

... about this circular and the action to be taken, or should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

... all of which are in accordance with the **Articles of Association**, or should at once hand this circular, together with the accompanying form of proxy to the registrar or a stockbroker or other agent through whom the share transaction is effected for transmission to the registrar or a stockbroker.

Hong Kong Exchange and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the content of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance on the whole or any part of the content of this circular.



溫州康寧醫院

Wenzhou Kangning Hospital Co., Ltd.

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

Stock code: 2120

司

A D ED KE,0 K A D F A C A B A E E F,0 K HE EA K 2025
F A B F A C A B KE,0 K F,0 K HE EA K 2025
F A C A B DGE F,0 K HE EA K 2026
K,0 F D K B F,0 A F,0 K HE EA K 2025
EK K,0 F F,0 KECA F,0 K HE EA K 2026
K,0 ED A,0 E F HE A D,0 K,0 F
HE C,0 A F,0 K HE EA K 2026
KE,0 K F HE B,0 A D F,0 K HE EA K 2025
KE,0 K F HE EK,0 K C,0 EE F,0 K HE EA K 2025
KE,0 K F HE DE E DE,0 -E EC ED KE C,0 K
HE K EK F,0 K A CE F,0 K HE EA K 2025
K,0 ED E EC,0 F D KE C,0 K,0 F HE
FF H E,0 F HE B,0 A D
K,0 ED E EC,0 F HA KE H,0 DE K KE KE E A E
EK,0 K A D DE E DE EK,0 K,0 F HE
FF H E,0 F HE EK,0 K C,0 EE
K,0 ED G KA,0 F A GE EA B A DA E,0 HE
B,0 A D,0 A K A B KE KCHA EH HA KE
A D
CE,0 F HE A A B GE EA B EE G F,0 K HE EA K 2025

The AGM of the Company will be held as a non-virtual meeting at Conference Room, 12/F, Building 1, Shengjin Road, Hangzhou District, Wenzhou, Zhejiang Province, the PRC, at 9:00 a.m. on Tuesday, June 30, 2026.

A letter from the Board is set out on pages 3 to 17 of this circular.

The notice for convening the AGM is set out on pages 18 to 21 of this circular.

Whether or not you are able to attend the AGM, you are invited to complete the accompanying form of proxy in accordance with the instructions printed thereon and to submit it as soon as possible, and in any event not less than 24 hours before the time scheduled for holding the AGM (i.e. before 9:00 a.m. on Monday, June 29, 2026) or an adjourned meeting thereof. Completion and delivery of the form of proxy shall not preclude you from attending and voting in person at the AGM or an adjournment thereof should you so wish.

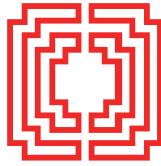
	<i>Page</i>
D...t...s.....	1
...tt...t...B...	3
...t...t...A...lG...l...t...t...2025	18
A,... ..B... ..l...t...l...s...t... ..s...D...t...s.....	22
A,... ..B... ..l...t...l...s...t... ..s... ..s... ..s.....	30
A,... ..E,...l...t... ..t...t...t.....	32

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings.

AGM	the annual general meeting of the Company for the year 2025 to be convened as an online meeting and held on Tuesday, June 30, 2026
AGM Notice	the notice for convening the AGM as set out on page 18 to 21 of this circular
Article of Association or Article of Association	the articles of association of the Company, as amended, supplemented or otherwise modified from time to time
Audit Committee	the Audit Committee of the Board
Board	the board of directors of the Company
Company	Wenhe Kangning Hospital Co., Ltd., a joint stock limited liability company established under the laws of the PRC, the H Shares of which are listed on the Main Board of the Hong Kong Stock Exchange (Stock Code: 2120)
Director(s)	the director(s) of the Company
Domestic Share(s)	ordinary Share(s) of the share capital of the Company, with a nominal value of RMB1.00 each, which are subscribed for and paid in RMB and currently not listed or traded on any stock exchange
Domestic Shareholder(s)	the holder(s) of Domestic Share(s)
H Share(s)	overseas listed foreign issued ordinary Share(s) in the share capital of the Company, with a nominal value of RMB1.00 each, which are listed on the Main Board of the Hong Kong Stock Exchange
H Shareholder(s)	the holder(s) of H Share(s)
Hong Kong	the Hong Kong Special Administrative Region of the PRC
Hong Kong Listing Rules or Listing Rules	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time

Hong Kong Stock Exchange or Stock Exchange	The Stock Exchange of Hong Kong Limited
Latest Practicable Date	June 10, 2026, being the latest practicable date for ascertaining certain information contained herein before the printing of this circular
PRC or China	the People's Republic of China, which, for the purpose of this circular, include Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan
RMB	the lawful currency of the PRC
Share(s)	share(s) of the Company
Shareholder(s)	holder(s) of the Share(s)
Share(s) or Share(s)	the share(s) of the Company
Share(s) Committee	the Company's share committee
Takeover Code	the Code on Takeover and Mergers and Share Buyback initiated by the Securities and Futures Commission of Hong Kong, as amended from time to time
as used in share(s)	has the meaning ascribed to it in the Listing Rules
%	percentage ratio
independent non-executive Director(s)	the independent non-executive Director(s) of the Company
Share(s)	the share(s) of the Company, including domestic Share(s) and H Share(s)
Shareholder(s)	holder(s) of the Share(s)
SFO	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time

Certain amounts and percentage figures included in this circular have been subject to rounding adjustments. Accordingly, figures shown as totals in certain table(s) may not be an arithmetic aggregation of the figures preceding them.



溫州康寧醫院股份有限公司
Wenzhou Kangning Hospital Co., Ltd.

(A joint stock limited liability company incorporated in the People's Republic of China)
Stock code: 2120

Executive Directors:

GUAN Weili (管偉立) (Chairman)

WANG Lian e (王蓮月)

WANG Jian (王健)

Non-executive Directors:

QIN Hao (秦浩)

LI Changhao (李昌浩)

Independent non-executive Directors:

ZHONG Wenlang (鐘文堂)

JIN Ling (金玲)

CHAN Sai Ke ng H go (陳世強)

To the Shareholders

Dear Sir or Madam,

A D ED KE ,0 k A DF A C A D、A E E、F,0 k HE EA k 2025
F A D F A C A D KE ,0 k F,0 k HE EA k 2025
F A C A D B DGE F,0 k HE EA k 2026
k,0 F D、k B ,0 D A F,0 k HE EA k 2025
E k k,0 F F,0 KECA、F,0 k HE EA k 2026
k,0 ,0 ED A ,0 E ,0 F HE A D ,0 k,0 F
HE C,0 A F,0 k HE EA k 2026
KE ,0 k ,0 F HE B,0 A D F,0 k HE EA k 2025
KE ,0 k ,0 F HE E k ,0 k C,0 EE F,0 k HE EA k 2025
KE ,0 k ,0 F HE DE E DE ,0 -E EC ED KE C ,0 k、
,0 HE k E k F,0 k A CE F,0 k HE EA k 2025
k,0 ,0 ED E D EC ,0 ,0 F D KE C ,0 k、,0 F HE
F F H、E、,0 ,0 F HE B,0 A D
k,0 ,0 ED E D EC ,0 ,0 F HA KE H,0 D E k KE KE E A E
E k ,0 k A D DE E DE E k ,0 k,0 F HE
F F H、E、,0 ,0 F HE E k ,0 k C,0 EE
k,0 ,0 ED G k A ,0 F A GE E k A D A DA E ,0 HE
B,0 A D ,0 A k A D D KE k CHA、E H、HA KE、
A D
,0 CE ,0 F HE A A D GE E k A D EE G F,0 k HE EA k 2025

. K O D C O

The purpose of this circular is to provide you with further information in relation to the following resolution to be voted at the AGM:

1. To consider and approve the audited results and financial statements of the Company for the year 2025;
2. To consider and approve the final financial results of the Company for the year 2025;
3. To consider and approve the financial budget plan of the Company for the year 2026;
4. To consider and approve the profit distribution plan of the Company for the year 2025;
5. To consider and approve the interim profit forecast for the year 2026;
6. To consider and approve the proposed appointment of the auditor for the year 2026;
7. To consider and approve the results of the Board of the Company for the year 2025;
8. To consider and approve the results of the Supervisory Committee of the Company for the year 2025;
9. To consider and approve the results of the independent non-executive Directors of the Company on their performance for the year 2025;
10. To consider and approve the proposed election of Mr. GUAN Weili as an Executive Director of the fifth session of the Board;
11. To consider and approve the proposed election of Mr. WANG Lianjie as an Executive Director of the fifth session of the Board;
12. To consider and approve the proposed election of Mr. WANG Jianan as an Executive Director of the fifth session of the Board;
13. To consider and approve the proposed election of Mr. QIN Hao as a Non-executive Director of the fifth session of the Board;
14. To consider and approve the proposed election of Mr. LI Changhao as a Non-executive Director of the fifth session of the Board;
15. To consider and approve the proposed election of Mr. ZHONG Wentang as an Independent Non-executive Director of the fifth session of the Board;

16. To consider and approve the proposed election of Mr. JIN Ling as an Independent Non-executive Director of the fifth session of the Board;
17. To consider and approve the proposed election of Mr. SZETO Wing Fung as an Independent Non-executive Director of the fifth session of the Board;
18. To consider and approve the proposed election of Mr. XU Yongji as a Shareholder representative S & i of the fifth session of the S & i Committee;
19. To consider and approve the proposed election of Mr. RUAN Tingting as a Shareholder representative S & i of the fifth session of the S & i Committee;
20. To consider and approve the proposed election of Mr. QIAN Chengliang as an independent S & i of the fifth session of the S & i Committee; and
21. To consider and approve the proposed grant of a general mandate to the Board to partially repurchase H Shares.

Item 1 to 21 above shall be submitted to the AGM for Shareholders' consideration.

Item 1 to 20 above are to be approved as ordinary resolutions by the Shareholders at the AGM. Item 21 above is to be approved as a special resolution by the Shareholders at the AGM.

1. A D E D E E , 0 K A D F A C A D \ A E E \ E 0 K H E E A K 2025

An ordinary resolution will be proposed at the AGM to consider and approve the Company's audited results and financial statements for the year 2025. For the full text of the Company's audited results and financial statements for the year 2025, please refer to the Company's annual report for the year 2025 published on April 27, 2026.

1. F A D F A C A D E E , 0 K E 0 K H E E A K 2025

An ordinary resolution will be proposed at the AGM to consider and approve the Company's final financial results for the year 2025. In 2025, the administrative expenses of the Company amounted to RMB233.1 million, representing a decrease of RMB11.8 million as

1. F A C A B D G E A F O K H E E A K 2026

An ordinary resolution will be proposed at the AGM to consider and approve the Company's proposed financial budget for the year 2026. For the year 2026, the Company targets to limit the administrative expenses, the selling and marketing expenses and the capital expenditures to RMB238.0 million, RMB8.0 million and RMB149.3 million, respectively.

1. F O R D I V I D E N D A F O K H E E A K 2025

The Company has formulated the profit distribution plan for the year 2025 in accordance with the prevailing operating condition, market environment and future sustainable development objective, taking into account the interest of the Shareholders, and in accordance with the Article and relevant laws and regulations as follows:

1. Final Dividend for the year 2025

On March 23, 2026, the Board approved the profit distribution plan for the year 2025. The proposed final dividend of the Company is to be distributed to the Shareholders in the form of a cash dividend of RMB3.2 (inclusive of tax) per 10 shares based on the total share capital prior to the record date determined for the purpose of implementing the final profit distribution plan for the year 2025 (exclusive of the H Shares which have been reacquired by the Company but not yet cancelled).

The proposed final dividend will be denominated and declared in RMB. The holders of Domestic Shares will be paid in RMB and the holders of H Shares will be paid in Hong Kong dollars. The exchange rate for the proposed final dividend to be paid in Hong Kong will be

July 6, 2026 for registration. For the purpose of a certifying Shareholder who will for the record final dividend, the register of members for H Share will be closed from Tuesday, July 7, 2026 to Friday, July 10, 2026 (both dates inclusive).

3.

Pursuant to the Enterprise Income Tax Law of the People's Republic of China and its implementing regulation, which came into effect on January 1, 2008, the Company is required to withhold and pay on behalf of the shareholder of non-resident enterprise who have name a record on the register of members of the Company H-shareholder the enterprise income tax at a rate of 10% on the distribution of cash dividend. An H Share registered in the name of non-individual shareholder (including in the name of Hong Kong Securities Clearing Company (Nominee) Limited, other nominee, agent or trustee or other organization or bodies) are regarded as have held by non-resident enterprise shareholder. Accordingly, dividend payable to such shareholder are subject to withholding corporate income tax. If H-shareholder wish to change their status as shareholder, please contact the agent or trustee for the relevant procedure. The Company will withhold corporate income tax on behalf of the relevant shareholder who have name a record on the register of members of the H Share on the Record Date in strict accordance with the law as prescribed by the relevant government authorities.

If the individual holder of H Share are resident of Hong Kong or Macao or resident of countries which have entered into relevant tax agreement with the PRC in respect of the distribution of cash dividend to them at a rate of 10%, the Company will withhold personal income tax at a rate of 10% on behalf of the relevant shareholder. If an individual holder of H Share is a resident of a country which has entered into a tax agreement with the PRC at a tax rate lower than 10% on dividend, the Company will withhold personal income tax at a rate of 10% on behalf of the relevant Shareholder. In such case, if the relevant individual holder of H Share wish to apply for a refund of the excessive withheld amount of the application of the 10% tax rate, the Company may process the application on behalf of the relevant individual holder in accordance with the relevant preferential tax agreement, provided that the relevant shareholder submit to Company the Hong Kong Income Service Limited the existing information as required by the notice of the tax agreement. Upon a successful completion of the application, the Company will adjust refunding the excessive withheld. If an individual holder of H Share is a resident of a country which has entered into a tax agreement with the PRC with a dividend tax rate higher than 10% but lower than 20%, the Company will withhold and pay on behalf of the individual income tax at the effective tax rate under the relevant tax agreement. If the individual holder of H Share is a resident of a country that has entered into a tax agreement with the PRC with a dividend tax rate of 20%, or a resident of a country in which the PRC has not entered into an tax agreement, or others, i.e., the Company will withhold and pay personal income tax at the rate of 20%.

. K O F F O K E C A K F O K HE E A K 2026

To reactively have the Company's operating results with all shareholders and to enhance in the confidence in shareholding, the Company shall at the AGM authorize the Board to determine and implement the interim profit distribution plan for the year 2026, subject to the profit distribution conditions set out below.

Condition for cash dividend: (1) the Company is profitable for the current period and the accumulated undistributed profit is positive; (2) the Board, after assessing the operation condition for the current period and the funding need for future sustainable development, considers that the Company has sufficient funds and it is appropriate to declare cash dividend in the current period.

Maximum cash dividend ratio: the aggregate amount of cash dividend to be distributed during the current period shall not exceed 30% of the net profit attributable to shareholders of the current company realized in the current period.

. K O J O E D A J O E J O F HE A D J O K F O K HE E A K 2026

As resolved by the Audit Committee of the Board, an ordinary resolution shall be proposed at the AGM to consider and approve the appointment of BDO China Shanghai Pan Certified Public Accountant LLP as the auditor for the 2026 annual auditing of H Shares of the Company and the 2026 annual legal auditing of the Company, to audit the annual financial statement for 2026 to be reviewed by the Company under PRC Accounting Standard for Business Enterprise, and to express other duties as required under the Hong Kong Listing Rule from the date of approval at the AGM to the conclusion of the AGM for the year 2026 of the Company in accordance with the Company Law of the People's Republic of China, the Hong Kong Listing Rule and other relevant provisions of laws, regulations and the Article . At the same time, it is proposed at the AGM to approve and authorize the Board to determine the remuneration of the auditor, which is expected to be approximately RMB2.72 million. Such remuneration is negotiated and determined on a fair and reasonable basis, taking into consideration the business scale and complexity of the Company, the expected audit scope and timeframe, the qualification and experience of the accounting firm, the required audit resources and workload, and the prevailing market rate for relevant services. Furthermore, such remuneration is determined on the assumption that there will be no material change in the business and operation, accounting policies, or regulatory environment of the Company, and that the Company will timely provide sufficient assistance and information as required for conducting the audit work. Unless there is a material change in the aforementioned basis or assumption, the final remuneration is not expected to materially deviate from the initially disclosed estimated amount. In the event of any material change, the Company will make further disclosure as and when appropriate.

