidiaries, the “**Group**”) and potential investors with useful supplementary information to assess the performance of the Group’s core operations. See also the paragraph headed “Adjusted profit for the period” in this report for more information and calculation of these measures.

For the six months ended 30 June 2026 (the “**Reporting Period**”), the Group achieved a revenue of RMB1,353,707 thousand, which represented an increase of 6.6% as compared to the corresponding period of 2025 mainly as a result of the acquisition of B-Soft Co., Ltd. (hereinafter referred to as “**B-Soft**” or the “**Target Company**”). The increase in revenue was primarily attributable to the consolidation of B-Soft’s revenue following the acquisition.

The Group recorded a loss for the Reporting Period of RMB182,274 thousand, which represented a decrease of RMB220,600 thousand or 575.6% as compared to the corresponding period of 2025. Such decrease was primarily attributable to (i) higher administrative expenses incurred due to labor costs for the Reporting Period; (ii) research and development expenses incurred due to the acquisition of B-Soft, which incurred significant research and development expenses as part of its business operations; (iii) higher financing costs incurred due to the increase in borrowings; and (iv) higher expected credit loss (ECL) impairment incurred due to the significant increase of trade and bills receivables.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS OVERVIEW

The Group is a leading distributor of in vitro diagnostic (“**IVD**”) products in the People’s Republic of China (the “**PRC**”). The Group is also engaged in the research, development, manufacturing and sales of its self-branded IVD products. The Group has been able to increase its market share and profits steadily by taking advantage of its competitive and diverse product portfolio, extensive distribution network and hospital coverage.

During the Reporting Period, the Group recorded a revenue of RMB1,353,707 thousand, representing an increase of 6.6% as compared to the corresponding period of 2025. The Group recorded a loss for the Reporting Period of RMB182,274 thousand, which represented a decrease of RMB220,600 thousand or 575.6% as compared to the corresponding period of 2025.

Business segments

The Group’s business can be broadly categorised into the following two reportable segments: (i) medical equipment and consumables; and (ii) healthcare information technology.

- **Medical equipment and consumables**

The Group’s business in this segment primarily involves the sale and manufacture of medical equipment and consumables and the provision of after-sales services related to medical equipment, and is mainly divided into the following three categories:

- **Distribution Business**

The distribution of IVD products forms the cornerstone of the Group’s business. It primarily involves the trading of IVD analysers, reagents and other consumables to customers such as distributors, hospitals and healthcare institutions and logistics providers. The Group’s distribution of IVD products was primarily conducted through Vastec Medical Equipment (Shanghai) Co., Ltd. * (威士達醫療設備(上海)有限公司) (“**Vastec**”), a subsidiary of the Company. Vastec is primarily engaged in the distribution of Sysmex Corporation’s (“**Sysmex**”) haemostasis products in the PRC. It has been the sole national distributor of Sysmex’s haemostasis products with exclusive distribution rights in the PRC since 1997. It also procures a diversified portfolio of IVD products from other leading international brands for distribution in the PRC. As of 30 June 2026, approximately 6,438 of Sysmex haemostasis analysers have been installed by the Group and in use at hospitals and healthcare institutions accumulatively.

Having worked together for 28 years, Vastec and Sysmex Shanghai Ltd. continue to deepen their cooperative relationship. In the Reporting Period, they jointly responded to the dynamic demands of the medical device market in the PRC, further consolidating Vastec's market position as the exclusive distributor of Sysmex's haemostasis products in Chinese Mainland, and also providing a robust business foundation for the Group in a regulatory environment characterized by changing policies.

The Group also provides 4 Thrombotic Markers (*Note*) products manufactured by Sysmex to the market. These products adopt highly sensitive chemiluminescence technology, which may facilitate early diagnosis of thrombosis and fibrinolysis. As of 30 June 2026, 97 Sysmex haemostasis immunoassay analysers which performed the 4 Thrombotic Markers have been installed by the Group at the hospitals and healthcare institutions in the PRC.

Note: 4 Thrombotic Markers refer to: 1) TAT: Thrombin-antithrombin complex 凝血酶-抗凝血酶複合物, 2) PIC: Plasmin- α 2-plasmin inhibitor complex, 纖溶酶- α 2纖溶酶抑制物複合物, 3) TM: Thrombomodulin血栓調節蛋白, 4) t-PAI-C: Tissue plasminogen activator/plasminogen activator inhibitor-1 complex 組織纖溶酶原激活物-纖溶酶原激活物抑制劑-1複合物.

In addition, the Group provides solution services to the clinical laboratories of hospitals. This has enabled the Group to establish and maintain direct relationships with local medical practitioners so as to keep the Group close to the frontline of the medical practice and the market demand of IVD products. In the first half of 2026, the Group provided solution services to seven hospitals in the PRC. Solution services contributed revenue of RMB120,355 thousand for the Reporting Period, representing an increase of 10.5% as compared to RMB108,899 thousand for the six months ended 30 June 2025. Such increase was primarily due to the increase of market demand.

Through years of operations, the Group has established an expansive distribution network across 31 provinces, municipalities and autonomous regions in the PRC with an extensive hospital coverage. As of 30 June 2026, the Group had 197 (as of 30 June 2025: 236) direct customers, including hospitals and healthcare institutions, and 1,204 (as of 30 June 2025: 1,073) distributors in its established distribution network. As of 30 June 2026, the Group also covered 1,711 Class III hospitals mainly through its sub-distribution networks in the PRC, which further enhanced the competitiveness of the Group.

- **After-sales Services**

Apart from distributing IVD products in the PRC, the Group also derived its revenue from providing after-sales services to end customers of Sysmex's haemostasis analysers in the PRC. In 2017, Vastec entered into an after-sales services agreement with Sysmex to provide after-sales services to haemostasis analysers procured by its end customers. The after-sales services provided by Vastec generally include maintenance and repair services, installation services and end customer trainings. Vastec primarily provides its after-sales services to hospitals and healthcare institutions.

- **Self-branded Products Business**

The Group has also engaged in the research, development, manufacturing and sales of IVD analysers and reagents under its own brand. The Group's self-branded IVD reagents were manufactured by the Group's subsidiaries, Suzhou DiagVita Biotechnology Co., Ltd. * (蘇州德沃生物技術有限公司) and Bazoe Medical Co., Ltd. * (貝知(上海)醫療科技有限公司), and the Group's IVD analysers were produced by the Group's subsidiary, Langmai Biotechnology (Shandong) Co., Ltd. * (朗邁(山東)生物科技有限公司). These self-developed IVD products primarily include IVD analysers and reagents primarily under the IVD testing category of point-of-care testing, mass spectrometry and microbiology.

- **Healthcare information technology**

Through the acquisition of B-Soft, the Group entered the healthcare information technology sector during the Reporting Period. Revenue of this segment is mainly derived from the following three categories: (i) Sales of software products, (ii) Information technology services and (iii) System integration business.

INDUSTRY OVERVIEW

The continual growth of the healthcare market in the PRC is driven by a combination of favourable socio-economic factors including (i) the growth of the PRC population's disposable income and spending on healthcare, (ii) the increase of the overall PRC population and the accelerated ageing population, (iii) the expansion of the PRC economy, and (iv) strong support from the PRC government on healthcare spending as well as on continuous technological innovation. The Group expects that there will be significant growth potential for the healthcare market, especially the medical device market in the PRC. The integrated distribution value chain of the Group will provide strong support for the Group's development in the future.

According to Frost & Sullivan, by 2027, the PRC IVD market at ex-factory price level is projected to reach RMB278.7 billion with a compound annual growth rate of 15.7% during 2021 to 2027. In the future, the PRC IVD market is expected to grow with the aggravating trend of an ageing population, the growth of medical expenses per capita and the progress of technological development. The haemostasis analysis and other segmented fields are expected to continue to maintain a highly concentrated competitive landscape.

At the same time, global artificial intelligence technology is accelerating its penetration into the real economy, giving rise to disruptive innovations across multiple fields. AI-driven robotic technology has become a key engine for driving industrial upgrades, with application scenarios covering intelligent manufacturing, logistics automation, service interaction, and high end equipment operation and maintenance, demonstrating cross-industry commercialization potential. The versatility of such technologies enables them to quickly adapt to diverse scenario requirements, becoming an emerging growth pole independent of traditional industries. The Group closely monitors the reshaping effects of such technological breakthroughs on the global industrial landscape and continuously evaluates their commercialization pathways in different verticals to explore the possibilities of expanding future business boundaries.

BUSINESS OUTLOOK AND DEVELOPMENT STRATEGIES

On 12 July 2019, the Company successfully commenced its listing on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), providing the Group with a good opportunity for future development. Based on continuous insights into technological innovations and market demands in the healthcare industry, the Group will further expand the boundaries of technological innovation while consolidating its core IVD business, actively exploring the strategic value of robotic technology and cutting-edge technologies to seize growth opportunities brought about by global technological changes.

Looking ahead, the Group will leverage the capital market to continue consolidating its leading position in the IVD industry in the PRC and adopt active development strategies, including but not limited to the following key directions:

Expanding product portfolio, the reach of distribution network and hospital coverage

To capitalise on the high growth potential in the IVD market, the Group aims to continuously expand its product portfolio by diversifying product categories, increasing brand coverage, and expanding the breadth of its distribution network and hospital coverage. To achieve these purposes, the Group intends to (i) establish and maintain relationship with well-known IVD manufacturers and suppliers by way of stocking sufficient target IVD products to secure more distribution rights; (ii) strengthen its relationship with hospitals in urban areas, community clinics at the provincial and municipal levels and other customers in rural areas; and (iii) establish a new department and hire more sales personnel to manage the expansion of its distribution coverage.

Enhancing the intelligence of its solution services to continue to develop its distribution business

The Group has been providing solution services to hospitals in the PRC since 2013. By being the general supplier of the clinical laboratory department in such hospitals, the Group participates in the design of laboratory layout, provides centralised procurement of IVD products, conducts real-time inventory monitoring and provides other after-sales services to clinical laboratories. Through years of operations, the Group has accumulated a wealth of operational experience and a diversified product portfolio, thus being able to promote the same to other hospitals and healthcare institutions.

The Group plans to further upgrade the technical architecture of providing solution services to hospitals by introducing data-driven operational models and automated process management tools to enhance the operational efficiency and service response capability of clinical laboratories. Including but not limited to, optimizing inventory monitoring systems using intelligent algorithms to achieve precise demand forecasting; or enhancing real-time collaboration capabilities with medical institutions through remote diagnostic platforms. Such innovative initiatives will create higher added value for customers and provide technical support for the Group to explore the mid to high-end market.

The Group plans to hire more sales personnel to manage the promotion and marketing of solution services of the Group and to stock sufficient IVD products of various brands to strengthen the Group's advantages in centralized procurement. In addition, the Group intends to continuously participate in national and local IVD symposiums and academic conferences to enhance brand awareness.

Accelerating the upgrading of research and development capabilities to promote the strategic integration of intelligent hardware and automation technology

Strong research and development capabilities are critical to securing future development and sustainable growth of the Group. The Group will continue to increase its investment in research and development, focusing on advancing technological breakthroughs in the fields of mass spectrometry, molecular diagnostics, and microbiology. The Group, in addition to actively considering further strengthening its technological reserves and research and development capabilities through equity acquisitions or additional investments in non-wholly owned subsidiaries or other local companies focusing on the research and development of mass spectrometry reagents, also plans to further adopt AI in its operations to enhance the development of the Group's IVD products. AI-driven tools and analyzes can provide valuable insights in assisting the research, testing, and data analysis of the Group's IVD product portfolio.

Meanwhile, the Group is also actively exploring the application potential of intelligent hardware development and high-precision sensing technology, including but not limited to the application potential of AI robotics technology in industrial automation, precision operations, and complex scenario services. The Group is committed to seeking companies focused on AI robotic solutions and intends to develop its AI robotics business through collaboration and capital increase, aiming to support the large-scale deployment of AI technology in the future, which marks an important step in the Group's strategic layout in the field of AI.

Acquisition of B-Soft and the synergies of the acquisition

Reference is made to the announcements of the Company dated 16 November 2025, 11 March 2026, and 27 July 2026 and the circular of the Company dated 30 June 2026 in relation to the acquisition of and the entrustment arrangement relating to B-Soft. On 12 November 2025, Hangzhou Better Smart Investment Management Consulting Partnership (Limited Partnership)* (杭州更好智投管理諮詢合夥企業(有限合夥)) (the "**Purchaser**"), a subsidiary of the Company, entered into the share

transfer agreement (the “**Share Transfer Agreement**”) with Mr. Ge Hang (the “**Vendor**”), pursuant to which the Purchaser has conditionally agreed to acquire, and the Vendor has conditionally agreed to sell 96,525,096 A shares of the Target Company (the “**Target Shares**”), representing 6.23% of the total issued share capital of the Target Company as at the date of the Share Transfer Agreement, at a consideration of RMB500,000,000 (the “**Acquisition**”). On the same day, the Purchaser entered into the first voting rights entrusted agreement (the “**First Voting Rights Entrusted Agreement**”) with the Vendor, pursuant to which the Vendor has agreed to entrust its voting rights attached to 155,780,282 A shares of the Target Company (including the Target Shares), representing 10.06% of the total issued share capital of the Target Company as at the date of the Share Transfer Agreement, to the Purchaser with effect from 12 November 2025. On 14 November 2025, the Purchaser and Jinfuyuan (Hainan) Private Equity Fund Management Partnership (Limited Partnership)* (錦福源(海南)私募基金管理合夥企業(有限合夥)) (the “**Private Fund**”) entered into the second voting rights entrusted agreement, pursuant to which the Private Fund has agreed to entrust its voting rights attached to 40,000,000 A shares of the Target Company, representing 2.58% of the total issued share capital of the Target Company as at the date of the Share Transfer Agreement, to the Purchaser with effect from 14 November 2025 (together with the entrustment of voting rights to the Purchaser under the First Voting Rights Entrusted Agreement, the “**Entrustment Arrangement**”). Completion of the Acquisition took place on 11 February 2026. Immediately following completion of the Acquisition and as at the effective date of the Entrustment Arrangement, the Purchaser held voting rights of an aggregate of 195,780,282 A shares of the Target Company, representing 12.64% of the total issued share capital of the Target Company. The Purchaser was entitled to nominate a majority of the board of directors of the Target Company, and appoint its chairman and legal representative upon completion of the Acquisition. Following the appointment of directors nominated by the Purchaser, which constitutes the majority of the board of directors of the Target Company, the Target Company became a subsidiary of the Company, and the financial results of the Target Company and its subsidiaries were consolidated into the Group’s consolidated financial statements. The Acquisition and the Entrustment Arrangement were ratified by the Shareholders during the extraordinary general meeting of the Company held on 27 July 2026.

