**If you are in any doubt** about this circular or the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in **Hengdeli Holdings Limited**, you should forward this circular, together with the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents 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 upon the whole or any part of the contents of this circular.

# 溫德利控股有限公司

# C TE T

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*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 on-site meeting and held on Tuesday, June 30, 2026 |
| "AGM Notice" | the notice for convening the AGM as set out on pages 18 to 21 of this circular |
| "Articles" or "Articles 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" | Wenzhou 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 up 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 invested 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, excludes Hong Kong, the Macau 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) |
| "Supervisor(s)" | the supervisor(s) of the Company |
| "Supervisory Committee" | the Company's supervisory committee |
| "Takeover Code" | the Codes on Takeovers and Mergers and Share Buybacks issued by the Securities and Futures Commission of Hong Kong, as amended from time to time |
| "treasury 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

## INTRODUCTION

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

1. To consider and approve the audited report and financial statements of the Company for the year 2025;

2. To consider and approve the final financial report 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 report of the Board of the Company for the year 2025;

8. To consider and approve the report of the Supervisory Committee of the Company for the year 2025;

9. To consider and approve the report 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 Ms. WANG Lianyue as an Executive Director of the fifth session of the Board;

12. To consider and approve the proposed election of Mr. WANG Jian 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 Ms. ZHONG Wentang as an Independent Non-executive Director of the fifth session of the Board;

16. To consider and approve the proposed election of Ms. 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 Fu as an Independent Non-executive Director of the fifth session of the Board;

18. To consider and approve the proposed election of Mr. XU Yongjiu as a Shareholder representative Supervisor of the fifth session of the Supervisory Committee;

19. To consider and approve the proposed election of Ms. RUAN Tingting as a Shareholder representative Supervisor of the fifth session of the Supervisory Committee;

20. To consider and approve the proposed election of Mr. QIAN Chengliang as an independent Supervisor of the fifth session of the Supervisory Committee; and

21. To consider and approve the proposed grant of a general mandate to the Board to partially repurchase H Shares.

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

## F A C A B DGE T A F THE EA 2026

An ordinary resolution will be proposed at the AGM to consider and approve the Company' 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 expenditure to RMB238.0 million, RMB8.0 million and RMB149.3 million, respectively

## F T D T B T A F THE EA 2025

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

### 1. D 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 repurchased by the Company but not yet cancelled).

Theproposedfinaldividendwillbedenominatedanddeclaredin RMB. Theholdersof Domestic Shares will be paid in RMB and the holders of H Shares will be paid in Hong Kong

July 6, 2026 for registration. For the purpose of ascertaining Shareholders who qualify for the proposed final dividend, the register of members for H Shares will be closed from Tuesday, July 7, 2026 to Friday, July 10, 2026 (both days inclusive).

**3. T /**

Pursuant to the Enterprise Income Tax Law of the People's Republic of China and its implementing regulations, which came into effect on January 1, 2008, the Company is required to withhold and pay on behalf of the shareholders of non-resident enterprises whose names appear on the register of members of the Company's H-shareholders the enterprise income tax at a rate of 10% on the distribution of cash dividends. Any H Shares registered in the name of non-individual shareholders (including in the name of Hong Kong Securities Clearing Company (Nominees) Limited, other nominees, agents or trustees or other organizations or bodies) are regarded as shares held by non-resident enterprise shareholders. Accordingly, dividends payable to such shareholders are subject to withholding corporate income tax. If H shareholders wish to change their status as shareholders, please contact the agent or trustee for the relevant procedures. The Company will withhold corporate income tax on behalf of the relevant shareholders whose names appear on the register of members of the H Shares on the Record Date in strict accordance with the law or as required by the relevant government authorities.

If the individual holders of H Shares are residents of Hong Kong or Macau or residents

## . TE F T F ECA T F THE EA 2026

To proactively share the Company's operating results with all shareholders and to enhance investor confidence in shareholding, the Company proposes 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.