. KE⁰ K⁰ F HE B⁰ A⁰ D F⁰ K HE EA⁰ 2025

An ordinary resolution will be proposed at the AGM to consider and approve the report of the Board for the year 2025, the full text of which is set out in the Company's annual report for the year 2025 published on April 27, 2026.

. KE⁰ K⁰ F HE EKF⁰ K C⁰ EE F⁰ K HE EA⁰ 2025

An ordinary resolution will be proposed at the AGM to consider and approve the report of the Supervisory Committee for the year 2025, the full text of which is set out in the Company's annual report for the year 2025 published on April 27, 2026.

. KE⁰ K⁰ F HE DE E DE⁰ -E EC ED KE⁰ K⁰ HE KE F⁰ K A CE F⁰ K HE EA⁰ 2025

In accordance with the relevant provisions of laws and regulations, such as the Company Law of the People's Republic of China, a self-issued normative document, the Article, and the Working Policies of Independent Directors of Wenho Kangning Hospital Co., Ltd. (《温州康宁医院股份有限公司独立董事工作制度》), the independent non-executive Directors of the Company shall submit an annual report to the AGM of the Company to explain the performance of their duties. An ordinary resolution will be proposed at the AGM to consider and approve the report of the independent non-executive Directors on their performance for the year 2025, which mainly include the following matters:

- (a) The attendance situation of each of the independent non-executive Directors at the Company's shareholder's general meeting, the Board meeting and the meeting of the specialized committee under the Board in 2025;
- (b) How the Company cooperates with the independent non-executive Directors in carrying out their work; and
- (c) The work and opinion of the independent non-executive Directors in relation to connected transaction, choosing and appointing the accounting firm, profit distribution, compliance with the non-compensation agreement between controlling Shareholder, and the implementation of information disclosure etc.

. K⁰ K⁰ ED EDEC⁰ K⁰ F D KE⁰ K⁰ F HE FFH⁰ K⁰ F HE B⁰ A⁰ D

Reference is made to the announcement of the Company dated April 29, 2026 in relation to, among other thing, the proposed election of Directors of the fifth session of the Board.

At the term of the Board due to expire, the Board has considered and approved the following candidate proposed for the election as director of the fifth session of the Board:

- (1) candidate for executive Director : Mr. GUAN Weili, Mr. WANG Lianjie and Mr. WANG Jian;
- (2) candidate for non-executive Director : Mr. QIN Hao and Mr. LI Changhao; and
- (3) candidate for independent non-executive Director : Mr. ZHONG Wentang, Mr. JIN Ling and Mr. SZETO Wing F.

The above candidate for Director meet the requirement stipulated in relevant law of the PRC and regulation and the Article , and the Board agree to propose ordinary resolution in respect of the above list of candidate at the AGM for consideration. The AGM will elect three executive Director , two non-executive Director and three independent non-executive Director . The eight Director will compose the fifth session of the Board.

The term of office of the fifth session of the Board is three years . According to the requirement of relevant PRC law and regulation and the Article , the candidate for Director of the fifth session of the Board are subject to the approval of the Shareholder of the Company at the AGM. The term of office for the elected executive Director , non-executive Director and independent non-executive Director will take effect from the date of approval at the AGM until the expiration of the term of office of the fifth session of the Board, and the shall be eligible for re-election upon expiry of the term.

Upon the appointment of the above candidate for Director at the AGM, a service contract will be entered into between each of the candidate for Director and the Company . During their term of office, Mr. GUAN Weili, Mr. WANG Lianjie and Mr. WANG Jian will receive remuneration as Director after being elected in accordance with the Company ' remuneration management measure , which consist of basic salary , performance-based compensation and welfare benefit . Performance-based compensation is mainly determined based on the Group ' s operating result and individual performance. The Company will disclose the remuneration amount once finalized. For detail of remuneration, please refer to the annual report to be published by the Company in due course; Mr. QIN Hao and Mr. LI Changhao will not receive any remuneration from the Company in their capacity as non-executive Director after being elected; the Director ' fee of Mr. ZHONG Wentang, Mr. JIN Ling and Mr. SZETO Wing F after being elected shall be determined based on the recommendation of the Remuneration Committee of the Company after taking into full account of factors such as the remuneration level of independent non-executive director in the PRC companies with the scale and nature of business similar to those of the Company . The Company will disclose the remuneration amount once finalized. For detail , please refer to the annual report to be published by the Company in due course.

The biographical detail of the candidate for Director of the fifth session of the Board are set out in Appendix I to this Circular.

Save as disclosed in Appendix I, the above candidate for Director have not held an other directorship or the at least one in an public company, the securities of which are listed on an securities market in Hong Kong and/or elsewhere, did not hold an other major appointment and professional qualification, nor have they held an position in the Company or its subsidiary, nor do they have an relationship with an other Director, executive, senior management, substantial Shareholder or controlling Shareholder of the Company. As at the Latest Practicable Date, save as disclosed in Appendix I, they have no interest in an share of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). The above candidate for Director have not been subject to an sanction imposed by the China Securities Regulatory Commission or other relevant securities regulatory authorities or an stock exchange.

In addition, save as disclosed in Appendix I, none of the above candidate for Director has an information that is required to be disclosed pursuant to Rule 13.51(2)(h) to 13.51(2)(i) of the Listing Rules and they are not or are not involved in an of the matters required to be disclosed pursuant to the aforesaid requirement. Save as stated in Appendix I, there are no other matters that need to be brought to the attention of the Shareholders.

Mr. CHAN Sai Ke ng H go, the retiring independent non-executive Director, will retire on the expiration of his term of office as Director, with effect from the date on which the Director of the fifth session of the Board officially assume their duties. Until then, he will continue to perform his duties as a Director. Mr. CHAN Sai Ke ng H go has confirmed that he has no disagreement with the Company or the Board and there are no other matters relating to his retirement that need to be brought to the attention of the Shareholders of the Company and the Stock Exchange. The Board would like to take this opportunity to express its sincere gratitude to Mr. CHAN Sai Ke ng H go for his valuable contribution to the Company during his tenure of office.

The resolution shall be proposed at the AGM for consideration and approval by a ordinary resolution.

DECLARATION OF INTEREST OF THE BOARD OF DIRECTORS

Reference is made to the announcement of the Company dated April 29, 2026, May 14, 2026 and May 18, 2026 respectively, in relation to, among other things, the proposed election of shareholders representative and independent director of the fifth session of the Shareholders Committee, resignation of director and proposed election of director.

The term of the fourth session of the Shareholders Committee of the Company is due to expire. In order to ensure the smooth election and smooth implementation of the work, the Shareholders Committee agreed to nominate three candidate for Shareholders Committee, including two Shareholders representative Shareholders and one independent Shareholders. Pursuant to the Article, the employees representative Shareholders shall account for

not less than one-third of the Shareholders in the Shareholders Committee and shall be elected and dismissed at the next general meeting by the shareholders of the Company through other democratic procedures. The Company will convene an shareholders general meeting to elect shareholders representative Shareholders () and will duly publish an announcement for this meeting.

The following is the list of candidates for the Shareholders representative Shareholders and independent Shareholders of the fifth session of the Shareholders Committee, which has been considered and adopted by the Shareholders Committee:

- (1) candidate for Shareholders representative Shareholders : Mr. XU Yongji and Mr. RUAN Tingling; and
- (2) candidate for independent Shareholders : Mr. QIAN Chengliang.

The above candidates for Shareholders meet the requirements stipulated in relevant PRC laws and regulations and the Articles, and the Shareholders Committee agreed to propose ordinary resolution in respect of the above list of candidates at the AGM for consideration.

The Shareholders of the fifth session of the Shareholders Committee will serve for a term of three years, and the term of office of the Shareholders representative Shareholders and independent Shareholders will take effect from the date of approval at the AGM until the expiration of the term of office of the fifth session of the Shareholders Committee, and they shall be eligible for re-election once at the end of the term.