The Acquisition and the Entrustment Arrangement can create clear, actionable and commercially grounded synergies expected to enhance the combined Group's value. These synergies arise from the complementary business models, data assets, market presence and ecosystem positioning of the Group and B-Soft.

For further information in relation to the Acquisition and the Entrustment Arrangement, please refer to the circular of the Company dated 30 June 2026.

FINANCIAL REVIEW

Overview

The financial summary set out below is extracted or calculated from the unaudited financial statements of the Group for the Reporting Period, which were prepared in accordance with International Accounting Standard 34 Interim Financial Reporting.

During the Reporting Period, the Group recorded revenue of RMB1,353,707 thousand, representing an increase of RMB84,112 thousand or 6.6% as compared to the corresponding period of 2025.

During the Reporting Period, the Group recorded loss for the period of RMB182,274 thousand, representing a decrease of RMB220,600 thousand or 575.6% as compared to the corresponding period of 2025. Loss attributable to owners of the parent amounted to RMB70,493 thousand, representing a decrease of RMB109,612 thousand or 280.2% as compared to the corresponding period of 2025.

During the Reporting Period, the Group recorded adjusted loss for the period of RMB184,579 thousand, representing a decrease of RMB220,207 thousand or 618.1% as compared to the corresponding period of 2025.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

For the six months ended 30 June			
	2026 RMB'000	2025 RMB'000	Change
Operating Results			
Revenue	1,353,707	1,269,595	6.6%
Gross profit	297,359	279,594	6.4%
(Loss)/Earnings before interest, taxes, depreciation and amortization (EBITDA)	(32,147)	113,762	(128.3%)
(Loss)/Profit for the period	(182,274)	38,326	(575.6%)
(Loss)/Profit attributable to owners of the parent	(70,493)	39,119	(280.2%)
Adjusted (loss)/profit for the period (<i>Note 1</i>)	(184,579)	35,628	(618.1%)
Adjusted (loss)/profit attributable to owners of the parent (<i>Note 1</i>)	(68,727)	36,421	(288.7%)
Financial Ratios			
Gross profit margin (%) (<i>Note 2</i>)	22.0%	22.0%	0.0%
Net (loss)/profit margin (%) (<i>Note 2</i>)	(13.5%)	3.0%	(16.5%)
Adjusted (loss)/profit margin for the period (%) (<i>Note 3</i>)	(13.6%)	2.8%	(16.4%)
Return on assets (%) (<i>Note 2</i>)	(1.8%)	0.7%	(2.5%)
Return on equity (%) (<i>Note 2</i>)	(2.4%)	1.1%	(3.5%)

For the six months ended 30 June			
	2026	2025	Change
Average turnover days of trade receivables (days) (<i>Note 2</i>)	156	71	85
Average turnover days of inventories (days) (<i>Note 2</i>)	429	397	32
Average turnover days of trade payables (days) (<i>Note 2</i>)	151	105	46

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

	30 June 2026 RMB'000	31 December 2025 RMB'000	Change
Financial Position			
Total assets	14,775,896	5,935,217	149.0%
Equity attributable to owners of the parent	2,812,531	2,947,700	(4.6%)
Cash and cash equivalents	520,075	350,924	48.2%
Financial Ratios			
Current ratio (times) (Note 2)	1.6	1.3	0.3
Quick ratio (times) (Note 2)	0.9	0.5	0.4
Debt to equity ratio (times) (Note 2)	0.3	0.6	(0.3)

Note 1: Adjusted profit for the period and adjusted profit attributable to owners of the parent are non-GAAP financial measures and are calculated by profit for the period and profit attributable to owners of the parent excluding certain non-operating items which the Company considers to be not indicative of the operating performance of the Group. See also the paragraph headed "Adjusted profit for the period" of this report for more information and calculation of these non-GAAP financial measures.

Note 2: Gross profit margin equals gross profit divided by revenue.

Net profit margin equals net profit divided by revenue.

Return on assets equals net profit divided by average total assets during the reporting period.

Return on equity equals net profit attributable to owner of the Company divided by average equity attributable to owner of the Company during the reporting period.

Average turnover days of trade receivables equal to the average of the opening and closing balances of trade receivables of the reporting period divided by revenue and multiplied by 181 days.

Average turnover days of inventories equal to the average of the opening and closing balances of inventories of the reporting period divided by cost of sales and multiplied by 181 days.

Average turnover days of trade payables equal to the average of the opening and closing balances of trade payables of the reporting period divided by cost of sales and multiplied by 181 days.

Current ratio equals total current assets divided by total current liabilities as at the end of the reporting period.

Quick ratio equals total current assets less inventories divided by total current liabilities as at the end of the reporting period.

Debt to equity ratio equals total debt divided by total equity as at the end of the reporting period. Debt means interest-bearing borrowings.

Note 3: Adjusted profit margin for the period is calculated by adjusted profit for the period (a non-GAAP financial measure, the calculation method is the same as set out in Note 1 above), divided by the revenue for the period.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Revenue

Revenue of the Group amounted to RMB1,353,707 thousand for Reporting Period, representing an increase of 6.6% compared to RMB1,269,595 thousand for the six months ended 30 June 2025 mainly as a result of the acquisition of B-Soft. The increase in revenue was primarily attributable to the consolidation of B-Soft's revenue following the acquisition.

Revenue by business segment

The table below sets out the breakdown of the Group's revenue by business segment for the periods indicated:

For the six months ended 30 June Medical equipment and consumables					
Business segment	2026		2025		Change
	RMB'000	%	RMB'000	%	
Distribution business	1,051,320	77.7	1,177,346	92.7	(10.7%)
After-sales services	45,231	3.3	87,775	6.9	(48.5%)
Self-branded products business	5,838	0.4	4,474	0.4	30.5%
Subtotal	1,102,389	81.4	1,269,595	100.0	(13.2%)

For the six months ended 30 June Healthcare information technology					
	2026		2025		Change
	RMB'000	%	RMB'000	%	
Sales of software products	112,698	8.3	–	–	100.0%
Information technology services	103,962	7.7	–	–	100.0%
System integration business	34,658	2.6	–	–	100.0%
Subtotal	251,318	18.6	–	–	100.0%
Total	1,353,707	100.0	1,269,595	100.0	6.6%

Revenue by product type

The table below sets out the breakdown of the Group's revenue generated from distribution business and self-branded products business by product type for the periods indicated:

For the six months ended 30 June					
Product type	2026		2025		Change
	RMB'000	%	RMB'000	%	
IVD analysers					
– Distribution business	115,509	10.9	112,896	9.5	2.3%
– Self-branded products business	1,247	0.1	1,067	0.1	16.9%
Subtotal	116,756	11.0	113,963	9.6	2.5%
IVD reagents and other consumables					
– Distribution business	935,811	88.5	1,064,450	90.1	(12.1%)
– Self-branded products business	4,591	0.5	3,407	0.3	34.8%
Subtotal	940,402	89.0	1,067,857	90.4	(11.9%)
Total	1,057,158	100.0	1,181,820	100.0	(10.5%)

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Revenue by channel

The table below sets out the breakdown of the Group's revenue generated from distribution business and self-branded products business by sales channel for the periods indicated:

For the six months ended 30 June					
Sales channel	2026		2025		Change
	RMB'000	%	RMB'000	%	
Distribution business					
– Distributors	817,411	77.3	906,164	76.6	(9.8%)
– Hospitals and healthcare institutions	161,903	15.3	181,180	15.4	(10.6%)
– Logistics providers	72,006	6.8	90,002	7.6	(20.0%)
Subtotal	1,051,320	99.4	1,177,346	99.6	(10.7%)
Self-branded products business					
– Distributors	5,812	0.6	3,783	0.3	53.6%
– Hospitals and healthcare institutions	26	0.0	691	0.1	(96.2%)
Subtotal	5,838	0.6	4,474	0.4	30.5%
Total	1,057,158	100.0	1,181,820	100.0	(10.5%)

Cost of sales

Cost of sales of the Group amounted to RMB1,056,348 thousand for the Reporting Period, representing an increase of 6.7% compared to RMB990,001 thousand for the six months ended 30 June 2025.

Cost of sales by business segment

The table below sets out the breakdown of the Group's cost of sales by business segment for the periods indicated:

For the six months ended 30 June					
Medical equipment and consumables					
Business segment	2026		2025		Change
	RMB'000	%	RMB'000	%	
Distribution business	833,632	78.9	944,568	95.4	(11.7%)
After-sales services	42,509	4.0	43,825	4.4	(3.0%)
Self-branded products business	2,135	0.2	1,608	0.2	32.8%
Subtotal	878,276	83.1	990,001	100.0	(11.3%)
For the six months ended 30 June					
Healthcare information technology					
	2026		2025		Change
	RMB'000	%	RMB'000	%	
Sales of software products	76,606	7.3	–	–	100.0%
Information technology services	66,193	6.3	–	–	100.0%
System integration business	35,273	3.3	–	–	100.0%
Subtotal	178,072	16.9	–	–	100.0%
Total	1,056,348	100.0	990,001	100.0	6.7%

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Cost of sales by product type

The table below sets out the breakdown of the Group's cost of sales for distribution business and self-branded products business by product type for the periods indicated:

Product type	2026		2025		Change
	RMB'000	%	RMB'000	%	
IVD analysers					
– Distribution business	99,219	11.9	91,496	9.6	8.4%
– Self-branded products business	1,014	0.1	518	0.1	95.8%
Subtotal	100,233	12.0	92,014	9.7	8.9%
IVD reagents and other consumables					
– Distribution business	734,413	87.9	853,072	90.2	(13.9%)
– Self-branded products business	1,121	0.1	1,090	0.1	2.8%
Subtotal	735,534	88.0	854,162	90.3	(13.9%)
Total	835,767	100.0	946,176	100.0	(11.7%)

Gross profit and gross profit margin

Gross profit represents revenue less cost of sales. Gross profit of the Group amounted to RMB297,359 thousand for the Reporting Period, representing an increase of 6.4% as compared to RMB279,594 thousand for the six months ended 30 June 2025. Such increase was primarily due to the increase in gross profit margin of self-branded products business, sales of software products and IT services.

Gross profit margin is calculated as gross profit divided by revenue. Gross profit margin of the Group was 22.0% for the Reporting Period, which remains the same as 22.0% from the six months ended 30 June 2025.

Gross profit and gross profit margin by business segment

The table below sets out the breakdown of the Group's gross profit and gross profit margin by business segment for the periods indicated:

For the six months ended 30 June Medical equipment and consumables

Business segment	2026		2025		Change
	Gross profit RMB'000	Gross profit margin %	Gross profit RMB'000	Gross profit margin %	
Distribution business	217,688	20.7	232,778	19.8	(6.5%)
After-sales services	2,722	6.0	43,950	50.1	(93.8%)
Self-branded products business	3,703	63.4	2,866	64.1	29.2%
Subtotal	224,113	20.3	279,594	22.0	(19.8%)

For the six months ended 30 June Healthcare information technology

	2026		2025		Change
	Gross profit RMB'000	Gross profit margin %	Gross profit RMB'000	Gross profit margin %	
Sales of software products	36,092	32.0	—	—	—
IT services	37,769	36.3	—	—	—
System integration business	(615)	(1.8)	—	—	—
Subtotal	73,246	29.1	—	—	—
Total	297,359	22.0	279,594	22.0	6.4%

Gross profit and gross profit margin by product type

The table below sets out the breakdown of the Group's gross profit and gross profit margin generated from distribution business and self-branded products business by product type for the periods indicated:

For the six months ended 30 June					
Product type	2026	Gross profit margin	2025	Gross profit margin	Change
	Gross profit RMB'000	%	Gross profit RMB'000	%	
IVD analysers					
– Distribution business	16,290	14.1	21,400	19.0	(23.9%)
– Self-branded products business	233	18.7	549	51.5	(57.6%)
Subtotal	16,523	14.2	21,949	19.3	(24.7%)
IVD reagents and other consumables					
– Distribution business	201,398	21.5	211,378	19.9	(4.7%)
– Self-branded products business	3,470	75.6	2,317	68.0	49.8%
Subtotal	204,868	21.8	213,695	20.0	(4.1%)
Total	221,391	20.9	235,644	19.9	(6.0%)

Other income and gains

Other income and gains of the Group amounted to RMB27,481 thousand for the Reporting Period, representing an increase of 224.9% compared to RMB8,459 thousand for the six months ended 30 June 2025. Such increase was primarily due to the increase of government subsidies and rental income.

For the six months ended 30 June		
	2026 RMB'000	2025 RMB'000
<u>Other income</u>		
Bank interest income	2,853	1,122
Government subsidies	15,330	7,199
Rental income	6,102	–
Interest income on financial assets measured at amortised cost	2,229	–
Others	936	138
Subtotal	27,450	8,459
<u>Gains</u>		
Gain on disposal of items of property, plant and equipment	31	–
Total	27,481	8,459

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Selling and distribution expenses

Selling and distribution expenses of the Group amounted to RMB86,934 thousand for the Reporting Period, representing an increase of 23.6% compared to RMB70,314 thousand for the six months ended 30 June 2025. Such increase was primarily attributable to the acquisition of B-Soft.

Administrative expenses

Administrative expenses of the Group amounted to RMB193,121 thousand for the Reporting Period, representing an increase of 119.0% compared to RMB88,203 thousand for the six months ended 30 June 2025. Such increase was primarily due to the increase of labor costs as a result of a significant increase in the number of employees following the acquisition of B-Soft.

Research and development expenses

Research and development expenses of the Group amounted to RMB84,420 thousand for the Reporting Period, representing an increase of 1,449.3% compared to RMB5,449 thousand for the six months ended 30 June 2025. Such increase was primarily due to the acquisition of B-Soft, which incurred significant research and development expenses as part of its business operations.

Other expenses

Other expenses of the Group amounted to RMB38,906 thousand for the Reporting Period, representing an increase of 56.3% compared to RMB24,899 thousand for the six months ended 30 June 2025, which was mainly due to the increase of exchange loss.