## . E T F THE B A D F THE EA 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.

## . E T F THE E C TTEE F THE EA 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.

## . E T F THE DE E DE T -E EC T E D EC T THE E F A CE F THE EA 2025

In accordance with the relevant provisions of laws and regulations, such as the Company Law of the People's Republic of China, as well as other normative documents, the Articles, and the Working Policies of Independent Directors of Wenzhou Kangning Hospital Co., Ltd. (《溫州康寧醫院股份有限公悶 舛栜僸廅槃甌湅

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As the term of the Board is due to expire, the Board has considered and approved the following candidates proposed for the election as directors of the fifth session of the Board:

(1) candidates for executive Directors: Mr. GUAN Weili, Ms. WANG Lianyue and Mr. WANG Jian;

(2) candidates for non-executive Directors: Mr. QIN Hao and Mr. LI Changhao; and

(3) candidates for independent non-executive Directors: Ms. ZHONG Wentang, Ms. JIN Ling and Mr. SZETO Wing Fu.

The above candidates for Directors meet the requirements as stipulated in relevant laws of the PRC and regulations and the Articles, and the Board agrees to propose ordinary resolutions in respect of the above list of candidates at the AGM for consideration. The AGM will elect three executive Directors, two non-executive Directors and three independent non-executive Directors. The eight Directors 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 requirements of relevant PRC laws and regulations and the Articles, the candidates for Directors of the fifth session of the Board are subject to the approval of the Shareholders of the Company at the AGM. The term of office for these proposed executive Directors, non-executive Directors and independent non-executive Directors 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 they shall be eligible for re-election upon expiry of the term.

Upon the appointment of the above candidates for Directors at the AGM, a service contract will be entered into between each of the candidates for Directors and the Company. During their term of office, Mr. GUAN Weili, Ms. WANG Lianyue and Mr. WANG Jian will receive remuneration as Directors afn iibeuring345(iie-eleosed)45(iiiion)-534.1(Accoancive)-534.wiifth the C remuneration40634.managentment40634.measurcles,40634.whieach40634.primarilych40634.3(consents40634.5(

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Save as disclosed in Appendix I, the above candidates for Directors have not held any other directorships over the past three years in any public companies, the securities of which are listed on any securities market in Hong Kong and/or overseas, did not hold any other major appointments and professional qualifications, nor have they held any position in the Company or its subsidiaries, nor do they have any relationship with any other Directors, supervisors, senior management, substantial Shareholders or controlling Shareholders of the Company. As at the Latest Practicable Date, save as disclosed in Appendix I, they have no interest in any shares 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 Directors have not been subject to any penalties imposed by the China Securities Regulatory Commission or other relevant securities regulatory authorities or any stock exchanges.

In addition, save as disclosed in Appendix I, none of the above candidates for Directors has any information that is required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and they are not/were not involved in any of the matters required to be disclosed pursuant to the aforesaid requirements. 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 Keung Hugo, the existing independent non-executive Director, will retire upon the expiration of his term of office as Director, with effect from the date on which the Directors 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 Keung Hugo 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 Keung Hugo for his valuable contribution to the Company during his tenure of office.

The resolutions shall be proposed at the AGM for consideration and approval by way of ordinary resolutions.

## . ED E EC F HA EH DE E E E TA E E A D DE E DE T E F THE F F H E F THE E C TTEE

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 shareholder representative supervisors and independent supervisors of the fifth session of the Supervisory Committee, resignation of supervisors and proposed eproposedC5.9(havTion)-32MrhavTdC5.9(

not less than one-third of the Supervisors in the Supervisory Committee and shall be elected and dismissed at the employees' representative meeting by the employees of the Company or through other democratic procedures. The Company will convene an employees' representative meeting to elect employee representative Supervisor(s) and will duly publish an announcement for this meeting.

The following is the list of candidates for the Shareholder representative Supervisors and independent Supervisor of the fifth session of the Supervisory Committee, which has been considered and approved by the Supervisory Committee:

(1) candidates for Shareholder representative Supervisors: Mr. XU Yongjiu and Ms. RUAN Tingting; and

(2) candidate for independent Supervisor: Mr. QIAN Chengliang.