Upon the appointment of the above candidates for Shareholders at the AGM, a service contract will be entered into between each of the candidates for Shareholders and the Company. During the term of office, the Shareholders representative Shareholders and the independent Shareholders will not receive any remuneration or allowance from the Company.

The biographical details of the candidates for the Shareholders representative Shareholders and independent Shareholders of the fifth session of the Shareholders Committee are set out in Appendix II to this Circular.

Save as disclosed in Appendix II, the above candidates for Shareholders have not held any other directorship or the past three years in any public companies, the securities of which are listed on any securities market in Hong Kong and/or elsewhere, did not hold any other major appointment and professional qualification, nor have they held any position in the Company or its subsidiary, nor do they have any relationship with any other Directors, Shareholders, senior management, substantial or controlling Shareholders of the Company. As at the Latest Practicable Date, save as disclosed in Appendix II, they have no interest in any share of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). The above candidates for Shareholders have not been subject to any enactment imposed by the China Securities Regulatory Commission or other relevant securities regulatory authorities or any stock exchange.

In addition, as already disclosed in Appendix II, none of the above candidate for Shareholder has any information required to be disclosed pursuant to Rule 13.51(2)(h) to 13.51(2)(i) of the Listing Rule and the same are not included in any of the matters required to be disclosed pursuant to the aforesaid requirement. As already disclosed above, there are no other matters that need to be brought to the attention of the Shareholders.

RESOLUTION OF A GENERAL MEETING OF THE BOARD OF DIRECTORS OF CHA H HAKE

Reference is made to the circular dated June 2, 2025 and the announcement dated June 30, 2025 of the Company in relation to, among other things, the proposed grant of general mandate to the Board to partially repurchase H Shares. The Company has considered and approved the proposal to grant the Board general mandate to repurchase H Shares at the Annual General Meeting for the Year 2024, the First H Shareholders' Class Meeting for the Year 2025 and the First Domestic Shareholders' Class Meeting for the Year 2025 held on June 30, 2025, pursuant to which the Board of the Company and the duly authorized by the Board had the power to repurchase up to 1,959,890 H Shares during its validity (the "Mandate"). In order to further promote the health and stable long-term development of the Company and to protect the interest of general investors effectively, taking into account the Company's current operating condition, financial position and future development prospect, the Company proposes to seek Shareholders' approval to grant a general mandate to the Board to partially repurchase H Shares. In accordance with the requirement of the relevant laws, regulatory requirement and Article of Association, the Company intends to convene Shareholders' general meeting to seek the above approval from Shareholders.

1. Resolution on the Mandate

In order to further promote the health, stable and long-term development of the Company and to effectively safeguard the interest of investors, the Board, having considered the current operating condition, financial position and future development prospect, proposes to seek Shareholders' approval at the AGM for a share repurchase mandate.

2. Clause on the Share Repurchase Mandate

The Shares proposed to be repurchased are the H Shares in issue of the Company. The specific number of Shares to be repurchased will be determined by the Board of the Company as authorized by the AGM and the authorized action of the Board during the implementation period of the repurchase, taking into account the price of the H Shares of the Company in the secondary market, but the total number shall not exceed 10% of the total number of fully paid-up H Shares in issue of the Company on the date of adopting such special resolution (excluding H Shares that have been repurchased but not cancelled; and excluding the treasury shares, if any) (the "Repurchase Mandate"). The Company will be entitled to repurchase up to 1,763,901 H Shares under the New Repurchase Mandate, on the basis of the aggregate of 19,598,900 H Shares in issue and 1,959,890 H Shares repurchased but not

cancelled by the Company at the Latest Practicable Date, assuming that after the resolution regarding the New Repurchase Mandate is adopted and no other Share will be issued additionally and/or repurchased by the Company in the current period to the date of the AGM.

3. **Method of Repurchase**

The method adopted to repurchase H Share is carrying out the repurchase on the market at the Hong Kong Stock Exchange.

The Board has no present intention to exercise the New Repurchase Mandate to the extent that would result in the Director or Shareholder triggering the obligation to make a mandatory general offer under Rule 26 and 32 of the Takeover Code on fulfillment of the New Repurchase Mandate, or that would further reduce the percentage of the Company's

public float. As at the Latest Practicable Date, the Company's public float is approximately 24.11%, which is below the minimum requirement of 25% of the total issued share capital of the Company to be held by the public as prescribed under Rule 8.08 and 19A.28B of the Listing Rules. The Company will not exercise the New Repurchase Mandate until the minimum public float requirement under the Listing Rules has been met.

4. **Term of Repurchase**

The term of repurchase of H Share by the Company shall commence from the date of consideration and approval of the repurchase proposal by the AGM and the Company has met the minimum public float as required under the Listing Rules, until the following date or condition being triggered (whichever is earlier):

- (1) if the amount of funds used in repurchase has reached the maximum amount during the term of repurchase, the implementation of the repurchase proposal will be completed immediately, that means, the term of repurchase ends in advance with effect from that date;
- (2) the conclusion of the next AGM of the Company; or
- (3) the date when the general mandate to repurchase H Share has been withdrawn or amended by a special resolution adopted by the shareholders' general meeting.

The Company will make and implement repurchase decision at or about the timing according to market condition during the above term of repurchase pursuant to the authorization from the AGM and the Board, and in accordance with the requirement of the relevant laws, regulation, China Securities Regulatory Commission and/or the Hong Kong Listing Rules.

5. Repeal of the Share Buyback Plan

The share buyback will be implemented in batches, and the price of the share bought H Share shall not exceed 105% (inclusive) of the average closing price of 5 trading days prior to each actual share buyback day. When implementing the share buyback, the specific share buyback price shall be determined within the change in accordance with the actual fluctuation of the market and the Company.

6. Source of Funds for the Share Buyback

The source of funds for the share buyback of Share is financed by the internal funds of the Company.

7. Share Buyback Plan

Share Buyback Plan

The share bought Share may be cancelled. Not exceeding RMB30 million (inclusive), the total of the registered capital held (including the amount and handling fee) shall be based on the amount of the share buyback action. The circumstances at the time of share buying the Share (such as market condition and its capital management need).

The actual amount of funds used in the share buyback of H Share will be determined by the Board of the Company and authorized by the AGM and the authorized action of the Board during the implementation period of the share buyback, taking into account the price of the H Share of the Company in the secondary market, and within the range mentioned above.

8. Implementation of the Plan

It is noted that the authorization granted to the Board by the AGM includes but not limited to:

- (1) formulating and implementing specific share buyback goals, including but not limited to determining the timing() of share buyback, period() of share buyback, share buyback price() and amount of share buyback, etc.;
- (2) notifying editors and making announcement in accordance with the requirement of the Company Law of the People's Republic of China, other laws and regulations and the Article of Association;

- (3) opening of a bank account, capital account and handling corresponding procedure of change in foreign exchange registration;
- (4) forming relevant a total of filing procedure (if any) in accordance with applicable law, regulation and regulatory provision;
- (5) handling the cancellation of the issued Share, reducing the registered capital of the Company, re-issuing the total share capital, share capital increase and other relevant content in the Article of Association and handling the procedure for modification of registration and filing;
- (6) signing and handling all other document and matter in relation to the issue of Share; and
- (7) agreeing that the Board authorise the Chairman of the Company and his authorised person to handle the above specific matter within the scope of the above authorisation.

9. Duration of the resolution

The valid period of the resolution related to the issue of Share shall be in line with the implementation period of the Share issue.

10. Other matters

The issue of H Share shall be carried out on the market of the Hong Kong Stock Exchange and does not constitute connected transaction of the Company.

The Hong Kong Listing Rules require that the relevant information of the proposed issue of Share shall be provided for shareholders' consideration, to enable the Shareholders to make informed decision on the relevant resolution on the issue of Share at the AGM. The explanatory statement containing such information is set out in Appendix III to this circular.

11. THE AGM AND THE AGENDA

The notice of the AGM is set out on page 18 to 21 of this circular.

In accordance with Rule 13.39(4) of the Hong Kong Listing Rules and Article 101 of the Article of Association, an vote of Shareholders at the shareholders' general meeting may be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates solely to a procedural or administrative matter to be voted on by a show of hands. An announcement on the poll result will be published by the Company after the AGM in the manner described under Rule 13.39(5) of the Hong Kong Listing Rules.