Finance costs

Finance costs of the Group amounted to RMB60,928 thousand for the Reporting Period, representing an increase of 171.8% as compared to RMB22,414 thousand for the six months ended 30 June 2025. Such increase was primarily due to the increase of average bank borrowing amount when compared to the six months ended 30 June 2025.

Loss for the period

Loss of the Group for the period amounted to RMB182,274 thousand for the Reporting Period, representing a decrease of 575.6% as compared to the profit of RMB38,326 thousand for the six months ended 30 June 2025. Such decrease was primarily attributable to (i) higher administrative expenses incurred due to labor costs for the Reporting Period; (ii) research and development expenses incurred due to the acquisition of B-Soft; (iii) higher financing costs incurred due to the increase in borrowings; and (iv) higher expected credit loss (ECL) impairment incurred due to the significant increase of trade and bills receivables.

Adjusted (loss)/profit for the period

Certain additional non-GAAP financial measures (adjusted profit of the Group and adjusted profit attributable to owners of the parent) have been presented in this report. These non-GAAP financial measures exclude the impact of certain non-operating items which affect the results presented in the financial statements but are not indicative of the operating performance of the Group, with the intent to provide the Shareholders and potential investors with supplementary information to assess the performance of the Group's core operations. These unaudited non-GAAP financial measures should be considered in addition to, not as a substitute for, measures of the Group's financial performance prepared in accordance with relevant GAAP. In addition, these non-GAAP financial measures does not have a standardised meaning prescribed by GAAP and therefore may not be comparable to similar measures presented by other companies. Adjusted loss of the Group for the period amounted to RMB184,579 thousand for the Reporting Period, representing a decrease of 618.1% as compared to profit of RMB35,628 thousand for the six months ended 30 June 2025. Such decrease was primarily attributable to (i) higher administrative expenses incurred due to labor costs for the Reporting Period; (ii) research and development expenses incurred due to the acquisition of B-Soft; (iii) higher financing costs incurred due to the increase in borrowings; and (iv) higher expected credit loss (ECL) impairment incurred due to the significant increase of trade and bills receivables. The following table sets out the calculation of the non-GAAP adjusted profit of the Group for the Reporting Period and the corresponding period in 2025:

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

For the six months ended 30 June		
	2026 RMB'000	2025 RMB'000
(Loss)/Profit for the period	(182,274)	38,326
(Loss)/Profit attributable to owners of the parent	(70,493)	39,119
Adjusted for non-operating items:		
Gains or losses arising from change in fair value and disposal of financial assets and liabilities	(2,058)	2,698
Reversal of impairment loss on individually assessed receivables	396	–
Government subsidies (excluding those closely related to normal operating activities)	3,937	–
Others	301	–
Less: income tax effect	271	–
Adjusted (loss)/profit for the period (Non-GAAP)	(184,579)	35,628
Less: non-controlling interest effect	4,071	–
Adjusted (loss)/profit attributable to owners of the parent (Non-GAAP)	(68,727)	36,421

Liquidity and financial resources

As of 30 June 2026, the Group had cash and cash equivalents of RMB520,075 thousand (primarily denominated in HKD, RMB and USD), as compared to RMB350,924 thousand as of 31 December 2025. The approach adopted by the board of Directors (the “**Board**”) to manage the liquidity of the Group is to ensure sufficient liquidity at any time to meet its matured liabilities so as to avoid any unacceptable losses or damage to the Group’s reputation.

Capital structure

As of 30 June 2026, the Group's total equity attributable to owners of the parent was RMB2,812,531 thousand (31 December 2025: RMB2,947,700 thousand), comprising share capital of RMB5,589 thousand (31 December 2025: RMB5,589 thousand) and reserves of RMB2,806,942 thousand (31 December 2025: RMB2,942,111 thousand).

Net current assets

The Group had net current assets of RMB2,159,153 thousand as of 30 June 2026, representing an increase of RMB1,245,389 thousand or 136.3% as compared to RMB913,764 thousand as of 31 December 2025.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates primarily relates to its cash and bank balances and interest-bearing bank borrowings. The Group has not used any interest rate swaps to hedge its interest rate risk during the Reporting Period, and will consider hedging significant interest rate risk should the need arise.

Foreign currency risk

The Group faces transactional currency exposures arising from bank deposits held by operating units in currencies other than the units' functional currency. The currencies giving rise to such risk are primarily USD and HKD. For the Reporting Period, the Group recorded a net exchange loss of RMB23,016 thousand, as compared to a net exchange loss of RMB24,899 thousand for the six months ended 30 June 2025. As of 30 June 2026, the Group did not have any significant hedging arrangement to manage foreign exchange risks but has been actively monitoring and overseeing its foreign exchange risks.

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant. For transactions that are not denominated in the functional currency of the relevant operating unit, the Group does not offer credit terms without the specific approval of the head of credit control.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank borrowings and projected cash flows from operations.

Capital expenditure

For the Reporting Period, the Group's total capital expenditure amounted to RMB25,943 thousand, which was primarily used in property, plant and equipment and intangible assets.

Charge/pledge on assets

As of 30 June 2026, the Group's bank deposits of RMB414,075 thousand were pledged to secure the Group's letter of credit in the aggregate amount of RMB264,351 thousand and the Group's bank borrowings with amount of RMB375,000 thousand. As of 30 June 2026, the amount of the Group's restricted deposits was RMB3,635 thousand, of which RMB3,572 thousand represented deposits for performance guarantees, RMB38 thousand was frozen due to litigation, and RMB25 thousand comprised other deposits.

Borrowings

The Group had bank and other borrowings of RMB2,597,904 thousand as of 30 June 2026 denominated in RMB and HKD, all of which bore interest at fixed rates.

Contingent liabilities and guarantees

As of 30 June 2026, the Group did not have any material contingent liabilities, guarantees or any litigation against it (as of 31 December 2025: nil).

Gearing ratio

As of 30 June 2026, the Group's gearing ratio (the gearing ratio is equivalent to total debt divided by total assets as of that day) was approximately 17.6% (as of 31 December 2025: 31.0%).

Significant investments and future plans for investment and capital assets

As of 30 June 2026, the Group had a capital commitment to a joint venture of RMB28,835 thousand (as of 31 December 2025: RMB28,835 thousand). As of 30 June 2026, the Group had a capital commitment to several subsidiaries of RMB98,769 thousand (as of 31 December 2025: nil). As of 30 June 2026, the Group did not hold any other significant investments in the equity interests of other companies. The Group does not have other plans for material investments and capital assets which have been authorised by the Board except as referred to in this report.

Dividend

The Board has resolved not to declare any interim dividend for the Reporting Period.

Employee and remuneration policy

As of 30 June 2026, the Group had 4,386 employees (as of 30 June 2025: 877 employees). Total staff remuneration expenses, including remuneration for directors of the Company (the "**Directors**"), for the Reporting Period amounted to RMB289,447 thousand (for the six months ended 30 June 2025: RMB75,403 thousand).

The Group has adopted a performance-based remuneration policy for its employees. Remuneration is determined with reference to performance, skills, qualifications and experience of the staff concerned and with reference to the Group's operating results and comparable market practices.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

In addition to salary payments, other staff benefits include pension, social insurance and housing provident contribution made by the Group, performance-based compensation, bonus, share incentives through the Company's share option scheme and share award schemes. These share schemes provide flexibility to the Group in attracting and retaining personnel, and in providing incentive to employees in recognition of their contribution to the Group.

Please refer to "Share Schemes" in this report for further information about the share schemes.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

		Six months ended 30 June	
	Notes	2026 RMB'000 (Unaudited)	2025 RMB'000 (Represented) (Unaudited)
REVENUE	4	1,353,707	1,269,595
Cost of sales		(1,056,348)	(990,001)
GROSS PROFIT		297,359	279,594
Other income and gains, net	5	27,481	8,459
Selling and distribution expenses		(86,934)	(70,314)
Research and development expenses		(84,420)	(5,449)
Administrative expenses		(193,121)	(88,203)
Other expenses		(38,906)	(24,899)
Finance costs		(60,928)	(22,414)
Fair value (losses)/gains on financial assets at fair value through profit or loss		(2,202)	2,698
Share of profits/(losses) of associates		7,778	(6,032)
Impairment of trade and bills receivables and other receivables		(35,881)	(1,596)
(LOSS)/PROFIT BEFORE TAX	6	(169,774)	71,844
Income tax expense	7	(12,500)	(33,518)
(LOSS)/PROFIT FOR THE PERIOD		(182,274)	38,326
(Loss)/profit for the period attributable to:			
Owners of the parent		(70,493)	39,119
Non-controlling interests		(111,781)	(793)
(Loss)/profit for the period		(182,274)	38,326

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

For the six months ended 30 June 2026

		Six months ended 30 June	
	Notes	2026 RMB'000 (Unaudited)	2025 RMB'000 (Represented) (Unaudited)
OTHER COMPREHENSIVE INCOME			
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		(73,390)	(5,948)
Other comprehensive (loss)/income that will not be reclassified to profit or loss in subsequent periods:			
Fair value changes on equity investments at fair value through other comprehensive income ("FVTOCI")		(114)	–
Exchange differences on translation of the Company's financial statements		35,995	(5,447)
OTHER COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX		(37,509)	(11,395)
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD		(219,783)	26,931
Total comprehensive (loss)/income attributable to:			
Owners of the parent		(108,002)	27,724
Non-controlling interests		(111,781)	(793)
		(219,783)	26,931
(LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted (RMB cents)	9	(4.39)	2.41

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2026

	Notes	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	10	655,941	204,818
Intangible assets		7,126,051	1,635,885
Investment properties		123,774	–
Investments in associates		645,376	480,596
Investment in a joint venture		20,214	20,214
Financial assets at fair value through profit or loss (“ Financial assets at FVTPL ”)		52,284	2,427
Financial assets through other comprehensive income		2,195	–
Deferred tax assets		137,800	23,994
Total non-current assets		8,763,635	2,367,934
CURRENT ASSETS			
Inventories		2,718,074	2,287,967
Trade and bills receivables	11	1,874,131	452,554
Prepayments, other receivables and other assets	12	253,210	275,944
Contract assets		64,148	–
Financial assets at FVTPL		20,957	2,136
Financial assets measured at amortised cost		143,956	–
Pledged deposits		417,710	197,758
Cash and cash equivalents		520,075	350,924
Total current assets		6,012,261	3,567,283
CURRENT LIABILITIES			
Trade payables	13	1,107,187	656,213
Other payables and accruals	14	469,416	141,267
Interest-bearing bank and other borrowings	15	2,256,095	1,842,042
Tax payable		20,410	13,997
Total current liabilities		3,853,108	2,653,519

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

30 June 2026

	Notes	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
NET CURRENT ASSETS		2,159,153	913,764
TOTAL ASSETS LESS CURRENT LIABILITIES		10,922,788	3,281,698
NON-CURRENT LIABILITIES			
Other payables and accruals	14	64,021	65,400
Provisions		928	–
Deferred tax liabilities		202,676	204,941
Interest-bearing bank and other borrowings	15	341,809	–
Total non-current liabilities		609,434	270,341
Net assets		10,313,354	3,011,357
EQUITY			
Equity attributable to owners of the parent			
Share capital	16	5,589	5,589
Reserves		2,806,942	2,942,111
		2,812,531	2,947,700
Non-controlling interests		7,500,823	63,657
Total equity		10,313,354	3,011,357

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2026

Note	Attributable to owners of the parent											
	Share capital RMB'000	Share premium RMB'000	Sharehold for Award Scheme RMB'000	Merger reserve RMB'000	Capital reserve RMB'000	Statutory reserve RMB'000	Share option reserve RMB'000	Award share reserve RMB'000	Exchange fluctuation reserve RMB'000	Retained profits RMB'000	Total controlling interests RMB'000	Non- controlling interests RMB'000
	5,603	2,319,709*	(1,820)*	60,700*	44,320*	26,878*	18,976*	50,456*	21,515*	1,168,281*	3,714,618	46,588
	-	-	-	-	-	-	-	-	-	39,119	39,119	(793)
	-	-	-	-	-	-	-	-	(5,948)	-	(5,948)	-
	-	-	-	-	-	-	-	-	(5,447)	-	(5,447)	-
	-	-	-	-	-	-	-	-	(11,395)	39,119	27,724	(793)
	(14)	(8,103)	-	-	-	-	-	-	-	-	(8,117)	-
	-	-	-	-	-	-	(18,976)	-	-	18,976	-	-
					(255,771)					(11,482)	(267,253)	11,482
	5,589	2,311,606*	(1,820)*	60,700*	(211,451)*	26,878*	-	50,456*	10,120*	1,214,894*	3,466,972	57,257

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

For the six months ended 30 June 2026

Note	Attributable to owners of the parent											
	Share capital RMB'000	Share premium RMB'000	Treasury shares RMB'000	Shares held			Statutory reserve RMB'000	Other reserve RMB'000	Award share reserve RMB'000	Exchange fluctuation reserve RMB'000	Retained profits RMB'000	Non-controlling interests RMB'000
				Share for Award RMB'000	Merger reserve RMB'000	Capital reserve RMB'000						
16	5,589	2,311,568*	(92,851)*	(1,820)*	60,700*	(643,025)*	27,244*	-*	50,456*	19,497*	1,210,342*	63,657
	-	-	-	-	-	-	-	-	-	-	(70,493)	(111,781)
	-	-	-	-	-	-	-	(114)	-	-	-	-
	-	-	-	-	-	-	-	-	-	(73,390)	-	-
	-	-	-	-	-	-	-	-	-	35,995	-	-
16	-	-	-	-	-	-	-	(114)	-	(37,395)	(70,493)	(111,781)
	-	-	(1,310)	-	-	-	-	-	-	-	(1,310)	-
	-	-	-	-	-	(28,277)	-	-	-	-	(28,277)	23,665
	-	-	-	-	-	-	-	-	-	-	-	7,525,682
	-	2,420	-	-	-	-	-	-	-	-	2,420	-
16	5,589	2,313,968*	(94,161)*	(1,820)*	60,700*	(671,302)*	27,244*	(114)	50,456*	(17,889)*	1,139,849*	7,500,823*
												10,313,354*

* These accounts comprise the condensed consolidated reserves of RMB2,806,942,000 (31 December 2025: RMB2,942,111,000) in the interim condensed consolidated statement of financial position as at 30 June 2026.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2026

	30 June 2026 RMB'000 (Unaudited)	30 June 2025 RMB'000 (Unaudited)
Net cash flow used in operating activities	(251,608)	(1,869,376)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of items of property, plant and equipment	(17,310)	(16,079)
Proceeds from disposal of items of property, plant and equipment	12,041	–
Repayment from associates	–	14
Interest received	2,853	1,122
Acquisition of subsidiaries, net of cash acquired	(288,768)	–
Partial disposal of associates	19,206	–
Settlement of financial liabilities at fair value through profit or loss	(2,550)	–
Acquisition of intangible assets	(18,860)	–
Proceeds from disposal of financial assets	320,050	–
Purchase of financial assets	(600)	–
Increase in pledged deposits	(218,108)	(76,417)
Net cash flows used in investing activities	(192,046)	(91,360)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repurchase of shares	(1,310)	(8,117)
New bank and other borrowings	2,198,800	1,843,660
Repayment of bank and other borrowings	(1,505,625)	(925,876)
Principal portion of lease payments	(11,792)	(7,954)
Advance to shareholders	–	(642)
Repayment to associate	–	(5,321)
Repayment to joint venture	–	(496)
Interest paid	(60,928)	(21,760)
Acquisition of additional interests from non-controlling interests	(5,012)	(255,771)
Net cash flows from financing activities	614,133	617,723

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

For the six months ended 30 June 2026

	30 June 2026 RMB'000 (Unaudited)	30 June 2025 RMB'000 (Unaudited)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	170,479	(1,343,013)
Cash and cash equivalents at the beginning of period	350,924	1,774,358
Effect of foreign exchange rate changes, net	(1,328)	(6,496)
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	520,075	424,849
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	520,075	424,849

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2026

1. CORPORATE INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands and whose shares are publicly traded on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The principal activities of the Group are described in note 3 to the interim condensed consolidated financial information.