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

The Supervisors of the fifth session of the Supervisory Committee will serve for a term of three years, and the term of office of these Shareholder representative Supervisors and independent Supervisor 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 Supervisory Committee, and they shall be eligible for re-election upon expiry of the term.

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

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

Save as disclosed in Appendix II, the above candidates for Supervisors have not held any other directorships over the past three years in any public companies, the securities of which are listed on any securities market in Hong Kong and/or overseas, did not hold any other major appointments and professional qualifications, nor have they held any position in the Company or its subsidiaries, nor do they have any relationship with any other Directors, Supervisors, 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 shares 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 Supervisors have not been subject to any penalties imposed by the China Securities Regulatory Commission or other relevant securities regulatory authorities or any stock exchanges.

In addition, save as disclosed in Appendix II, none of the above candidates for Supervisors has any information required to be disclosed pursuant to Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules and they are not/were not involved in any of the matters required to be disclosed pursuant to the aforesaid requirements. Save as disclosed above, there are no other matters that need to be brought to the attention of the Shareholders.

## [illegible] ED G A T F A GE E A A DATE T THE B A D T A T A E CHA E H HA E

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,

cancelled by the Company as at the Latest Practicable Date, assuming that after the resolution regarding the New Repurchase Mandate is approved 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.

**3.** 

The method adopted to repurchase H Shares 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 Directors or Shareholders triggering the obligation to make a mandatory general offer under Rules 26 and 32 of the Takeovers Code upon full exercise 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 Rules 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 restored.

**4.** 

**5.** [illegible]

The repurchase will be implemented in batches, and the price of the repurchased H Shares shall not exceed 105% (inclusive) of the average closing price over 5 trading days prior to each actual repurchase day. When implementing the repurchase, the specific repurchase price shall be determined within such range in accordance with the actual situation of the market and the Company.

**6.** [illegible]

The source of funds for the proposed repurchase of Shares is financed by own internal funds of the Company.

**7.** [illegible]

| | |
|---|---|
| The repurchased Shares may be cancelled to reduce the registered capital or held as treasury shares based on the circumstances at the time of repurchasing the Shares (such as market conditions and its capital management needs) | Not exceeding RMB30 million (inclusive), excluding relevant taxes and handling fees of the repurchase transactions. |

The actual amount of funds used in the repurchase of H Shares will be determined by the Board of the Company as authorized by the AGM and the authorized persons of the Board during the implementation period of the repurchase, taking into account the prices of the H Shares of the Company in the secondary market, and within the range as mentioned above.

**8.** [illegible]

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

(1) formulating and implementing specific repurchase proposal, including but not limited to determine the timing(s) of repurchase, period(s) of repurchase, repurchase price(s) and quantity of repurchase, etc.;

(2) notifying creditors and making announcements in accordance with the requirements of the Company Law of the People's Republic of China, other laws and regulations and the Articles of Association;

(3) opening overseas stock accounts, capital accounts and handling corresponding procedures of change in foreign exchange registration;

(4) performing relevant approval or filing procedures (if any) in accordance with applicable laws, regulations and regulatory provisions;

(5) handling the cancellation of repurchased Shares, reducing the registered capital of the Company, revising the total share capital, share capital structure and other relevant contents in the Articles of Association and handling the procedures for modification of registration and filing;

(6) signing and handling all other documents and matters in relation to repurchase of Shares; and

(7) agreeing that the Board authorizes the Chairman of the Company and his authorized persons to handle the above specific matters within the scope of the above authorization.

**9.** [illegible]

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

**10.** [illegible]

The repurchase of H Shares shall be carried out on the market of the Hong Kong Stock Exchange and does not constitute connected transactions of the Company.

The Hong Kong Listing Rules prescribe that the requisite information of the proposed repurchase of Shares shall be provided for shareholder consideration, to enable the Shareholders to make informed decisions on the relevant resolution on the repurchase of Shares at the AGM. The explanatory statement containing such information is set out in Appendix III to this circular.