DE FORD BOARD

The form of proxy for use at the AGM is sent to the Shareholder together with this circular. Such form of proxy are also published on the Website of the Hong Kong Stock Exchange HKEXnet (www.hkexnet.hk) and the Company (www.knhong.com). Whether or not you intend to attend the AGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon as soon as possible, and return the same to the registered office of the Company (for Domestic Shareholders) or Company Secretary Hong Kong Inlet Service Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for H Shareholders) but in any event not less than 24 hours before the time appointed for the holding of the AGM (i.e. before 9:00 a.m. on Monday, June 29, 2026) or an adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM if you so desire.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors after having made all reasonable enquiries, no Shareholder shall be requested to abstain from voting on any resolution to be proposed at the AGM.

RECOMMENDATION

The Directors (including all independent non-executive Directors) consider that all resolutions set out in the notice of the AGM for consideration and approval by Shareholders are in the interest of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of each resolution to be proposed at the AGM as set out in the notice of the AGM.

Board of the Board

Mr.  H. S. T. C., Mr.

GAO

Chairman

Zhejiang, the PRC

June 10, 2026



- (1) To consider and approve the audited results and financial statement of the Company for the year 2025;
- (2) To consider and approve the final financial results of the Company for the year 2025;
- (3) To consider and approve the financial budget plan of the Company for the year 2026;
- (4) To consider and approve the profit distribution plan of the Company for the year 2025;
- (5) To consider and approve the interim profit forecast for the year 2026;
- (6) To consider and approve the proposed appointment of the auditor for the year 2026;

- (9) To consider and approve the re-election of the independent non-executive Director of the Company on their performance for the year 2025;
- (10) To consider and approve the re-elected election of Mr. GUAN Weili as an Executive Director of the fifth session of the Board;
- (11) To consider and approve the re-elected election of Mr. WANG Lian as an Executive Director of the fifth session of the Board;
- (12) To consider and approve the re-elected election of Mr. WANG Jian as an Executive Director of the fifth session of the Board;
- (13) To consider and approve the re-elected election of Mr. QIN Hao as a Non-executive Director of the fifth session of the Board;
- (14) To consider and approve the re-elected election of Mr. LI Changhao as a Non-executive Director of the fifth session of the Board;
- (15) To consider and approve the re-elected election of Mr. ZHONG Wentang as an Independent Non-executive Director of the fifth session of the Board;
- (16) To consider and approve the re-elected election of Mr. JIN Ling as an Independent Non-executive Director of the fifth session of the Board;
- (17) To consider and approve the re-elected election of Mr. SZETO Wing Fung as an Independent Non-executive Director of the fifth session of the Board;
- (18) To consider and approve the re-elected election of Mr. XU Yongji as a Shareholder Representative Member of the fifth session of the Shareholders Committee;
- (19) To consider and approve the re-elected election of Mr. RUAN Tingting as a Shareholder Representative Member of the fifth session of the Shareholders Committee;
- (20) To consider and approve the re-elected election of Mr. QIAN Chengliang as an independent Member of the fifth session of the Shareholders Committee; and

B. Special Resolution:

- (21) To consider and approve the re-elected grant of a general mandate to the Board to authorise the purchase of Shares.

Detail of the above resolution is provided at the AGM are contained in the Circular, which is available on the HKEXnews Web site of Hong Kong Exchange and Clearing Limited (www.hkexnews.hk) and the Web site of the Company (www.knhold.com.cn).

Board of the Board

WANG Jian
Chairman

Zhejiang, the PRC

June 10, 2026

As of the date of this notice, the Company's executive directors are Mr. GUAN Weili, Ms. WANG Lianyue and Mr. WANG Jian; the non-executive directors are Mr. QIN Hao and Mr. LI Changhao; and the independent non-executive directors are Ms. ZHONG Wentang, Ms. JIN Ling and Mr. CHAN Sai Keung Hugo.

Notes:

ANNOUNCEMENT OF THE AGM

1. Eligible Shareholders to Attend the AGM

- Closure of Register of Members. For the purpose of a certain Shareholder who are entitled to attend and vote at the AGM, the register of members of the Company is closed from Thursday, June 25, 2026 to Tuesday, June 30, 2026 (both dates inclusive).
- Domestic Shareholder and H Shareholder who have name entered on the register of members of the Company after the closure of business on Wednesday, June 24, 2026 are entitled to attend and vote in respect of all resolution to be considered at the AGM.
- H Shareholder who wish to attend the AGM shall lodge their share certificate accompanied by the transfer document with Company's Hong Kong Interceptor Service Limited at Shop 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on Wednesday, June 24, 2026 for registration.
- A Shareholder or his/her representative shall produce proof of identity when attending the meeting. If a Shareholder is a legal person, its legal representative or other person authorized by the board of directors or other governing bodies of such Shareholder may attend the AGM by producing a copy of the resolution of the board of directors or other governing bodies of such Shareholder appointing such person to attend the meeting.

2.

- A Shareholder eligible to attend and vote at the AGM is entitled to a point, in written form, one

- (c) To be valid, the of of attorne or other a thori ation doc ment() which ha e been notai ed together with the com leted fom of o m t be deli ed b Dome tic Shareholder to the lace of b ine of the Com an and Com t h e Hong Kong In e t e S e ice Limited at 17M Floor, Ho ell Centre, 183 Queen' Road East, Wanchai, Hong Kong for H Shareholder not le than 24 ho e before the time de igned for holding of the AGM (i.e. before 9:00 a.m. on Monday, June 29, 2026) or an adjo nment thereof.
- (d) A Shareholder or hi /he /it o m a e e ci e the right to ole b oll.

3. CLOSING OF REGISTRATION FOR THE AGM

The o o ed final di idend ill be aid on or before Friday, August 7, 2026 to all Shareholders who e name a e on the regi t e of memb e of the Com an on the Record Date (Friday, July 10, 2026). In order to alif for the o o ed final di idend, the H Shareholder hall lodge their h e certificate accom anied b the tran sfer doc ment with Com t h e Hong Kong In e t e S e ice Limited at Sho 1712-1716, 17th Floor, Ho ell Centre, 183 Queen' Road East, Wanchai, Hong Kong before 4:30 .m. on Monday, July 6, 2026 for regi tation. For the o e of a certai ning Shareholder who alif for the o o ed final di idend, the regi t e of memb e for H Share ill be clo ed from Tuesday, July 7, 2026 to Friday, July 10, 2026 (both da incl i e).

4. AGM VENUE

- (a) The AGM ill not la t for more than one working da . Shareholders who attend the AGM hall bear their on a elling and accommodation e en e .
- (b) The add e of the Com an ' h e regi t e of H Share, Com t h e Hong Kong In e t e S e ice Limited, i at Sho 1712-1716, 17th Floor, Ho ell Centre, 183 Queen' Road East, Wanchai, Hong Kong.
- (c) The contact detail of the lace of b ine of the Com an a e a follow :
- No. 1 Shengjin Road, Hanglong Residential District, Wen ho , Zhejiang Province, the PRC
Postal Code: 325000
Telephone No.: (86) 577 8877 1689
Fac imile No.: (86) 577 8878 9117
- (d) The contact or on for the AGM i Mr. WANG Jian and hi telephone n mb e i (86) 577 8877 1689.

C o n t e n t s o f t h e D i s c

. G A U L (管偉立), aged 56, is the chairman of the Board and an executive Director of the Company. He is similarly responsible for the overall business operation and strategic planning of the Company. He founded the Company in February 1996 and became an executive Director since then. Mr. GUAN was appointed as the chairman of the Board and an executive Director in September 2014 after the Company was converted into a joint stock limited liability company. Prior to joining the Company, Mr. GUAN worked as a clinician at Wenling Mental Hospital (溫州市精神病院), a local hospital in Wenling, from August 1987 to December 1993, where he was similarly responsible for the medical treatment of psychiatric patients.

Mr. GUAN graduated from Wenling Medical University (溫州醫科大學) (renowned as Wenling Medical College (溫州醫學院)) in Wenling in August 1987, majoring in medical assistance. Mr. GUAN obtained his senior business operation certificate from Wenling Municipal Bureau of Personnel (溫州市人事局) in December 2007. Mr. GUAN is the spouse of Mr. WANG Lian and the brother-in-law of Mr. XU Yi (vice general manager of the Company).