2.1 BASIS OF PREPARATION

The interim condensed consolidated financial statements for the six months ended 30 June 2026 have been prepared in accordance with IAS 34 Interim Financial Reporting. The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2025.

2.2 CHANGES TO THE GROUP’S ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of new standards effective as of January 1, 2026. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Application of amendments to IFRS Accounting Standards

Amendments to IFRS 9 and IFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments</i>
Amendments to IFRS 9 and IFRS 7	<i>Contracts Referencing Nature-dependent Electricity</i>
Amendments to IFRS Accounting Standards	<i>Annual Improvements to IFRS Accounting Standards – Volume 11</i>

The application of the amendments to IFRS Accounting Standards in the current interim period has had no material impact on the Group’s financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

30 June 2026

3. OPERATING SEGMENT INFORMATION

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss), which is a measure of adjusted profit/(loss) before tax. The adjusted profit/(loss) before tax is measured consistently with the Group's profit/(loss) before tax except that interest income, finance costs, as well as head office and corporate income and expenses are excluded from such measurement.

Medical equipment and consumables	Sale and manufacture of medical equipment and consumables and the provision of after-sales services related to medical equipment
Healthcare information technology	Development and sale of medical and health information systems and software and the provision of related operation, maintenance and technical services

NOTES TO INTERIM CONDENSED CONSOLIDATED
FINANCIAL INFORMATION (CONTINUED)
30 June 2026

3. OPERATING SEGMENT INFORMATION *(continued)*

The segment results for the six months ended 30 June 2026 are as follows:

	Medical equipment and consumables RMB'000 (Unaudited)	Healthcare information technology RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Segment revenue:			
Gross segment revenue	1,279,759	251,367	1,531,126
Intersegment revenue	(177,370)	(49)	(177,419)
Revenue	1,102,389	251,318	1,353,707
Segment results	1,680	(132,917)	(131,237)
Reconciliation:			
Interest income and unallocated income			27,450
Unallocated expenses			(5,059)
Finance costs			(60,928)
Loss before tax			(169,774)
Income tax expenses			(12,500)
Loss for the period			(182,274)

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

30 June 2026

3. OPERATING SEGMENT INFORMATION *(continued)*

The segment results for the six months ended 30 June 2025 are as follows:

	Medical equipment and consumables RMB'000 (Unaudited)	Healthcare information technology RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
Segment revenue:			
Gross segment revenue	1,269,595	–	1,269,595
Intersegment revenue	–	–	–
Revenue	1,269,595	–	1,269,595
Segment results	90,547	–	90,547
Reconciliation:			
Interest income and unallocated income			8,459
Unallocated expenses			(4,748)
Finance costs			(22,414)
Profit before tax			71,844
Income tax expenses			(33,518)
Profit for the period			38,326

Note: The segment results include share of profits/(losses) of joint ventures and associates.

(a) Geographical information

All of the Group's revenue is attributable to customers in Chinese mainland, Hong Kong and Macau.

(b) Information about major customers

During the six months ended 30 June 2026 and 2025, no revenue from transactions with a single external customer amounted to 10% or more of the Group's total revenue.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

30 June 2026

4. REVENUE

An analysis of revenue is as follows:

Six months ended 30 June 2026			
By segment	Medical equipment and consumables RMB'000 (Unaudited)	Healthcare information technology RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
<i>Revenue from contracts with customers</i>			
Sales of trading goods	1,051,320	–	1,051,320
Sales of manufactured goods	5,838	–	5,838
Provision of after-sales services	45,231	–	45,231
Sales of software products	–	112,698	112,698
Provision of information technology ("IT") services	–	103,962	103,962
Provision of system integration business	–	34,658	34,658
Total	1,102,389	251,318	1,353,707

Six months ended 30 June 2025			
By segment	Medical equipment and consumables RMB'000 (Unaudited)	Healthcare information technology RMB'000 (Unaudited)	Total RMB'000 (Unaudited)
<i>Revenue from contracts with customers</i>			
Sales of trading goods	1,177,346	–	1,177,346
Sales of manufactured goods	4,474	–	4,474
Provision of after-sales services	87,775	–	87,775
Sales of software products	–	–	–
Provision of information technology ("IT") services	–	–	–
Provision of system integration business	–	–	–
Total	1,269,595	–	1,269,595

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

30 June 2026

4. REVENUE *(continued)*

Revenue from contracts with customers

Disaggregated revenue information

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
<u>Types of goods and services</u>		
Sales of medical equipment	116,756	113,963
Sales of medical consumables	940,402	1,067,857
Provision of after-sales services	45,231	87,775
Sales of software products	112,698	–
Provision of information technology ("IT") services	103,962	–
Provision of system integration business	34,658	–
Total	1,353,707	1,269,595
<u>Types of customers</u>		
Sales to hospitals and healthcare institutions	393,486	181,871
Sales to logistics providers	72,006	90,002
Sales to distributors	865,242	909,947
Sales to service customers	22,973	87,775
Total	1,353,707	1,269,595
<u>Timing of revenue recognition</u>		
Goods transferred at a point in time	1,204,514	1,181,820
Services transferred over time	149,193	87,775
Total	1,353,707	1,269,595

NOTES TO INTERIM CONDENSED CONSOLIDATED
FINANCIAL INFORMATION (CONTINUED)
30 June 2026

5. OTHER INCOME AND GAINS, NET

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
<u>Other income</u>		
Bank interest income	2,853	1,122
Government subsidies*	15,330	7,199
Rental income	6,102	–
Interest income on financial assets measured at amortised cost	2,229	–
Others	936	138
Subtotal	27,450	8,459
<u>Gains</u>		
Gain on disposal of items of property, plant and equipment	31	–
Total	27,481	8,459

* Government subsidies have been received from the local government authorities in the Chinese mainland, to support subsidiaries' daily operating activities. There are no unfulfilled conditions or contingencies relating to these subsidies.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

30 June 2026

6. (LOSS)/PROFIT BEFORE TAX

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

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Cost of goods sold*	947,942	946,176
Cost of services provided*	108,406	43,825
Depreciation of owned assets	23,063	12,828
Depreciation of right-of-use assets	14,765	6,676
Amortisation of intangible assets	38,871	—
Foreign exchange differences, net***	23,016	24,899
Gain on disposal of items of property, plant and equipment**	(31)	—
Write-down of inventories to net realisable value***	12,268	71

* These items are included in "Cost of sales" on the face of the interim condensed consolidated statement of profit or loss and other comprehensive income.

** These items are included in "Other income and gains" on the face of the interim condensed consolidated statement of profit or loss and other comprehensive income.

*** This item is included in "Other expenses" on the face of the interim condensed consolidated statement of profit or loss and other comprehensive income.

7. INCOME TAX

Hong Kong profits tax

Hong Kong profits tax has been provided at the rate of the 16.5% (2025:16.5%) on the estimated assessable (losses)/profits arising in Hong Kong during the period, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 (six months ended 30 June 2025: HK\$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2025: 8.25%) and the remaining assessable profits are taxed at 16.5% (2025:16.5%).

PRC corporate income tax

Under the Law of the PRC on Enterprise Income Tax (the “**EIT Law**”) and Implementation Regulation of the EIT Law, the EIT rate of the Group’s PRC subsidiaries is 25% unless subject to tax exemption set out below.

Certain subsidiaries were accredited as high and new-tech enterprises (the “**HNTE**”) and eligible for the preferential EIT rate of 15%.

Certain subsidiaries were qualified as small and micro enterprises and eligible for the preferential EIT rate of 20%.

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Current – Chinese Mainland		
Charge for the period	14,894	33,568
Under-provision/(over-provision) in prior periods	4,757	(476)
Current – Hong Kong		
Charge for the period	77	625
Deferred	(7,228)	(199)
Total tax charge for the period	12,500	33,518

30 June 2026

8. DIVIDENDS

No dividends have been declared and paid by the Company for the six months ended 30 June 2026 (Six months ended 30 June 2025: Nil).

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

The calculation of the basic (loss)/earnings per share amount is based on the loss for the period attributable to ordinary equity holders of the parent of RMB70,493,000 (six months ended 30 June 2025: profit attributable to ordinary equity holders of the parent of RMB39,119,000), and the weighted average number of ordinary shares of 1,604,359,013 (six months ended 30 June 2025: 1,625,103,535) outstanding during the period.

No adjustment has been made to the basic (loss)/earnings per share presented for the six months ended 30 June 2026 and 2025 as the Group had no potentially dilutive ordinary shares in issue during these periods.

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group acquired items of owned property, plant and equipment of RMB17,310,000 (six months ended 30 June 2025: RMB16,079,000).

NOTES TO INTERIM CONDENSED CONSOLIDATED
FINANCIAL INFORMATION (CONTINUED)
30 June 2026

11. TRADE AND BILLS RECEIVABLES

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Trade receivables	2,666,721	463,365
Bills receivables	17	–
Impairment, net	(792,607)	(10,811)
Total	1,874,131	452,554

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

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Within 1 month	626,912	390,888
1 to 2 months	76,491	17,593
2 to 3 months	59,468	21,352
Over 3 months to within 1 years	272,498	22,721
1-2 years	384,706	–
2-3 years	302,206	–
Over 3 years	151,850	–
Total	1,874,131	452,554

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

30 June 2026

12. PREPAYMENTS, OTHER RECEIVABLES AND OTHER ASSETS

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Prepayments	179,955	217,668
Deposits and other receivables	79,764	55,319
Amounts due from associates	–	249
Amounts due from shareholders	1,575	2,837
Income tax recoverable	24,598	–
Value-added tax recoverable	995	–
	286,887	276,073
Impairment, net	(33,677)	(129)
Total	253,210	275,944

The amounts due from associates and shareholders are unsecured, non-interest bearing and repayable on demand.

13. TRADE PAYABLES

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

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Within 1 month	294,359	104,987
1 to 2 months	12,136	285,584
2 to 3 months	34,099	204,124
Over 3 months	766,593	61,518
Total	1,107,187	656,213

NOTES TO INTERIM CONDENSED CONSOLIDATED
FINANCIAL INFORMATION (CONTINUED)
30 June 2026

14. OTHER PAYABLES AND ACCRUALS

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Contract liabilities	213,018	53,019
Other payables	44,624	36,592
Accruals	45,712	31,847
Other tax payables	156,429	–
Lease liabilities	73,654	85,209
	533,437	206,667
Less: other payables included in non-current liabilities	(64,021)	(65,400)
Total	469,416	141,267

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

30 June 2026

15. INTEREST-BEARING BANK AND OTHER BORROWINGS

	Note	30 June 2026 (Unaudited)			31 December 2025 (Audited)		
		Effective interest rate (%)	Maturity	RMB'000	Effective interest rate (%)	Maturity	RMB'000
Current:							
Short-term borrowings, unsecured and guaranteed	(a)	0.52-7.50	2026-2027	2,243,095	0.52-6.19	2026	1,842,042
Long-term borrowings to be settled within one year, secured and guaranteed		3.38-4.84	2026-2027	13,000	–	–	–
				2,256,095	1,842,042		
Non-current							
Long-term borrowings, secured and guaranteed		3.38-4.84	2027-2036	341,809	–	–	–
Total:				2,597,904	1,842,042		

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

30 June 2026

15. INTEREST-BEARING BANK AND OTHER BORROWINGS *(continued)*

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Analysed into:		
Bank loans repayable:		
Within one year or on demand	2,256,095	1,842,042
Over one year	341,809	—

Note:

- (a) The bank and other borrowings bear interest at fixed rates ranging from 0.52% to 7.5% (31 December 2025: 0.52% to 6.19%) and denominated in HKD and RMB (31 December 2025: HKD and RMB).

16. SHARE CAPITAL

Shares

	30 June 2026		31 December 2025	
	US\$'000	RMB'000 (Unaudited)	US\$'000	RMB'000 (Audited)
Authorised:				
3,000,000,000 ordinary shares of US\$0.0005 each	1,500	10,280	1,500	10,280
Issued and fully paid:				
1,621,488,096 ordinary shares (31 December 2025: 1,621,488,096) of US\$0.0005 each <i>(note 1)</i>	817	5,589	817	5,589

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

30 June 2026

16. SHARE CAPITAL *(continued)*

Shares *(continued)*

The movements in the company's issued share capital during the period ended 30 June 2026 and year ended 31 December 2025 were as follows:

	Number of ordinary shares	Nominal value of ordinary shares US\$'000	Equivalent to RMB'000
At 1 January 2025	1,625,508,096	819	5,603
Share repurchase and cancellation <i>(note a)</i>	(4,020,000)	(2)	(14)
At 31 December 2025 (Audited), 1 January 2026 and 30 June 2026 (Unaudited)	1,621,488,096	817	5,589

Note:

- (a) During the six months ended 30 June 2025, the company had repurchased 4,020,000 its own ordinary shares with an aggregate consideration RMB8,117,000 and cancelled the repurchased shares on 24 June 2025.