## THE AGM AND ARRANGEMENT

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

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

The form of proxy for use at the AGM is sent to the Shareholders together with this circular. Such forms of proxy are also published on the websites of the Hong Kong Stock Exchange HKEXnews (www.hkexnews.hk) and the Company (www.knhosp.cn). Whether or not you intend to attend the AGM, you are requested to complete the accompanying forms 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 Computershare Hong Kong Investor Services 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

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(9) To consider and approve the report 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 Ms. WANG Lianyue as an Executive Director of the fifth session of the Board;

(12) To consider and approve the proposed election of Mr. WANG Jian 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 Ms. ZHONG Wentang as an Independent Non-executive Director of the fifth session of the Board;

(16) To consider and approve the proposed election of Ms. 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 Fu as an Independent Non-executive Director of the fifth session of the Board;

(18) To consider and approve the proposed election of Mr. XU Yongjiu as a Shareholder representative Supervisor of the fifth session of the Supervisory Committee;

(19) To consider and approve the proposed election of Ms. RUAN Tingting as a Shareholder representative Supervisor of the fifth session of the Supervisory Committee;

(20) To consider and approve the proposed election of Mr. QIAN Chengliang as an independent Supervisor of the fifth session of the Supervisory Committee; and

**B9 W 9 :**

(21) To consider and approve the proposed grant of a general mandate to the Board to partially repurchase H Shares.

Details of the above resolutions proposed at the AGM are contained in the Circular, which is available on the HKEXnews' website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the website of the Company (www.knhosp.cn).

By order of the Board
**H C .,**
**G A**
*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:*

**A TT E DEE F THE AG**

**1. E 9 A AG**

(a) Closure of Register of Members. For the purpose of ascertaining Shareholders 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 days inclusive).

(b) Domestic Shareholders and H Shareholders whose names appear on the register of members of the Company after the close of business on Wednesday, June 24, 2026 are entitled to attend and vote in respect of all resolutions to be proposed at the AGM.

(c) H Shareholders who wish to attend the AGM shall lodge their share certificates accompanied by the transfer documents with Computershare Hong Kong Investor Services Limited at Shops 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.

(d) A Shareholder or his/her/its proxy shall produce proof of identity when attending the meeting. If a Shareholder is a legal person, its legal representative or other persons 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 persons to attend the meeting.

**2. 9**

(a) A Shareholder eligible to attend and vote at the AGM is entitled to appoint, in written form, one

(c) To be valid, the power of attorney or other authorization document(s) which have been notarized together with the completed form of proxy must be delivered by Domestic Shareholders to the place of business of the Company and Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for H Shareholders not less than 24 hours before the time designated for holding of the AGM (i.e. before 9:00 a.m. on Monday, June 29, 2026) or any adjournment thereof.

(d) A Shareholder or his/her/its proxy may exercise the right to vote by poll.

**3.** **[illegible]**

The proposed final dividend will be paid on or before Friday, August 7, 2026 to all Shareholders whose names appear on the register of members of the Company on the Record Date (Friday, July 10, 2026). In order to qualify for the proposed final dividend, the H Shareholders shall lodge their share certificates accompanied by the transfer documents with Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on Monday, July 6, 2026 for registration. For the purpose of ascertaining Shareholders who qualify for the proposed final dividend, the register of members for H Shares will be closed from Tuesday, July 7, 2026 to Friday, July 10, 2026 (both days inclusive).

**4.** **[illegible]**

(a) The AGM will not last for more than one working day. Shareholders who attend the AGM shall bear their own travelling and accommodation expenses.

(b) The address of the Company's share registrar of H Shares, Computershare Hong Kong Investor Services Limited, is at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

(c) The contact details of the place of business of the Company are as follows:

No. 1 Shengjin Road, Huanglong Residential District, Wenzhou, Zhejiang Province, the PRC
Postal Code: 325000
Telephone No.: (86) 577 8877 1689
Facsimile No.: (86) 577 8878 9117

(d) The contact person for the AGM is Mr. WANG Jian and his telephone number is (86) 577 8877 1689.