As at the Latest Practicable Date, Mr. GUAN is deemed to be interested in 27,330,100 domestic shares of the Company and 458,300 H shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), of which 18,350,250 domestic shares of the Company are beneficially owned, 3,194,500 domestic shares of the Company and 149,300 H shares of the Company are held as interest of spouse, and 5,785,350 domestic shares of the Company and 309,000 H shares of the Company are held jointly with another person.

Ms. A G U (王蓮月), aged 57, is an executive Director and the general manager of the Company. She is similarly responsible for the overall hospital operation and business development of the Company. She joined the Company in January 1998 and has worked as a vice general manager since September 2011 and as executive Director since April 2013. Ms. WANG was appointed as a vice executive Director again in September 2014 after the Company was converted into a joint stock limited liability company. Prior to joining the Company, from August 1988 to December 1997, Ms. WANG was a nurse at Wenling Mental Hospital (溫州市精神病院), where he was similarly responsible for general patient care.

Ms. WANG received a associate degree from Wenling Medical University (溫州醫科大學) (renowned as Wenling Medical College (溫州醫學院)) in Wenling in June 2004 and the Part School of Wenling Municipal Committee of the Communist Party of China (中共溫州市委黨校) in Wenling in June 2002, where she majored in nursing and economic administration respectively. She graduated from Online Education College of Xi'an Jiaotong University (西安交通大學網絡教育學院), through long-distance education, with a bachelor's degree in law in July 2007. She also completed a full-time hospital management course at the China Europe International Business School (中歐國際工商學院) in Shanghai in September 2006. She was accredited as a secondary psychological consultant (二級心理諮詢師) by the

Ministry of Human Resource and Social Security of China (人力資源和社會保障部) in December 2004. Mr. WANG is the spouse of Mr. GUAN Weili and the father-in-law of Mr. XU Yi (vice general manager of the Company).

As at the Latest Practicable Date, Mr. WANG is deemed to be interested in 27,330,100 domestic shares of the Company and 458,300 H shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), of which 3,194,500 domestic shares of the Company and 149,300 H shares of the Company are beneficially owned, 18,350,250 domestic shares of the Company are held in trust of one, and 5,785,350 domestic shares of the Company and 309,000 H shares of the Company are held jointly with another person.

Mr. A G (王健), aged 41, is an executive Director, the vice general manager and the secretary to the Board of the Company. He is mainly responsible for overseeing public affairs and investment relations, corporate financing and listing-related matters. Mr. WANG Jian joined the Company in July 2014 and has acted as the secretary to the Board of the Company since then. Mr. WANG Jian was also appointed as the secretary to the Board of the Company again in September 2014 after the Company was converted into a joint stock limited liability company. He was also appointed as an executive Director and the vice general manager of the Company in June 2023. Prior to joining the Company, from June 2009 to July 2014, he acted as a staff member (科員) and a senior staff member (副主任科員) in the Xiamen Regulatory Bureau of China Securities Regulatory Commission (中國證券監督管理委員會廈門監管局) where he was mainly responsible for monitoring the corporate governance and information disclosure of listed companies in the Xiamen area. From February 2008 to March 2009, he was a senior auditor at Ernst & Young Huaming LLP (安永華明會計師事務所(特殊普通合伙)), where he was mainly responsible for auditing. From August 2005 to February 2008, he acted as an auditor and senior auditor at PricewaterhouseCoopers Zhongjian Certified Public Accountant Limited, mainly responsible for auditing.

Mr. WANG Jian obtained a bachelor's degree in management from Guanghua School of Management at Peking University (北京大學光華管理學院) in Beijing in July 2005, where he majored in business administration. Mr. WANG Jian was recognized as a non-practicing certified public accountant (註冊會計師非執業會員) by the Chinese Institute of Certified Public Accountant in April 2010 and was granted the legal professional qualification certificate by the Ministry of Justice of the PRC in March 2014.

As at the Latest Practicable Date, Mr. WANG is deemed to be beneficially interested in 100,000 domestic shares of the Company and 209,100 H shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

C o n t e n t s - I n t r o d u c t i o n

Mr. HAN (秦浩), aged 35, is a non-executive Director of the Company and joined the Group in June 2021. Since January 2022, he has acted as a vice president of investment of Shanghai Loal Valley Investment Management Co., Limited (上海正心谷投资管理有限公司), a private equity investment company that mainly invests in the field of new consumption, healthcare and advanced manufacturing, where he is mainly responsible for the investment in pharmaceutical and healthcare industries. He acted as a senior investment manager of Shanghai Loal Valley Investment Management Co., Limited from June 2017 to December 2021.

Mr. QIN graduated from Peking University in June 2014 with a bachelor's degree in medicine. He graduated from Fudan University in June 2017 with a master's degree in finance.

Mr. LI (李昌浩), aged 36, is a non-executive Director of the Company and joined the Group in October 2021. Since January 2022, he has acted as the executive deputy general manager of the resource development team of SDIC Changyi Industry Fund Management Co., Ltd. (國投創益產業基金管理有限公司), mainly responsible for the investment in private equity projects. Since March 2019, Mr. LI has acted as a director of CTS Guangxi Dedian Waterfall Tourism Development Co., Ltd. (中旅廣西德天瀑布旅遊開發有限公司), a company engaged in the development of tourism attraction. From March 2014 to December 2021, Mr. LI concurrently acted as the investment manager and the vice president of SDIC Changyi Industry Fund Management Co., Ltd. From October 2023 to November 2025, he has acted as a director of Ningxia Yinling Energy Co., Ltd. (寧夏銀星能源股份有限公司), a company listed on the Shenzhen Stock Exchange (stock code: 000862) engaged in new energy power generation and new energy equipment engineering business.

Mr. LI graduated from Beijing University of Post and Telecommunication with a bachelor's degree in e-commerce and law in September 2012. He graduated from Queen Mary University of London with a master's degree in marketing in December 2013. Mr. LI was accredited as a chartered financial analyst (CFA) by the Chartered Financial Analyst Institute in August 2017, an intermediate analyst by the Ministry of Human Resource and Social Security of the People's Republic of China in December 2017, and a certified financial risk manager (FRM) by the Global Association of Risk Professionals in August 2018.

C o n t e n t s - I n t r o d u c t i o n

Mr. ZHONG (鍾文堂), aged 36, is an independent non-executive Director of the Company and joined the Group in June 2020. Since February 2019, Mr. ZHONG has acted as a partner at Shanghai Infaith Consulting Co., Ltd. (上海信公企業管理諮詢有限公司), a company engaged in consulting and advisory services for listed companies, where he is mainly responsible for business sustainable development and in charge of marketing and sales. From February 2016 to February 2019, he acted as a senior consultant manager and consultant business director in Shanghai Infaith Consulting Co., Ltd., mainly responsible for

business compliance consultation. From October 2012 to February 2016, he acted as an auditor and senior auditor in PricewaterhouseCoopers Zhong Tian CPA Limited Company, mainly responsible for finance and audit for internal control.

M. ZHONG graduated from Fudan University in Shanghai with a bachelor's degree in sociology in June 2012. She obtained her degree in Master of Business Administration from Fudan University in June 2022.

—

Go & ning Committee of MacLeho e Medical Rehabilitation Centre in Hong Kong, the vice-chair & on of the E ec ti e Committee, the chair & on of Long T& m C& e Committee, and a member of the F nd& ing and Social Ent& si e Committee of The Hong Kong Societ for Rehabilitation.

Mr. SZETO grad ated from Hong Kong Sh e Yan College with a diploma in economic in J l 1984. He grad ated from Uni & it of So th& n Mi i i i with a doctor of philo o h in ed cation admini tration in Ma 1995. Mr. SZETO wa certified as a fellow certified blic acco untant of CPA A tralia (FCPA (A t.)). Mr. SZETO wa & d& d the Linch in of A ia & d 2023 (Ent& sene & Cate&) b Ent& si e A ia in 2023.