17. BUSINESS COMBINATION

Reference is made to the announcement of the Company dated 16 November 2025, 11 March 2026, 17 April 2026, 29 May 2026, 14 June 2026, 27 July 2026 and the circular of the Company dated 30 June 2026 in relation to the acquisition and the entrustment arrangement of B-Soft Co., Ltd. ("**B-Soft**"). B-Soft is a healthcare information technology enterprise that focuses on the research, development, sales and servicing of medical and health information systems and software; it owns a number of proprietary software technologies and products in the healthcare information technology sector.

The total consideration for the Acquisition was RMB500,000,000, settled in cash.

Since the Acquisition, B-Soft contributed approximately RMB251,318,000 to the Group's revenue for the six-month period ended 30 June 2026.

The Group accounted for the Acquisition on a provisional basis. The amounts recognised as of the date of the Acquisition for each class of assets acquired and liabilities assumed have not been disclosed, as the initial accounting for the Acquisition has not been completed as of the date of approval of these condensed consolidated financial statements. The Group will adjust the provisional amounts recognised during the measurement period, based on new information obtained about the facts and circumstances that existed as at the date of the Acquisition, and ends on 12 months from the date of the Acquisition.

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

30 June 2026

18. RELATED PARTY TRANSACTIONS

- (a) The Group had the following material transactions with related parties during the period:

		Six months ended 30 June	
	Notes	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Purchases of products:			
Alifax Diagnostics Co., Limited ("Alifax")	(i)	820	1,483
Zhejiang Chuanglian Wangjie Technology Co., Ltd.	(i)	688	–
Philips (China) Investment Co., Ltd.	(i)	217	–
Hangzhou Qijing Technology Co., Ltd.	(i)	962	–
Chengdu Mishuo Information Technology Co., Ltd.	(i)	58	–
Shinva Medical Instrument Co., Ltd ("Shinva") and its subsidiaries (collectively referred to as "Shinva Group")	(ii)	307	106
Rental expenses:			
Shinva Group	(iii)	613	1,976
Mr. Ho	(iii)	385	334
Mr. Leung	(iii)	661	610
Mr. Lin	(iii)	1,366	–
Recognition of right-of-use-assets:			
Mr. Ho	(iv)	–	1,937
Mr. Leung	(iv)	–	3,448

18. RELATED PARTY TRANSACTIONS *(continued)*

(a) *(continued)*

Notes:

- (i) The purchases from the associates, were made according to the prices and conditions mutually agreed by the Group and the associates.
- (ii) The purchases from Shinva Group were made according to the prices and conditions mutually agreed by the Group and Shinva Group.
- (iii) The rental expenses paid were based on the market rates.
- (iv) Mr. Ho and Mr. Leung, the shareholders of the Group. Right-of-use assets and lease liabilities of RMB5,385,000 and RMB5,385,000 were recognised on the same date in respect of the lease agreements. During the six months ended 30 June 2025.

(b) Compensation of key management personnel of the Group:

	Six months ended 30 June	
	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
Short term employee benefits	3,325	9,531
Performance-related bonuses	240	–
Post-employment benefits	319	717
Total compensation paid to key management personnel	3,884	10,248

30 June 2026

19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has assessed that the fair values of cash and bank balances, trade and bills receivables, trade payables, financial assets at FVTPL and financial assets at fair value through other comprehensive income, financial assets included in prepayments and other receivables, financial liabilities included in other payables and accruals, and the current portion of interest-bearing bank and other borrowings approximate to their carrying amounts largely due to the short term maturities of these instruments.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following method and assumption were used to estimate the fair values:

The fair values of financial assets at fair value through profit or loss are determined based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly.

The fair value of the non-current portion of interest-bearing bank and other borrowings and non-current portion of financial liabilities included in other payables 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 Group's own non-performance risk for interest-bearing bank and other borrowings and financial liabilities included in other payables as at 30 June 2026 and 31 December 2025 was assessed to be insignificant. Management has assessed that the fair values of the non-current portion of interest-bearing bank and other borrowings and financial liabilities included in other payables approximate to their carrying amounts.

19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS *(continued)*

Fair value hierarchy

Below is a summary of significant unobservable inputs to the valuation of financial instruments as at 30 June 2026 and 31 December 2025:

	Significant Valuation Technique	Unobservable inputs
Wealth management products	Determined by quote provided by a financial institute in Chinese mainland with reference to the net asset values of the underlying investment	N/A as quantitative unobservable inputs are not developed by the Group
Unlisted equity investments	Market approach	Median of value-to-sales ratio multiples of 5.46 Marketability discount rate of 20.4%

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

30 June 2026

19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS *(continued)*

Fair value hierarchy *(continued)*

The following table illustrates the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

30 June 2026

	Fair value measurement using			Total RMB'000 (Unaudited)
	Quoted prices in active markets (Level 1) RMB'000 (Unaudited)	Significant observable inputs (Level 2) RMB'000 (Unaudited)	Significant unobservable inputs (Level 3) RMB'000 (Unaudited)	
Financial assets at fair value through profit or loss:				
Wealth management products	-	774	20,183	20,957
Unlisted equity investments	-	-	52,284	52,284
		774	72,467	73,241
Financial assets at fair value through other comprehensive income:				
Unlisted equity investments	-	-	2,195	2,195
Total	-	774	74,662	75,436

19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS *(continued)*

Fair value hierarchy *(continued)*

Assets measured at fair value: *(continued)*

31 December 2025

	Fair value measurement using			Total RMB'000 (Unaudited)
	Quoted prices in active markets (Level 1) RMB'000 (Unaudited)	Significant observable inputs (Level 2) RMB'000 (Unaudited)	Significant unobservable inputs (Level 3) RMB'000 (Unaudited)	
Financial assets at fair value through profit or loss:				
Unlisted equity investments	–	–	2,427	2,427
Derivative financial assets	–	–	2,136	2,136
Total	–	–	4,563	4,563

During the period, there was no transfer of fair value measurement between Level 1 and 2 and no transfer into or out of Level 3 (year ended 31 December 2025: Nil).

20. APPROVAL OF THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

The unaudited interim condensed consolidated financial information was approved and authorised for issue by the board of directors on 31 August 2026.

OTHER INFORMATION

SHAREHOLDING INFORMATION

Directors and chief executives

As of 30 June 2026, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”)) which were (a) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or (b) recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”), are as follows:

Name of Director	Capacity/Nature of interest	Number of Shares ⁽¹⁾	Percentage of Shares in issue
LIN Xianya ⁽²⁾	Interest in controlled corporation	14,303,041 (L)	0.88%

Notes:

- (1) The letter “L” denotes the long position in the Shares.
- (2) As of 30 June 2026, Mr. Lin was the sole shareholder and a director of Lucan Investment Limited. Therefore, Mr. Lin was deemed to be interested in Lucan Investment Limited’s interest in the Shares pursuant to the SFO. The disclosed interest represents 14,303,041 Shares held by Lucan Investment Limited.

Save as disclosed above, as of 30 June 2026, none of the Directors and chief executives of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or which were otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Substantial Shareholders and Other Persons

So far as the Directors are aware of, as of 30 June 2026, the following substantial shareholders and other persons (other than Directors or chief executives of the Company) had interests or short positions in the Shares and the underlying Shares as recorded in the register required to be kept pursuant to section 336 of the SFO:

Name	Capacity/Nature of interest	Number of Shares ⁽¹⁾	Percentage of Shares in issue
Substantial Shareholders			
Goheal Holdings Limited ⁽²⁾	Beneficial owner	450,882,858 (L)	27.81%
KS&KL Investment Co. Limited ⁽²⁾	Interest in controlled corporation	450,882,858 (L)	27.81%
King Sun Limited ⁽²⁾	Interest in controlled corporation	450,882,858 (L)	27.81%
Leung King Sun ⁽²⁾	Interest in controlled corporation	450,882,858(L)	27.81%
Ho Kuk Sing ⁽²⁾	Interest in controlled corporation	450,882,858 (L)	27.81%
Huatuo International Development Co., Limited ⁽³⁾	Beneficial owner	443,654,371 (L)	27.36%
Shinva Medical Instrument Co., Ltd ⁽³⁾	Interest in controlled corporation	443,654,371 (L)	27.36%
Other Persons			
North Haven Private Equity Asia IVD Company Limited ⁽⁴⁾	Beneficial owner	92,646,730 (L)	5.71%
North Haven Private Equity Asia IVD Holding Limited ⁽⁴⁾	Interest in controlled corporation(s)	92,646,730 (L)	5.71%
North Haven Private Equity Asia IV Holdings Limited ⁽⁴⁾	Interest in controlled corporation(s)	92,646,730 (L)	5.71%

OTHER INFORMATION (CONTINUED)

Name	Capacity/Nature of interest	Number of Shares ⁽¹⁾	Percentage of Shares in issue
North Haven Private Equity Asia IV, L.P. ⁽⁴⁾	Interest in controlled corporation(s)	92,646,730 (L)	5.71%
Morgan Stanley Private Equity Asia IV, L.L.C. ⁽⁴⁾	Interest in controlled corporation(s)	92,646,730 (L)	5.71%
Morgan Stanley Private Equity Asia IV, Inc. ⁽⁴⁾	Interest in controlled corporation(s)	92,646,730 (L)	5.71%
MS Holdings Incorporated ⁽⁴⁾	Interest in controlled corporation(s)	92,646,730 (L)	5.71%

Notes:

(1) The letter "L" denotes long position in the Shares.

Based on the information available to the Company, as of 30 June 2026:

- (2) Ho Kuk Sing and Leung King Sun 100% controlled KS&KL Investment Co. Limited and King Sun Limited, respectively. KS&KL Investment Co. Limited held 38.93% and King Sun Limited held 45.55% of Goheal Holdings Limited, respectively (with respective indirect interest in 450,882,858 Shares pursuant to the SFO). The disclosed interest represents 450,882,858 Shares held by Goheal Holdings Limited.
- (3) Huatuo International Development Co., Limited was 100% controlled by Shinva Medical Instrument Co., Ltd. Therefore, Shinva Medical Instrument Co., Ltd was deemed to be interested in Huatuo International Development Co., Limited's interest in Shares pursuant to the SFO.
- (4) The register showed: North Haven Private Equity Asia IVD Company Limited as beneficial owner of 92,646,730 Shares (L). North Haven Private Equity Asia IVD Company Limited is 100% controlled by North Haven Private Equity Asia IVD Holding Limited, which is in turn 100% controlled by North Haven Private Equity Asia IV Holdings Limited. North Haven Private Equity Asia IV Holdings Limited is 100% controlled by North Haven Private Equity Asia IV, L.P., which is in turn 100% controlled by Morgan Stanley Private Equity Asia IV, L.L.C.. Morgan Stanley Private Equity Asia IV, L.L.C. is 100% controlled by Morgan Stanley Private Equity Asia IV, Inc.. Morgan Stanley Private Equity Asia IV, Inc. is 100% controlled by MS Holdings Incorporated. Therefore, MS Holdings Incorporated is deemed to be interested in Shares which North Haven Private Equity Asia IVD Company Limited was directly interested in pursuant to the SFO.

Save as disclosed above, the Directors are not aware of any other persons (other than the Directors and the chief executives of the Company at that time) who had any interests or short positions in the Shares and underlying Shares as of 30 June 2026 as recorded in the register required to be kept under section 336 of the SFO.

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

Pursuant to the general mandate granted to the Directors by ordinary resolution of the Shareholders at the annual general meeting of the Company held on 30 June 2025 to repurchase Shares not exceeding 10% of the total number of issued Shares as at the date of passing of the resolution (excluding treasury shares (as defined under the Listing Rules)), the Company repurchased a total of 685,000 Shares at a total consideration of approximately HKD1,459,000 on the Stock Exchange during the Reporting Period. The Company accounted for the repurchased Shares as treasury shares.

The Directors believe that such repurchase can enhance the net asset value per Share and earnings per Share and benefit the Company and the Shareholders.

Save as disclosed in this report, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of its listed securities (including sale of treasury shares) during the Reporting Period. As of 30 June 2026, the Company held 17,199,000 treasury shares.

SHARE SCHEMES

A. Share Option Scheme

The following is a summary of the principal terms of the share option scheme of the Company adopted on 21 June 2019 (the **"Share Option Scheme"**), more details of which are set out in the prospectus of the Company dated 29 June 2019:

The Share Option Scheme is a share incentive scheme and is established to (a) attract and retain the best quality personnel for the development of the Group's businesses, (b) to provide additional incentives to the Qualifying Grantees (as defined below), and (c) to promote the long term financial success of the Group by aligning the interests of option holders to the Shareholders.

Subject to the provisions of the Listing Rules and applicable law and other regulations from time to time in force, the Board may, in its discretion, select Qualifying Grantees to whom options may be granted under the Share Option Scheme (the **"Options"**).

“Qualifying Grantee” means any Eligible Person, any trust for the benefit of an Eligible Person or his immediate family members, or any company controlled by an Eligible Person or his immediate family members.

“Eligible Person” means (a) any employee (whether full-time or part-time employee) of any member of the Group or any affiliate and any person who is an officer of any member of the Group or any affiliate, (b) any person who is seconded to work for any member of the Group or any affiliates, (c) any consultant, agent, representative, adviser, customer, contractor of the Group or any affiliate, or (d) any business partner/ally/alliance, joint venture partner, supplier of goods or services to the Group or any affiliate or any employee thereof.

The number of Options that can be granted to any Qualifying Grantee during any 12-month period shall be subject to the restriction that the total number of Shares issued and to be issued upon exercise of Options (whether exercised or outstanding) granted in such 12-month period and must not exceed 1% of the Shares in issue. Where any further grant of Options to a Qualifying Grantee would result in the Shares issued and to be issued upon exercise of all options granted and to be granted to such person (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the Shares in issue, such further grant shall be subject to separate approval by the Shareholders in general meeting with the relevant Qualifying Grantee and his close associates (or his associates if the participant is a connected person) abstaining from voting.