**Chairman of the Board and Executive Director**

**Mr. GUAN Weili** (管偉立), aged 56, is the chairman of the Board and an executive Director of the Company. He is primarily 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 served as a clinician at Wenzhou Mental Hospital (溫州市精神病院), a local hospital in Wenzhou, from August 1987 to December 1993, where he was primarily responsible for the medical treatment of psychiatric patients.

Mr. GUAN graduated from Wenzhou Medical University (溫州醫科大學) (previously known as Wenzhou Medical College (溫州醫學院)) in Wenzhou in August 1987, majoring in medical assistance. Mr. GUAN obtained his senior business operator certificate from Wenzhou Municipal Bureau of Personnel (溫州市人事局) in December 2007. Mr. GUAN is the spouse of Ms. WANG Lianyue 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.

**Executive Director and General Manager**

**Ms. WANG Lianyue** (王蓮月), aged 57, is an executive Director and the general manager of the Company. She is primarily responsible for the overall hospital operation and business development of the Company. She joined the Company in January 1998 and has served as our general manager since September 2011 and our executive Director since April 2013. Ms. WANG was appointed as our 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 Wenzhou Mental Hospital (溫州市精神病院), where she was primarily responsible for general patient care.

Ms. WANG received two associate degrees from Wenzhou Medical University (溫州醫科大學) (previously known as Wenzhou Medical College (溫州醫學院)) in Wenzhou in June 2004 and the Party School of Wenzhou Municipal Committee of the Communist Party of China (中共溫州市委黨校) in Wenzhou 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 part-time hospital management courses at the China Europe International Business School (中歐國際工商學院) in Shanghai in September 2006. She was accredited as secondary psychological consultant (二級心理諮詢師) by the

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

As at the Latest Practicable Date, Ms. 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 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.

**WANG Jian** (王健), aged 41, is an executive Director, the vice general manager and the secretary to the Board of the Company. He is primarily responsible for overseeing public affairs and investment relationship, corporate financing and listing-related matters. Mr. WANG Jian joined the Company in July 2014 and has served as the secretary to the Board of the Company since then. Mr. WANG Jian was 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 appointed as an executive Director and the executive vice general manager of the Company in June 2023. Prior to joining the Company, from June 2009 to July 2014, he served 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 primarily 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 Hua Ming LLP (安永華明會計師事務所(特殊普通合夥)), where he was primarily responsible for audit work. From August 2005 to February 2008, he served as an auditor and senior auditor at PricewaterhouseCoopers Zhongtian Certified Public Accountants Limited, mainly responsible for audit work.

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 Accountants 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).

**Chairman of the Board and Non-executive Director**

**Mr. QIN Hao** (秦浩), aged 35, is a non-executive Director of the Company and joined the Group in June 2021. Since January 2022, he has served as a vice president of investment of Shanghai Loyal Valley Investment Management Co., Limited (上海正心谷投資管理有限公司), a private equity investment company that mainly invests in the fields of new consumption, healthcare and advanced manufacturing, where he is mainly responsible for the investment in pharmaceutical and healthcare industry. He served as a senior investment manager of Shanghai Loyal 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 Changhao** (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 served as the executive deputy general manager of the resource development team of SDIC Chuangyi 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 May 2019, Mr. LI has served as a director of CTS Guangxi Detian 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 tourist attractions. From May 2014 to December 2021, Mr. LI consecutively served as the investment manager and the vice president of SDIC Chuangyi Industry Fund Management Co., Ltd. From October 2023 to November 2025, he has served as a supervisor of Ningxia Yinxing 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 businesses.

Mr. LI graduated from Beijing University of Posts and Telecommunications 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 Resources 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.

**Independent Non-executive Director**

**Ms. ZHONG Wentang** (鐘文堂), aged 36, is an independent non-executive Director of the Company and joined the Group in June 2020. Since February 2019, Ms. ZHONG has served 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 providing consultation services for listed companies, where she is mainly responsible for business in sustainable development and in charge of marketing and sales. From February 2016 to February 2019, she served as a senior consultation manager and consultation business director successively in Shanghai Infaith Consulting Co., Ltd., mainly responsible for

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

Ms. 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.