The abo e candidate for inde endent non-e ec ti e Director ha e confirmed that the ha e all the element of inde endence et o t in Rule 3.13 of the Li ting Rule . Specifically, each of the candidate for inde endent non-e ec ti e Director ha confirmed that he/ he:

- (i) meet the inde endence & it& ia relating to each of the factor et o t in Rule 3.13(1) to (8) of the Li ting Rule ;
- (ii) doe not ha e an & a t& & e ent financial & other int& e t in the b i ne of the Com an & an of it b idia ie, no doe he/ he ha e an connection with an & e connected & on (a defined nd& the Li ting Rule) of the Com an ; and
- (iii) i not & & e of an other factor that ma affect hi /he inde endence at the time of nomination.

The Com an con id& the abo e candidate for inde endent non-e ec ti e Director to be inde endent in acc& d& nce with the guideline on inde endence a et o t in the Li ting Rule . The nomination committee of the Bo& d ha a e ed and & e i& ed the inde endence of each of the candidate for inde endent non-e ec ti e Director and belie e that the ha e ai fied the & e i& ement for inde endence.

The nomination of the abo e candidate for inde endent non-e ec ti e Director wa & o o ed b the Bo& d, & elimina il & e i& ed b the nomination committee of the Bo& d, con id& ed b the Bo& d, and will be b mitted to the AGM for con id& ation, in acc& d& nce with the & o i ion of the Article . The abo e candidate for inde endent non-e ec ti e Director o e & o f& e i onal kn& & ledge in financial management, a diting, int& nal con& ol and & i k management, and la & a & ell a o the & e i it& & & e & ience to & o f& m the d tie of an inde endent non-e ec ti e Director. The & o e f ndamental kn& & ledge of the o & ation of lited comanie and & e ac ainted with & e le ant la &, admini trative & e g lation, & le, and other & e g lator doc ment . The nomination committee of the Bo& d i of the i& & that the abo e candidate for inde endent non-e ec ti e Director will & o & l di ch& ge thei d tie and & e on ibilitie a inde endent non-e ec ti e Director and will, tho gh thei & e i e e & ience and kn& & ledge, off& o b& e ctive, inde endent and & f ficient o i nion and anal i i n& e c& t of com liance, & & ket o & ation, int& nal con& ol and a diting and & o & ate go & nance, facilitate the & i e n& i f& ic and o b& e ctive deci ion-making of the Bo& d

in term of corporate governance practice and the protection of the right and interest of public Shareholder, provide opinion and suggestion on scientific decision-making and risk prevention, and control the continuous improvement in corporate governance of the Company. While promoting diversity of the Board practice, including gender, culture, professional skill and qualification, etc. None of the above candidate for independent non-executive Director hold directorship in any other listed companies, and therefore each of them is able to devote sufficient time and attention to the Company.

At the Latest Practicable Date, the position held by the candidate for Director of the fifth session of the Board in the member of the Group are as follows:

Candidate's Details		Group's Shareholder	
Details		Group	Period
GUAN Weili	Cangnan Kangning Hospital Co., Ltd.	Executive director	From June 2012 to present
	Yongjia Kangning Hospital Co., Ltd.	Executive director	From December 2012 to September 2025
	Yongjia Kangning Hospital Co., Ltd.	Director	From September 2025 to present
	Yueing Kangning Hospital Co., Ltd.	Executive director	From September 2013 to present
	Wenhao Yining Gynecologic Hospital Co., Ltd.	Director	From November 2015 to present
	Pinggang Kangning Hospital Co., Ltd.	Executive director	From November 2015 to present
	Wenhao Licheng Yining Hospital Co., Ltd.	Chairman, General manager	From April 2020 to present
	Wenhao Yining Nursing Home Co., Ltd.	Director	From August 2024 to present
	Qingtian Kangning Real Estate Management Co., Ltd.	Director	From November 2024 to present
	Qingtian Kangning Hospital Co., Ltd.	Director	From December 2024 to present
WANG Lianhe	Yongjia Kangning Hospital Management Co., Ltd.	Executive director, Manager	From January 2017 to present
	Qingtian Kangning Hospital Co., Ltd.	Manager	From December 2018 to present

Current positions	Positions held	From	To
	Long'an Kangning Hospital Co., Ltd.	Executive Director, General manager	From February 2023 to present
	Beijing Yining Hospital Co., Ltd.	Director, Manager	From February 2023 to present
	Changchun Kanglin Psychological Hospital Co., Ltd.	Director	From March 2023 to present
	Chengdu Jinni Yining Psychiatric Hospital Co., Ltd.	Chairman	From December 2023 to present
	Zhejiang Yining Geriatric Health Service Co., Ltd.	Director, Manager	From April 2024 to present
	Hangzhou Yining Hospital Co., Ltd.	Director	From March 2025 to present
	Zhejiang Yonning Pharmaceutical Co., Ltd.	Director, Manager	From June 2025 to present
	Wenhua Decicare Service Co., Ltd.	Director	From September 2025 to present
	Zhejiang Jante Health Technology Co., Ltd.	Chairman	From September 2025 to present
	Wenhua Gaojin Fanghuo Hospital Co., Ltd.	Director	From November 2025 to present

C o n t e n t s

XU Yongchao (徐永久), aged 48, is a Senior Executive of the Company. He joined the Company in October 2021 and is primarily responsible for overseeing daily operation and management. Since April 2023, Mr. XU has acted as a senior advisor, director and chairman of the independent committee of Shanghai Jinjianfeng Investment Management Co., Ltd. (上海金浦健服股權投資管理有限公司) and is mainly responsible for the comprehensive operation and management. Since June 2021, he has been the representative appointed by the managing partner of Wenhuo Jinning Investment Partnership (Limited Partnership) (溫州金寧股權投資合夥企業(有限合夥)). From July 2004 to December 2007, he acted as the senior investment manager of the Development Research Headquarters of Shanghai International Group. From December 2007 to March 2009, he worked at the Investment Banking Headquarters in Asia Pacific of Citigroup. From March 2009 to September 2011, he acted as an executive director of Shanghai International Group and the Securities Investment Headquarters of Shanghai Trust. From October 2011 to October 2015, Mr. XU acted as an executive director of GP Capital Co., Ltd. (金浦產業投資基金管理有限公司). From April 2016 to March 2023, he acted as a director, member of the independent committee and senior advisor of Shanghai Jinjianfeng Investment Management Co., Ltd. (上海金浦健服股權投資管理有限公司) and was mainly responsible for financial and medical investment.

Mr. XU graduated from Southwestern University of Finance and Economics with a bachelor's degree in economics in July 2000. He graduated from Fudan University with a master's degree in finance in June 2004. Since January 2015, he has been studying in the School of Life Science at Fudan University, where he received his master's degree in biotechnology engineering. He graduated from China Europe International Business School with EMBA (Executive Master of Business Administration) in November 2022.

As at the Latest Practicable Date, Mr. XU is deemed to be interested in 4,540,000 domestic shares of the Company held through a controlled corporation within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Mr. A (), aged 34. Since 2022, he has joined Shanghai Yuhong Capital Co., Ltd. (上海禹閎投資管理有限公司), a private equity firm specializing in investment, and has acted as a risk control manager, mainly responsible for fund risk control and on-site investment management related matters. Meanwhile, he also acted as a director of Zhejiang Zhongyi Testing Institute Co., Ltd. (浙江中一檢測研究院股份有限公司), a third-party high-tech service institution specializing in testing, evaluation and consulting in the field of EHS (Environment, Health, and Safety), and acted as a director of Shanghai Guangcong Culture Media Co., Ltd. (上海光錐文化傳媒有限公司), an enterprise mainly engaged in radio, television, film and sound recording production.

Ms. RUAN graduated from Anhui University of Finance & Economics in 2015. She graduated from Fudan University with a master's degree in public administration in 2022.

C o n t e n t s

. A C H (錢成良), aged 75, is the independent Secretary of the Commission. He is primarily responsible for monitoring our compliance with law and regulation. Mr. QIAN joined the Commission in June 2017 and has acted as our independent Secretary since then. Prior to joining the Commission, from May 2007 to May 2012, he acted as a deputy director at the Standing Committee of Wenling Municipal People's Congress (溫州市人大常委會). From February 2003 to April 2007, he acted as a vice mayor of Wenling. From October 1996 to January 2003, he acted as the head of the organization division of Standing Committee of the municipal committee of the Communist Party in Lishui (麗水市委常委). From November 1995 to September 1996, he acted as an executive deputy head of the organization division of the municipal committee of the Communist Party in Wenling.