Unless such further grant is approved by the Shareholders in general meeting, no Option may be granted to any substantial Shareholder or an independent non-executive Director, or any of their respective associates, which would result in the Shares issued and to be issued upon exercise of all options already granted or to be granted (including options exercised, cancelled and outstanding) to such person under the Share Option Scheme and any other scheme(s) of the Company in the 12-month period up to and including the date of board meeting for proposing such further grant (a) representing in aggregate over 0.1% of the share capital of the Company in issue, and (b) having an aggregate value, based on the closing price of the Shares at the date of the Board meeting for proposing such further grant, in excess of HK\$5 million.

An offer shall remain open for acceptance by the Qualifying Grantee concerned for a period of 28 days from the date of the offer (or such period as the Board may specify in writing). A consideration of HK\$1.00 is payable on acceptance of the offer of grant of an Option.

The subscription price in respect of any particular Option shall be such price as the Board may in its absolute discretion determine at the time of grant of the relevant Option (and shall be stated in the letter containing the offer of the grant of the Option) but the subscription price shall not be less than whichever is the higher of:

- (a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date on which the Option is deemed to have been granted in accordance with the terms of the Share Option Scheme (the "**Date of Grant**"), which must be a day on which the Stock Exchange is open for the business of dealing in securities;
- (b) the average closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five Business Days immediately preceding the Date of Grant; and
- (c) the nominal value of a Share.

Subject to the provisions of the Listing Rules, applicable law and other regulations from time to time in force and the terms of the Share Option Scheme, the Board may, in its discretion, determine the period during which the Options may be exercised, and the minimum period, if any, for which an Option must be held before it vests or becomes exercisable in whole or in part.

Subject to earlier termination by the Company in general meeting or by the Board, the Share Option Scheme shall be valid and effective for a period of 10 years from 12 July 2019. The remaining life of the Share Option Scheme is approximately 3 years (as of 30 June 2026).

There were no outstanding Options at any time during the Reporting Period (including the beginning and the end of the Reporting Period). No Option was granted, vested, exercised, cancelled or lapsed under the Share Option Scheme during the Reporting Period.

OTHER INFORMATION (CONTINUED)

Further information of the Options granted under the Share Option Scheme is set out below:

Name/category of grantees	Date of grant	Number of Options granted	Exercise price ³	During the Reporting Period				Outstanding as of 30 June 2026	Vesting and exercise period
				Outstanding as of 1 January 2026	Exercised	Cancelled	Lapsed		
Director									
Lin Xianya	22 November 2019	7,333,700	3.042	–	–	–	–	–	Note 4
Other connected persons									
Ho Kuk Sing ⁶	22 November 2019	8,000,400	3.042	–	–	–	–	–	Note 4
Leung King Sun ⁷	22 November 2019	8,000,400	3.042	–	–	–	–	–	Note 4
Employees participants									
Senior management	22 November 2019	866,710	3.042	–	–	–	–	–	Note 5
Other employees ⁸	22 November 2019	866,710	3.042	–	–	–	–	–	Note 5
Total				–	–	–	–	–	

Notes:

1. The total number of Shares which may be issued upon exercise of all Options available for grant under the Share Option Scheme was 106,672,000 Shares as of the beginning and the end of the Reporting Period, representing approximately 6.65% and 6.65% of the total issued Shares (excluding treasury shares) as of the relevant time, respectively. There has been no change after the Reporting Period and up to the date of this report in this regard.
2. A consideration of HK\$1 was payable by each grantee upon acceptance of the Option.
3. The exercise price of HK\$3.042 per Share represents the higher of: (i) the closing price of HK\$3.04 per Share as stated in the daily quotation sheet of the Stock Exchange on the date of grant (also being the date on which the exercise price was fixed); (ii) the average closing price of HK\$3.042 per Share as stated in the daily quotation sheets of by the Stock Exchange for the five business days immediately preceding the date of grant; and (iii) the nominal value of US\$0.0005 per Share. The closing price per Share as stated in the daily quotation sheet of the Stock Exchange on the date immediately before the date of grant was HK\$3.04. Further information about the fair values of the Options granted under the Share Option Scheme during the year of grant (i.e. 2019) is set out in the 2019 Annual Report of the Company, which is available at the websites of the Stock Exchange and the Company, respectively.
4. These Options were vested on 3 June 2020 (the date on which the grants were approved by the Shareholders at a general meeting). Their exercise period is from 3 June 2020 to 2 June 2025, subject to earlier cancellation, lapse or termination in accordance with the Share Option Scheme. These Options lapsed on 2 June 2025.
5. These Options were vested on 22 November 2019 (date of grant). Their exercise period is from 22 November 2019 to 21 November 2024, subject to earlier cancellation, lapse or termination in accordance with the Share Option Scheme. These Options lapsed on 21 November 2024.
6. Mr. Ho Kuk Sing is a substantial shareholder of the Company. He retired as a Director in July 2025, and is currently a consultant of the Company. See also "Other Information – Shareholding Information – Substantial Shareholders and Other Persons" in this report.
7. Mr. Leung King Sun is a substantial shareholder of the Company. He resigned as a Director in March 2024, and is currently a senior consultant of the Company. See also "Other Information – Shareholding Information – Substantial Shareholders and Other Persons" in this report.
8. None of these employees were connected person, senior management, related entity participant or service provider of the Company save as disclosed above. None of them has Options granted and to be granted in excess of 1% of the total issued Shares save as disclosed above.

B. 2020 Share Award Scheme

The Company adopted a share award scheme on 19 May 2020 (the “**2020 Share Award Scheme**”). The following is a summary of the principal terms of the 2020 Share Award Scheme, more details are as set out in the announcement of the Company dated 19 May 2020.

(a) Purpose

To recognise the contributions by certain employees and to provide incentives thereto to retain them for the continual operation and development of the Group, and to attract suitable personnel for further development of the Group.

(b) Duration

Subject to any early termination determined by the Board and the rules of the 2020 Share Award Scheme, the 2020 Share Award Scheme shall be valid and effective for a term of 10 years commencing on 19 May 2020. The remaining life of the 2020 Share Award Scheme is approximately 4 years (as of 30 June 2026).

(c) Administration

The 2020 Share Award Scheme shall be subject to the administration of the Board and Bank of Communications Trustee Limited (the “**Trustee**”) in accordance with the rules relating to the 2020 Share Award Scheme and a trust deed dated 19 May 2020 entered into between the Company as settler and the Trustee as trustee.

Pursuant to the 2020 Share Award Scheme, the Board may from time to time cause to be paid a contributed amount to the trust by way of settlement or otherwise contributed by the Company, any subsidiary, any of the controlling shareholders of the Company who are natural persons, or any party designated by the Company or any of the controlling shareholders of the Company who are natural persons as directed by the Board which shall constitute part of the trust fund, for the purchase or subscription (as the case may be) of the Shares.

As of 30 June 2026, 2,711,000 Shares were held by the Trustee in trust under the 2020 Share Award Scheme.

(d) Maximum limit

The Board shall not make any further award of Shares to certain selected employee which will result in the aggregate number of Shares awarded by the Board under the 2020 Share Award Scheme to be in excess of 10% of the issued share capital of the Company from time to time. The maximum number of Shares which may be awarded to certain selected employee under the 2020 Share Award Scheme shall not exceed 1% of the issued share capital of the Company from time to time.

(e) Participants, vesting period and conditions of award

Only employees (including executive directors) of any member of the Group could be awarded Awarded Shares under the 2020 Share Award Scheme.

Any grant of Awarded Shares to select employee shall be at no consideration. The Board is entitled to impose any conditions (including a period of continued service within the Group), as it deems appropriate in its absolute discretion with respect to the vesting of the Awarded Shares on the selected employees.

In determining the number of Awarded Shares to be granted, the Board shall take into consideration matters including, but without limitation to:

- (i) the present contribution and expected contribution of the relevant selected employee to the profits of the Group;
- (ii) the general financial condition of the Group;
- (iii) the Group's overall business objectives and future development plan; and
- (iv) any other matter which the Board considers relevant.

There were no unvested Awarded Shares at any time during the Reporting Period (including the beginning and the end of the Reporting Period). During the Reporting Period, no Awarded Shares were granted, vested, cancelled, lapsed and/or issued.

OTHER INFORMATION (CONTINUED)

Since the adoption date of the 2020 Share Award Scheme and up to the date of this report, the total number of Shares being awarded was 30,000,000 Shares, representing approximately 2.25% of the total issued Shares as of the adoption date, and 1.87% of the total issued Shares (excluding treasury shares) as of the end of the Reporting Period.

Further information of the Awarded Shares granted under the 2020 Share Award Scheme is set out below:

Name/ category of Grantees	Date of grant (Relevant closing price ³⁾)	Number of Awarded Shares	Unvested awards as of 1 January 2026	During the Reporting Period			Unvested awards as of 30 June 2026	Vesting period
				Vested	Cancelled	Lapsed		
Employee participants (not being a director/chief executive)								
Senior management	29 March 2021 (HK\$2.12)	1,872,000	–	–	–	–	–	Note 4
Other employees ⁵	29 March 2021 (HK\$2.12)	26,446,000	–	–	–	–	–	Note 4
Total		28,318,000	–	–	–	–	–	

Notes:

1. The number of Awarded Shares available for grant under the 2020 Share Award Scheme as of the beginning and the end of the Reporting Period was 107,141,000 Shares, representing approximately 6.68% and 6.68% of the total issued Shares (excluding treasury shares) as of the relevant time, respectively. There has been no change after the Reporting Period and up to the date of this report in this regard.
2. Grantees were not required to pay any application/acceptance amount, purchase price or exercise price for the Awarded Shares under the 2020 Share Award Scheme.
3. Represents the closing price per Share as quoted on the Stock Exchange immediately before the date on which the Awarded Shares were granted.

4. The Board resolved on 15 December 2020 to allot and issue 30,000,000 new Awarded Shares to the Trustee under the general mandate. 30,000,000 Awarded Shares were granted to 405 selected employees (who are all employees of the Company or its subsidiaries) at nil consideration on 29 March 2021, with a vesting period from the date of grant to 1 April 2022. The Awarded Shares were issued at its nominal value of US\$0.0005 per Share, and the total subscription price of US\$15,000 (being the aggregate nominal value of the Awarded Shares) was paid by the Company. These Awarded Shares were allotted to the Trustee on 20 April 2021. All the outstanding Awarded Shares were vested on 1 April 2022 in a single tranche according to the terms of grant. The grant and vesting the these Awarded Shares were not subject to any performance target.
5. None of these employees were connected person, senior management, related entity participant or service provider of the Company. None of them has awards granted and to be granted in excess of 1% of the total issued Shares.

C. 2025 Share Award Scheme

The Company adopted a new share award scheme on 30 June 2025 (the “**2025 Share Award Scheme**”). The following is a summary of the principal terms of the 2025 Share Award Scheme, more details are set out in the circular of the Company dated 6 June 2025.

(a) Purposes

The purposes of the 2025 Share Award Scheme are to (i) incentivize and motivate eligible participants to contribute to the Group, optimise their performance and efficiency for the benefit of the Group, and achieve designated goals, (ii) encourage continuing commitment to the Group, (iii) attract important candidates to join the Group to facilitate the development of the Group; and (iv) recognise the contributions that eligible participants have or may have made or may make to the Group (whether directly or indirectly).

(b) Administration

The 2025 Share Award Scheme shall be subject to the execution of the administration (the “**Administration**”, being the Board, the remuneration committee of the Company (the “**Remuneration Committee**”), and/or delegate(s) of the aforementioned in charge of the operation and all other aspects of the 2025 Share Award Scheme) in accordance with its scheme rules. A decision of the Administration shall be final and binding on all persons affected thereby, subject to the general power of the Board of administration.

(c) Eligible Participants

The Administration may, from time to time, select any eligible participant to be a selected participant (the “**Selected Participant**”), grant an award to such Selected Participant during the 2025 Share Award Scheme period, and determine the terms and conditions of the awards and the vesting of award shares.

Eligible participant includes:

Employee Participants – director(s) (including independent non-executive Director(s)) or employee(s) (whether full time or part time) of a member of the Group (including person who is granted awards as inducement to enter into employment contract with a member of the Group);

Related Entity Participants – director(s) or employee(s) of a holding company, a fellow subsidiary or associated company of the Company; and

Service Providers – individual(s) or entity(ies) (not being an Employee Participant and a Related Entity Participant) that provide services to member of the Group on a continuing or recurring basis in its ordinary and usual course of business, which is in the interest of the long term growth of the Company and/or its subsidiaries. For the avoidance of doubt, Service Providers include independent contractors, consultants, agents, advisers and suppliers engaged to provide services to any members of the Group, but exclude (i) placing agents or financial advisors providing advisory services for fundraising, mergers or acquisitions, and (ii) professional service providers such as auditors or valuers who provide assurance or are required to perform their services with impartiality and objectivity, provided that they are not individuals who are residents in a place where the grant, acceptance or vesting of an award pursuant to the 2025 Share Award Scheme is not permitted under the laws and regulations of such place or where, in the view of the Board or its delegate(s), compliance with applicable laws and regulations in such place makes it necessary or expedient to exclude such individual.

(d) Basis of Determining Eligibility

In assessing the eligibility of each Employee Participant, the Administration will take into account, without limitation, (i) the experience, technical expertise and qualification and level of responsibilities of the Employee Participant in relation to the Group's business; (ii) the financial condition and short-term and long-term objectives of the Group; (iii) the current remuneration packages of the Employee Participant; (iv) prevailing market practice and industry standard; and (v) the amount of participation, support, efforts, contributions and positive impact the Employee Participant has made/given, or could potentially make/give in the future, to the Group and/or towards the success of the Group.

Eligibility of each Related Entity Participant will be considered on a case by case basis based on factors including the participation, support, efforts, contribution and positive impact to the Group's business, prospects and development, and potential acquisition or joint venture targets.

Eligibility of each Service Provider will be considered on a case by case basis:

Eligibility of each Service Provider under the category of suppliers of services will be considered on a case by case basis with reference to factors including, among others: (i) the nature, scope, frequency, scale of engagements; (ii) the materiality and nature of business relationship (for example, the importance of the services to the Group's core business and strategy, the benefits and strategic value which could be brought and/or attributable to the relevant service provider, the business opportunities and external connection the Group could potentially obtained, its industry-specific resources, knowledge and expertise, the replacement costs of such business dealings); (iii) the track record and quality of the individual performance, and the ability to maintain such performance; (iv) the market norms and industry practices; and (v) the actual or potential contribution towards the long-term development and success of the Group.