This explanatory statement contains all the information required to be given to the Shareholders pursuant to Rule 10.06 of the Hong Kong Listing Rules in connection with the Resolutions, which is set out as follows:

CBA A D BE k, 0 F HA kE k, 0 , 0 ED , 0 BE kE kCHA ED

As at the Latest Practicable Date, the total share capital (excluding treasury shares, if any) of the Company was 72,358,900 Shares, including 52,760,000 Domestic Shares and 19,598,900 H Shares. The Shares proposed to be repurchased are the H Shares in issue of the Company. The specific number of Shares to be repurchased will be determined by the Board of the Company as authorized by the AGM and the authorized action of the Board during the implementation period of the repurchase, taking into account the price of the H Shares of the Company in the secondary market, provided that the total number shall not exceed 10% of the total number of issued and fully paid-up H Shares of the Company (excluding H Shares that have been repurchased but not cancelled; and excluding the treasury shares, if any) on the date of adopting such special resolution. The Company will be entitled to repurchase up to 1,763,901 H Shares under the New Repurchase Mandate, on the basis of the aggregate of 19,598,900 H Shares in issue and 1,959,890 H Shares repurchased but not cancelled by the Company as at the Latest Practicable Date, assuming that after the resolution regarding the New Repurchase Mandate is adopted and no other Shares will be issued additionally and/or repurchased by the Company in the current period up to the date of the AGM.

EA, 0 F k k, 0 , 0 ED kE kCHA E

In order to further promote the health, stable and long-term development of the Company and to effectively safeguard the interest of investors, the Board, having considered the current operating condition, financial position and future development prospect, propose to seek shareholders' approval at the AGM for a share repurchase mandate.

F D F k k, 0 , 0 ED kE kCHA E

In repurchasing H Shares of the Company, the Company plan to use its own internal fund to finance such transaction in accordance with the Articles of Association and the applicable PRC laws, rules and regulations.

Considering the current operating capital condition of the Company, the Directors believe that an exercise of Repurchase Mandate in full will not cause material adverse impact on the operating capital and/or gearing position of the Company (as compared to the financial position as at December 31, 2025 as disclosed in the Company's published audited financial statement in the annual report for the year ended December 31, 2025). However, if the Board believe that the exercise of Repurchase Mandate will have material adverse impact on the operating capital and/or gearing ratio of the Company, the Board intend not to exercise Share buy-backing the offer conferred under the Repurchase Mandate. The Board will consider the prevailing market condition at an appropriate time to make decision on the number of H Shares to be repurchased, the price and other terms to repurchase H Shares, in the best interest of the Company.

HE A , F HA KE KE CHA ED

The Com an ma cancel an re cha ed Share and/or hold them a rea s ha e bject to the circ mstance re ailing at the time of re cha e of the H Share (e.g., market condition and it cal ital management need).

In re ect of an rea s ha e of the Com an de o ited ith The Cent al Clearing and Settlement S tem for re ale on the Hong Kong Stock E change, the Com an hall take a ro iate and nece ssa mea re to en re that ch rea s ha e can be identified and diting ihed so el . The Com an ho ld de o it ch rea s ha e ithin a ege gated stock account of The Cent al Clearing and Settlement S tem. The Com an hall not e ci e an right in re ect of the rea s ha e , and no di idend ma be declared or aid in re ect of the rea s ha e .

KE E E , F D KE C , A D HE C , EA , C A E

To the be t kno ledge of the Director , ha ing made all rea onable en i re , none of the Director or their clo e a ociate (a defined in the Hong Kong Listing Rule) ha e an re ent intention to ell to the Com an an H Share of the Com an if the Re cha e Mandate i a ro ed b the AGM.

DE K A G , F HE D KE C ,

The Director nd take that, in a ro iate circ mstance , the ill e ci e the o f of the Com an to re cha e Share s ant to the Re cha e Mandate in com liance ith the Hong Kong Listing Rule , Article of Association, applicable la , rule and regulation of the PRC, and in acco dance ith the ecial re olution el o t in the notice of the AGM. Neither the E lanato Statement no the ro o ed Share Re cha e Mandate ha an n al feat re .

EFFEC , F HE A E , E C DE

If a Shareholder' ro otionate intere t in the oling right of the Com an in ea e a are t of the Director e ci ing the o f of the Com an to re cha e Share s ant to the Re cha e Mandate, ch an in ea e ill be treated a an ac i ition of the oling right s ant to Rule 32 of the Takeo Code. If ch an in ea e e t in a change in control, it co ld, nda certain circ mstance , re t in the recommendation for a manda ac i ition offer in acco dance ith Rule 26 of the Takeo Code.

At the Latest Practicable Date, to the best knowledge and belief of the Directors, Mr. GUAN Weili, Mr. WANG Lian'e and Mr. WANG Hong'e (collectively Mr. WANG Lian'e) exercised a joint and several interest, and therefore they are deemed to be jointly interested in 27,330,100 Domestic Shares and 458,300 H Shares of the Company. Mr. XU Yi is the spouse of Mr. WANG Hong'e, and therefore Mr. XU Yi is deemed to be interested in the Shares of the Company held by Mr. WANG Hong'e by virtue of Part XV of the SFO. The aggregate number of Shares held by the above persons represent approximately 39.47% of the total number of issued shares of the Company (including H Shares that have been rescheduled but not yet cancelled and including Treasury Shares, if any). Following the exercise of the share repurchase by the Company, under Rule 26.1 of the Takeovers Code, the Directors, Mr. GUAN Weili, Mr. WANG Lian'e, Mr. WANG Hong'e and Mr. XU Yi would be obliged to make a general mandatory offer to the Shareholders for all the issued Shares and other securities of the Company not already owned or agreed to be acquired by them collectively acting in concert with them. The Board does not have any intention to exercise the New Repurchase Mandate to such an extent of triggering an obligation under the Takeovers Code.

Save as disclosed above, at the Latest Practicable Date, to the best knowledge and belief of the Directors, the Directors are not aware of any consequence which may arise under the Takeovers Code and any similar applicable law as a consequence of an exercise of Shares under the general mandate.

The Hong Kong Listing Rules prohibit a company from making a repurchase on the Hong Kong Stock Exchange if the result of the repurchase would result in less than 25% (or such other prescribed minimum percentage as determined by the Hong Kong Stock Exchange) of the issued share capital being held by the public. At the Latest Practicable Date, the Company's

public float was approximately 24.11%, which is below the minimum requirement of 25% of the total issued share of the Company to be held by the public as prescribed under Rules 8.08 and 19A.28B of the Listing Rules. The Company will not exercise the New Repurchase Mandate until the minimum public float under the Listing Rules has been restored. After the minimum public float as required under the Listing Rules has been restored, the Directors do not propose to repurchase Shares which would result in less than the prescribed minimum percentage of Shares in public hands of the Company.

RESCHEDULED SHARES HELD BY THE COMPANY

During the six-month period immediately before the Latest Practicable Date, the H Shares repurchased by the Company on the Hong Kong Stock Exchange are as follows:

Date	Number of Shares Repurchased	Total Consideration Paid	
		(HK\$)	(HK\$)
December 15, 2025	24,900	11.2	11.2

C 0 K E C 0 EC ED E K , 0

No core connected person (as defined in the Hong Kong Listing Rule) has notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so in the event that they are purchased as proposed by the Shareholders.

K CE , 0 F H HA KE

The highest and lowest price at which the H Shares have been traded on the Hong Kong Stock Exchange in each month of the last 12 months prior to the Latest Practicable Date are as follows:

Month	High and Low Price of H Shares	
	High Price (HK\$)	Low Price (HK\$)
2025		
June	10.40	8.82
July	9.67	9.00
August	10.74	8.81
September	11.49	10.03
October	11.48	10.00
November	11.70	10.62
December	11.50	9.70
2026		
January	9.99	9.68
February	9.91	9.10
March	9.30	8.00
April	9.38	8.41
May	9.60	8.13
June (as of the Latest Practicable Date)	9.00	8.20