Eligibility of each Service Provider under the category of business partners will be considered on a case by case basis with reference to factors including, among others: (i) the materiality and nature of business relationship (for example, the importance to the Group's core business and strategy, the benefits and strategic value which could be brought and/or attributable to the relevant collaboration (including, the profit and revenue expected to be attributable to such collaboration), the business opportunities and external connection the Group could potentially obtain, the expenses in establishing and maintaining collaboration, and the contract value); (ii) the market norms and industry practices; and (iii) the actual or potential contribution towards the long-term development and success of the Group.

(e) Scheme Mandate Limit

The total number of new Shares (the "**Scheme Mandate Limit**") which may be issued and allotted upon exercise of all share options and grant of share awards under the 2025 Share Award Scheme and any other share option schemes and share award schemes of the Company shall not in aggregate exceed 10% of the total number of Shares in issue (excluding treasury shares, if any) as at the Adoption Date (being 162,148,809 Shares, subject to adjustment in the case of any consolidation or subdivision of shares of the Company thereafter) or as at the date of approval of the refreshment of the Scheme Mandate Limit by Shareholders in general meeting, whichever is later.

The Scheme Mandate Limit may be "refreshed" with the approval of the Shareholders in general meeting, provided that no refreshment shall take effect within three years after the Adoption Date or the effective date of a previous refreshment unless the Company complies with rules 17.03C(1)(b) and (c) of the Listing Rules. The Scheme Mandate Limit as refreshed shall not exceed 10% of the shares in issue (excluding treasury shares) as at the relevant date of such approval. Options previously granted under the 2025 Share Award Scheme and options and awards granted under other schemes (including those outstanding, cancelled or lapsed in accordance with such schemes or those exercised) shall not be counted for the purpose of calculating the limit as refreshed.

(f) Service Provider Sublimit

Within the Scheme Mandate Limit, the total number of new Shares which may be awarded in respect of all share options and grant of share awards under the 2025 Share Award Scheme and any other share award schemes and share option schemes of the Company to the Service Providers shall not in aggregate exceed 1% of the total number of shares in issue (excluding treasury Shares, if any) as at the Adoption Date (as defined below) (being 16,214,880 Shares, subject to adjustment in the case of any consolidation or subdivision of Shares thereafter) unless Shareholders' approval has been obtained otherwise in accordance with the Listing Rules.

(g) Maximum Entitlement of Each Eligible Participant

No award shares shall be granted to any Eligible Participant (excluding any Director, chief executive or substantial shareholder of the Company, or any of their respective associates) if such grant of award shares to such person would result in the Shares issued and to be issued in respect of all award shares and share options granted (excluding any award shares and share options lapsed in accordance with the terms of the 2025 Share Award Scheme and other share scheme(s) adopted by the Company) to such person in the 12-month period (or such other time period as may be specified by the Stock Exchange from time to time) up to and including the date of such grant representing in aggregate over 1% (or such other percentage as may be specified by the Stock Exchange from time to time) of Shares in issue (excluding treasury shares, if any) on the date of grant shall take effect, unless:

- (a) such grant has been duly approved, in the manner prescribed by the relevant provisions of Chapter 17 of the Listing Rules, by resolution of the Shareholders in general meeting, at which such person and his/her close associates (or his/her associates if such person is a connected person) shall abstain from voting;
- (b) a circular regarding the grant has been dispatched to the Shareholders in a manner complying with, and containing the information specified in, the relevant provisions of Chapter 17 of the Listing Rules; and
- (c) the number and terms of such award share are fixed before the general meeting of the Company at which the same are approved.

Each grant of an award to any Director, chief executive or substantial shareholder of the Company, or any of their respective associates, must be approved by the independent non-executive Directors (excluding any independent non-executive Director who is a proposed recipient of the grant of an award). In addition:

- (a) where any grant of award shares to any Director (other than an independent non-executive Director) or chief executive of the Company, or any of their respective associates, would result in the Shares issued and to be issued in respect of all award shares granted (excluding any award shares lapsed in accordance with the terms of the 2025 Share Award Scheme and other share award scheme(s) of the Company (if any)) to such person in the 12-month period (or such other time period as may be specified by the Stock Exchange from time to time) up to and including the date of such grant representing in aggregate over 0.1% (or such other percentage as may be specified by the Stock Exchange from time to time) of the Shares in issue (excluding treasury shares, if any) as at the date of such grant, such further grant of award shares must be approved by Shareholders in general meeting with a circular sent to the Shareholders in the manner required, and subject to the requirements set out, in the Listing Rules; and
- (b) where any grant of award shares to an independent non-executive Director or a substantial shareholder of the Company, or any of their respective associates, would result in Shares issued and to be issued in respect of all award shares and options granted (excluding any award shares and share options lapsed in accordance with the terms of the 2025 Share Award Scheme and other share scheme(s) adopted by the Company) to such person in the 12-month period (or such other time period as may be specified by the Stock Exchange from time to time) up to and including the date of such grant, representing in aggregate over 0.1% (or such other percentage as may be specified by the Stock Exchange from time to time) of Shares in issue (excluding treasury shares, if any) as at the date of such grant such further grant of award shares must be approved by Shareholders in general meeting with a circular sent to the Shareholders in the manner required, and subject to the requirements set out, in the Listing Rules.

In the circumstances described in paragraphs (a) and (b) above, the Company must send a circular to the Shareholders. The Selected Participants, his/her associates and all core connected persons of the Company will be required to abstain from voting in favour at such general meeting.

(h) Offer and Acceptance

The Company shall issue a letter agreement to any Selected Participant in such form as the Administration may from time to time determine, specifying the grant date, the number of award shares underlying the award, the granting and/or vesting criteria and conditions (including but not limited to performance targets (if any) and the amount payable (if any) by such Selected Participant on acceptance of the award and the period within which payments or calls must or may be made or loans for such purposes must be repaid), the purchase price of award shares (if any) and the vesting date and such other details as they may consider necessary (the **"Grant Instrument"**). Upon receipt of the Grant Instrument, the Selected Participants are required to confirm their acceptance of the award by returning to the Company a notice of acceptance duly executed by them together with all information and documents as requested by the Company in the Grant Instrument within 10 business days after the grant date (the **"acceptance period"**) together with a payment (if any) in favour of the Company as consideration for the grant thereof as the Administration may determine. The award may be accepted by the Selected Participant in respect of less than the number of the award shares which are offered provided that it is accepted in respect of a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof and such number is clearly stated in the notice of acceptance. If any Selected Participant fails to return the notice of acceptance or to provide any requested information and documents upon the expiration of the acceptance period to the Company, the award automatically lapses forthwith.

(i) Vesting Period and Conditions

Subject to the Listing Rules, the Administration may from time to time while the 2025 Share Award Scheme is in force and subject to all applicable laws, determine such vesting criteria and conditions (including but not limited to performance targets) or periods for the award to be vested thereunder. Upon the satisfaction (or waiver) of all such terms and conditions, an award will vest on the vesting date in the Grant Instrument, upon which the relevant number of award shares will be transferred and/or issued to the Selected Participant. The vesting date in respect of any award shall not be a date which is within 12 months from the grant date, provided that for Employee Participants, the Administration may in its absolute discretion determine that the vesting date may be less than 12 months from the grant date (including on the grant date) in the following circumstances where: (a) grants of “make whole” awards to new joiners to replace share awards or options they forfeited when leaving their previous employers; (b) grants to an Employee Participant whose employment is terminated due to death or disability or occurrence of any out-of-control event; (c) grants with performance-based vesting conditions in lieu of time-based vesting criteria; (d) grants that are made in batches during a year for administrative and compliance reasons, which include awards that should have been granted earlier if not for such administrative or compliance reasons but had to wait for subsequent batch. In such case, the vesting period may be shorter to reflect the time from which the award would have been granted; (e) grants with a mixed or accelerated vesting schedule such as where the awards may vest evenly over a period of 12 months; and (f) grants with a total vesting and holding period of more than 12 months.

(j) Performance Targets

The Administration may impose any performance targets as it deems appropriate with respect to the entitlement of a Selected Participant to an award. Such performance targets may be a combination of qualitative and quantitative requirements that are established and measured based on, without limitation, appraisal report or job review of a Selected Participant, performance (such as sales, profit, growth targets) of the Group, particular member(s) of the Group, product lines, functional departments, projects, geographical area and/or a Selected Participant, or other indicators to be prescribed in a Grant Instrument. For the avoidance of doubt, any grant of awards to an independent non-executive Director is not subject to any performance targets.

(k) Satisfying the Vesting of Award Shares

The Company may satisfy the vesting of award shares by issuing and allotting Shares, transferring treasury shares, and/or making a cash payment to the Selected Participant in accordance with the rules of the 2025 Share Award Scheme, the Listing Rules and any other applicable laws and regulations. To the extent that, (i) a Selected Participant chooses to receive cash instead of award shares upon vesting of award shares, and such choice is approved by the Administration at its absolute discretion, or (ii) at the determination of the Administration, it is not practicable for the Selected Participant to receive award shares upon vesting due to legal or regulatory restrictions, the Administration may satisfy the vesting of award shares by making a cash payment to the Selected Participant. The amount of such payment shall be calculated by reference to the number of award shares to be vested in respect of the Selected Participant on the vesting date and valuing the same at the closing price of the Shares as stated in the daily quotations sheet published by the Stock Exchange on the vesting date and deducting therefrom any stamp duty, levy, trading fee and other, if any, direct costs and expenses which would have been payable if the award shares were sold on-market on the vesting date at the said closing price.

(l) Rights Attaching to Award Shares

Selected Participants do not have any right to vote, dividend or transfer, including those arising on a liquidation of the Company, in relation to any award granted but unvested under the 2025 Share Award Scheme.

(m) Life of the 2025 Share Award Scheme (Scheme Period)

The 2025 Share Award Scheme shall be valid and effective from 30 June 2025 (the “**Adoption Date**”) and ending on the business day immediately prior to the tenth anniversary of the Adoption Date. The remaining life of the 2025 Share Award Scheme is approximately 9 years (as of 30 June 2026).

The 2025 Share Award Scheme is subject to earlier termination as determined by the Board, provided that such termination does not affect any subsisting rights of any Selected Participant. In such event, no further awards may be offered or granted but awards granted prior to the termination of the 2025 Share Award Scheme shall in all other respects remain in full force and effect.

(n) Cancellation of Award

The Administration may cancel an award granted but remained unvested in certain circumstances, including where it is necessary to comply with the laws in the jurisdictions in which the Eligible Participants and the Company are subject to, or in order to comply with the requirements of any securities exchange. Award shares may be granted to an Eligible Participant in place of his/her cancelled award shares provided that there are available Scheme Mandate Limit approved by the Shareholders as referred to in the Listing Rules. The award shares cancelled will be regarded as utilized for the purpose of calculating the Scheme Mandate Limit and (where applicable) the service provider sublimit.

(o) Ranking of Award Shares

Award shares vested pursuant to the 2025 Share Award Scheme will be subject to all the provisions of the Company's articles of associations for the time being in force and will rank *pari passu* in all respects with other Shares in issue on the date they are transferred to the Selected Participant and accordingly, will entitle the holders to the same voting, dividend, transfer and other rights (including those arising on liquidation of the Company) as the existing fully paid Shares in issue on the date on which they are transferred upon vesting of an award. Without prejudice to the generality of the foregoing, award shares vested pursuant to the 2025 Share Award Scheme shall entitle their holders to participate in all dividends or other distributions paid or made on or after the date on which the Shares are vested and transferred to the Selected Participant.

Since the Adoption Date and during the Reporting Period, no awards were granted, vested, cancelled, lapsed and/or issued under the 2025 Share Award Scheme. There were no unvested awards under the 2025 Share Award Scheme at any time during the Reporting Period (including the beginning and the end of the Reporting Period). The number of award shares available for grant under the 2025 Share Award Scheme as of the beginning and the end of the Reporting Period was 162,148,809 Shares, representing approximately 10.10% and 10.11% of the issued Shares (excluding treasury shares) as of the relevant time, respectively. There has been no change after the Reporting Period and up to the date of this report in this regard.

D. B-Soft's Restricted Share Incentive Scheme

On 30 December 2022, B-Soft adopted a restricted share incentive scheme (the "**Restricted Share Incentive Scheme**"). The following is a summary of the principal terms of the Restricted Share Incentive Scheme:

(a) Purpose

- (i) To further establish and improve the governance structure and operational mechanisms, and to establish and refine incentive and accountability mechanisms to ensure the realisation of the development strategy and operational objectives;

- (ii) To establish and refine a mechanism for sharing interests between employees and owners, effectively aligning the interests of shareholders, B-Soft, and the personal interests of directors, senior management, key management personnel, middle management personnel and key staff members of B-Soft and its branches and subsidiaries, thereby promoting a shared focus on B-Soft's long-term development;
- (iii) To attract and retain outstanding management talent and key personnel, meet the significant demand for core talent, build a competitive advantage in human resources, further stimulate innovation, and inject new momentum into sustained and rapid development of B-Soft.

(b) Eligible Participants

The eligible participants under the Restricted Share Incentive Scheme shall be determined in accordance with the Company Law of the People's Republic of China (the "**Company Law**"), the Securities Law of the People's Republic of China (the "**Securities Law**"), the Administrative Measures for Equity Incentives of Listed Companies, the Rules Governing the Listing of Stocks on the ChiNext Market of the Shenzhen Stock Exchange, the Guidelines for Self-Regulation of Listed Companies on the ChiNext Market of the Shenzhen Stock Exchange No. 1 – Business Operations and other relevant laws, regulations and normative documents, as well as the relevant provisions of B-Soft's articles of association, and shall be determined in light of actual circumstances. The eligible participants of the Restricted Share Incentive Scheme shall include directors, senior management, core management personnel, middle management personnel and key staff of B-Soft (including its branches and subsidiaries; the same applies below), but shall not include independent directors or supervisors. For personnel falling within the scope of eligible participants under the Restricted Share Incentive Scheme, a list shall be drawn up by the remuneration and evaluation committee of the board of directors of B-Soft and verified and confirmed by the board of supervisors of B-Soft. Eligible participants shall be assessed in accordance with the Performance Management Regulations approved by the board of directors of B-Soft, and only after passing such assessment shall they meet the qualifications and conditions to receive and vest restricted shares under the Restricted Share Incentive Scheme.

(c) Total Number of Shares Available for Issue

Restricted shares covered by the Restricted Share Incentive Scheme consist of ordinary A shares issued by B-Soft specifically to eligible participants. The total number of restricted shares proposed to be granted to eligible participants under the Restricted Share Incentive Scheme is 42,000,000 shares, representing approximately 2.71% of the 1,549,124,692 issued shares of B-Soft as at 30 June 2026. All of these restricted shares were granted on 30 December 2022 and 5 June 2023. The aggregate number of shares of B-Soft granted to any eligible participant under the Restricted Share Incentive Scheme through all of B-Soft's equity incentive schemes currently in force shall not exceed 1% of B-Soft's total share capital.

(d) Vesting

Restricted shares granted to eligible participants may be vested only if the following vesting conditions are met simultaneously:

- (I) B-Soft has not experienced any of the following circumstances:
 1. The financial statements for the most recent financial year have been issued with an adverse opinion or a disclaimer of opinion by a registered accountant;
 2. The internal controls over financial reporting for the most recent financial year have been issued with an adverse opinion or a disclaimer of opinion by a registered accountant;
 3. Within the 36 months following the listing, there has been an instance of profit distribution that did not comply with laws and regulations, B-Soft's articles of association, or public commitments;
 4. Where laws and regulations stipulate that equity incentives shall not be implemented;
 5. Other circumstances as determined by the China Securities Regulatory Commission (the "CSRC").

- (II) The eligible participants must not have been subject to any of the following circumstances:
1. Having been deemed an unsuitable candidate by the Shenzhen Stock Exchange (the “**SZSE**”) within the last 12 months;
 2. Having been deemed an unsuitable candidate by the CSRC or its local branches within the last 12 months;
 3. Having been subject to administrative penalties or market entry bans by the CSRC or its local branches within the last 12 months due to serious violations;
 4. Falling under any of the circumstances specified in the Company Law whereby a person is prohibited from serving as a director or senior manager of a company;
 5. Being prohibited by laws and regulations from participating in the equity incentive scheme of a listed company;
 6. Other circumstances as determined by the CSRC.

Furthermore, eligible participants must simultaneously meet the company-level performance assessment requirements and individual-level performance assessment requirements specified in the Restricted Share Incentive Scheme.

In the case of an initial grant, or a grant made prior to the disclosure of the third-quarter report for 2023 of B-soft, the vesting arrangements for the granted restricted shares are as set out in the table below:

Vesting Arrangements	Vesting Period	Vesting Ratio
First Vesting Period	From the first trading day 16 months after the grant date of restricted shares, up to and including the last trading day within the period ending 28 months after the grant date of the restricted shares	40%
Second Vesting Period	From the first trading day 28 months after the grant date of restricted shares, up to and including the last trading day within the period ending 40 months after the grant date of the restricted shares	30%
Third Vesting Period	From the first trading day 40 months after the grant date of restricted shares, up to and including the last trading day within the period ending 52 months after the grant date of the restricted shares	30%

OTHER INFORMATION (CONTINUED)

If granted following the disclosure of the third-quarter report for 2023 of B-soft, the vesting schedule for the restricted shares granted is as set out in the table below:

Vesting Arrangements	Vesting Period	Vesting Ratio
First Vesting Period	From the first trading day 16 months after the grant date of restricted shares, up to and including the last trading day within the period ending 28 months after the grant date of the restricted shares	50%
Second Vesting Period	From the first trading day 28 months after the grant date of restricted shares, up to and including the last trading day within the period ending 40 months after the grant date of the restricted shares	50%

Restricted shares granted to eligible participants under the Restricted Share Incentive Scheme may not be transferred, used as security or to settle debts prior to vesting. Any restricted shares that have not vested within the aforementioned period, or any restricted shares for that period for which a vesting application cannot be made due to failure to meet the vesting conditions, shall not vest and shall be deemed void.

(e) Grant Price

Under the Restricted Share Incentive Scheme, the grant price for the initial grant of restricted shares on 30 December 2022 was RMB4.08 per share, whilst the grant price for the reserved tranche of restricted shares granted on 5 June 2023 was RMB4.45 per share. Upon fulfilment of the grant and vesting conditions, the eligible participants may purchase the A shares newly issued by B-Soft to them at such prices.

(f) Validity Period

The validity period of the Restricted Share Incentive Scheme shall commence on the date of the initial grant of the restricted shares (i.e. 30 December 2022) and shall end on the date on which all restricted shares granted to the eligible participants have vested or lapsed, with a maximum duration not exceeding 64 months. Consequently, the maximum remaining life of the Restricted Share Incentive Scheme is approximately two years (as at 30 June 2026).

Further details regarding the restricted shares granted under the Restricted Share Incentive Scheme are set out below:

Name/Category of grantee	Date of grant (Relevant closing price ²)	Number of restricted shares granted	Unvested restricted shares as at 1 January 2026	Reporting Period			Unvested restricted shares as at 30 June 2026
				Vested	Cancelled	Lapsed	
Director							
Zhang Lüzheng (Chairman)	30 December 2022 (RMB7.91)	5,000,000	1,500,000	–	1,500,000	–	–
Chief executive							
Chen Zhongyang (General manager)	5 June 2023 (RMB8.96)	3,500,000	1,050,000	–	1,050,000	–	–
Employees							
Other employees or former employees	30 December 2022 (RMB7.91)	29,800,000	8,145,000	–	8,145,000	–	–
	5 June 2023 (RMB8.96)	3,700,000	1,035,000	–	1,035,000	–	–
Total		42,000,000	11,730,000	–	11,730,000	–	–

Note:

1. All restricted shares available for grant under the Restricted Share Incentive Scheme had been granted prior to the commencement of the Reporting Period.
2. Refers to the closing price per share quoted on the SZSE immediately prior to the grant date of the restricted shares.

E. B-Soft's Employee Share Ownership Scheme

On 29 September 2025, B-Soft adopted an employee share ownership scheme (the “**ESOP**”). The following is a summary of the principal terms of the ESOP:

(a) Purpose

- (i) To establish and improve a mechanism for sharing interests between workers and owners;
- (ii) To further improve the level of governance, enhance employee cohesion and the competitiveness of B-Soft, and promote long-term, sustainable and healthy development of B-Soft;
- (iii) To help fully mobilize employees' sense of responsibility towards B-Soft, attract and retain outstanding management talent, and further strengthen employee cohesion and the development vitality of B-Soft.

(b) Eligible Participants

The eligible participants under the ESOP shall be determined in accordance with the relevant provisions of the Company Law, the Securities Law, the Guiding Opinions on the Pilot Implementation of Employee Share Ownership Plans by Listed Companies, the Guidelines for Self-Regulation of Listed Companies on the Shenzhen Stock Exchange No. 2 – Standardized Operation of ChiNext Listed Companies, and other relevant laws, regulations and normative documents, as well as B-Soft's articles of association, and in light of the actual circumstances. The eligible participants of the ESOP are key staff serving at B-Soft (including its subsidiaries), who work at B-Soft or its wholly-owned and controlled subsidiaries, receive remuneration and have entered into labor contracts.

(c) Total Number of Shares Involved

The source of share of the ESOP is 4,698,200 ordinary A shares repurchased by B-Soft in 2023 through a special securities repurchase account, representing approximately 0.30% of the 1,549,124,692 issued shares of B-Soft as at 30 June 2026. Following the implementation of the ESOP, the aggregate number of shares held under all employee share ownership plans of B-Soft in force shall not exceed 10% of the total share capital of B-Soft, and the aggregate number of the underlying shares corresponding to the ESOP interests held by any single employee shall not exceed 1% of the total share capital of B-Soft. The total number of underlying shares excludes shares obtained by holders prior to B-Soft's initial public offering, shares purchased independently through the secondary market and shares obtained through equity incentives.

(d) Unlocking

The lock-up period of the underlying shares obtained by holders under the ESOP is twelve months, commencing from the date on which B-Soft announced the registration of the last tranche of underlying shares under the ESOP in the name of the ESOP. On 31 October 2025, the 4,698,200 shares of B-Soft held in B-Soft's special securities repurchase account were transferred to the securities account of "B-Soft Co., Ltd.-2025 ESOP". Upon expiry of the lock-up period, and subject to the satisfaction of the relevant assessment conditions, the interests shall be unlocked and allocated to the holders in a single tranche.

Holders are required to satisfy individual-level performance assessments before the share interests granted to them can be unlocked. Any portion of the shares scheduled to be unlocked in the corresponding assessment year that cannot be unlocked due to reasons related to individual-level performance assessment shall not be unlocked and shall be repurchased by the ESOP management committee in accordance with the relevant provisions. After the shares are sold at an appropriate time, the lower of the original capital contribution amount corresponding to the relevant portion and the net proceeds from the sale (after deduction of relevant expenses in accordance with the laws) shall be returned to the holder. If any gain remains after such return to the holder, the gain shall belong to B-Soft; or the matter shall be dealt with in another manner compliant with the relevant laws and regulations.

(e) Subscription Price

The ESOP uses “unit” as the subscription unit, with each unit valued at RMB1; the maximum number of units under the ESOP is 12,262,302.

(f) Validity Period

The validity period of the ESOP is 36 months, commencing from the date on which B-Soft announces the registration of the last tranche of underlying shares under the ESOP in the name of the ESOP (i.e. 31 October 2025). The remaining term of the ESOP is approximately two years (as at 30 June 2026). Upon expiry of the validity period, the ESOP shall be terminated or may be extended through the approval procedures stipulated in the ESOP.

Further information on the underlying shares granted under the ESOP is set out below:

Name/Category of grantee	Date of grant (Relevant closing price ²)	Number of underlying shares granted	Underlying shares remaining locked as at 1 January 2026	Reporting Period			Underlying shares remaining locked as at 30 June 2026
				Unlocked	Cancelled	Lapsed	
Key staff (other than directors or chief executives)	31 October 2025 (RMB4.76)	4,698,200	4,698,200	-	-	-	4,698,200
Total		4,698,200	4,698,200	-	-	-	4,698,200

Note:

1. All underlying shares available for grant under the ESOP had been granted prior to the commencement of the Reporting Period.
2. Refers to the closing price per share quoted on the SZSE immediately prior to the grant date of the underlying shares.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATES

Through the Acquisition and the Entrustment Arrangement, B-Soft has become a subsidiary of the Company. For further details, please refer to the paragraph titled “Business Outlook and Development Strategies – Acquisition of B-Soft and the synergies of the acquisition” in this report.

Save as disclosed above, the Group did not have any material acquisition or disposal of subsidiaries, associates or joint ventures during the Reporting Period.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code regarding securities transactions by the Directors.

All Directors have confirmed, following specific enquiries by the Company, that they have complied with the Model Code throughout the Reporting Period.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

During the Reporting Period, the Company has complied with the applicable code provisions as set out in Part 2 of Appendix C1 to the Listing Rules.

REVIEW BY THE AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”) consists of three independent non-executive Directors, namely Mr. Zhang Jianlei (Chairman), Dr. Zhong Renqian and Mr. Xu Da.

This interim report and the interim results for the Reporting Period have been reviewed by the Audit Committee. Based on such review, the Audit Committee was of the opinion that the Group’s unaudited interim condensed consolidated financial statements as contained in this interim report were prepared in accordance with applicable accounting standards. The Audit Committee does not have any disagreement with the accounting treatment adopted by the Company.

SUBSEQUENT EVENT

The Group is not aware of any material event since the end of the Reporting Period and up to the date of this interim report.

DIVIDEND

The Board has resolved not to declare any interim dividend for the Reporting Period (for the six months ended 30 June 2025: Nil).

CHANGES IN THE INFORMATION OF DIRECTORS

The changes in the information of the Directors as required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules are set out below:

- Mr. Law Kim Fai resigned as an executive Director and a member of the Remuneration Committee with effect from 13 January 2026;
- Ms. Tai Yang resigned as an executive Director and a member of the nomination committee of the Company (the “**Nomination Committee**”) with effect from 13 January 2026;
- Mr. Wong Sze Lok resigned as an independent non-executive Director, the chairman of the Audit Committee, the chairman of the Remuneration Committee and a member of the Nomination Committee with effect from 13 January 2026;
- Mr. Zhang Jianlei was appointed as the chairman of the Audit Committee and the chairman of the Remuneration Committee with effect from 13 January 2026;
- Mr. Chan Siu Kei Ken was appointed as a member of the Nomination Committee with effect from 13 January 2026;
- Mr. Zhong Renqian and Mr. Xu Da were appointed as members of the Remuneration Committee with effect from 13 January 2026; and
- Ms. Yi Xiao was appointed as an executive Director with effect from 6 February 2026.

PLACING OF NEW SHARES UNDER GENERAL MANDATE

The net proceeds from the placing of new shares under general mandate on 24 July 2024, after deducting the commissions and other fees and expenses in relation to the placing, amounted to approximately HK\$189.1 million. As of 30 June 2026, the Group had used the net proceeds as follows:

Intended uses of the net proceeds	Original allocation of net proceeds HK\$ (million)	Utilised up to 30 June 2026 HK\$ (million)	Remaining balance of net proceeds as at 30 June 2026 HK\$ (million)
(A) Medical related business development			
(i) Acquisition of and/or investment in business(es) or cooperation with other companies	151.3	151.3	–
(ii) Support the research and development of biologic project products	18.9	18.9	–
	170.2	170.2	–
(B) General working capital of the Company	18.9	18.9	–
Total	189.1	189.1	–

There was no material change between the intended use and the actual use of the net proceeds. As of 30 June 2026, net proceeds had been fully utilized.

DISCLOSURE OF INFORMATION

This interim report containing the relevant information required by the Listing Rules has been published on the respective websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.ivd.xyz.com>).

By Order of the Board

ETHK Labs Inc.

Lin Xianya

Executive Director

Hong Kong, 30 September 2026

This interim report contains forward-looking statements that reflect the Company's beliefs, plans or expectations about the future or future events. These statements are based on assumptions, current estimates and projections, and are subject to risks, uncertainties and other factors which may be beyond control. The actual outcomes may differ materially and/or adversely. Nothing contained in these statements is, or shall be, relied upon as any assurance or representation as to the future or as a representation or warranty otherwise. Neither the Company nor its directors, officers, employees, agents, affiliates, advisers or representatives assume any responsibility to update these statements or to adapt them to future events or developments or to provide supplemental information in relation thereto or to correct any inaccuracies.

Certain figures in this interim report have been subject to rounding adjustments.