Governing Committee of MacLehose Medical Rehabilitation Centre in Hong Kong, the vice-chairperson of the Executive Committee, the chairperson of Long Term Care Committee, and a member of the Fundraising and Social Enterprise Committee of The Hong Kong Society for Rehabilitation.

Mr. SZETO graduated from Hong Kong S0u;7(KO)-331.7(graduated)-331.7(from)-331.7frfH8dSZET.3(of)-

in terms of corporate governance structure and the protection of the rights and interests of public Shareholders, provide opinions and suggestions on scientific decision-making and risk prevention, and propel the continuous improvement in corporate governance of the Company while promoting diversity of the Board structure, including gender, culture, professional skills and qualifications, etc. None of the above candidates for independent non-executive Directors holds directorships in six or more listed companies, and therefore each of them is able to devote sufficient time and attention to the Company.

As at the Latest Practicable Date, the positions held by the candidates for Directors of the fifth session of the Board in the members of the Group are as follows:

| Candidate for Director | Group member | Position held | Term of office |
|---|---|---|---|
| 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 |
| | Yueqing Kangning Hospital Co., Ltd. | Executive director | From September 2013 to present |
| | Wenzhou Yining Geriatric Hospital Co., Ltd. | Director | From November 2015 to present |
| | Pingyang Kangning Hospital Co., Ltd. | Executive director | From November 2015 to present |
| | Wenzhou Lucheng Yining Hospital Co., Ltd. | Chairman, General manager | From April 2020 to present |
| | Wenzhou Yining Nursing Home Co., Ltd. | Director | From August 2024 to present |
| | Qingtian Kangning Property Management Co., Ltd. | Director | From November 2024 to present |
| | Qingtian Kangning Hospital Co., Ltd. | Director | From December 2024 to present |
| WANG Lianyue | Yiwu Kangning Hospital Management Co., Ltd. | Executive director, Manager | From January 2017 to present |
| | Qingtian Kangning Hospital Co., Ltd. | Manager | From December 2018 to present |

| [illegible] | [illegible] | [illegible] | [illegible] |
|---|---|---|---|
| | Hangzhou Yining Nursery Service Co., Ltd. | Executive director, General manager | From December 2020 to present |
| | Zhejiang Yining Health Technology Co., Ltd. | Executive director | From September 2022 to present |
| | Zhejiang Dening Pharmaceutical Co., Ltd. | Chairman | From September 2022 to present |
| | Chun’an Kangning Huangfeng Hospital Co., Ltd. | Director | From November 2022 to present |
| | Changchun Kanglin Psychological Hospital Co., Ltd. | Chairman | From May 2023 to present |
| | Wenzhou Gaopin Fangzhou Hospital Co., Ltd. | Chairman, Manager | From November 2025 to present |
| | Beijing Yining Hospital Co., Ltd. | Executive director | From June 2024 to present |
| | Property Management Co., Ltd. | Manager | From November 20 present |

| Current Directorships | Name of Other Companies | Position | Term |
|---|---|---|---|
| | Longquan 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 May 2023 to present |
| | Chengdu Jinniu 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 May 2025 to present |
| | Zhejiang Youning Pharmaceutical Co., Ltd. | Director, Manager | From June 2025 to present |
| | Wenzhou Deci Care Service Co., Ltd. | Director | From September 2025 to present |
| | Zhejiang Jerinte Health Technology Co., Ltd. | Chairman | From September 2025 to present |
| | Wenzhou Gaopin Fangzhou Hospital Co., Ltd. | Director | From November 2025 to present |

**C**

(徐永久), aged 48, is a Supervisor of the Company. He joined the Company in October 2021 and is primarily responsible for supervising our daily operations and management. Since April 2023, Mr. XU has served as a president, director and chairman of the investment committee of Shanghai Jinpu Jianfu Equity 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 operations and management. Since June 2021, he has been the representative appointed by the managing partners of Wenzhou Jinning Equity 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 served 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 served as an executive director of Shanghai International Group and the Securities Investment Headquarters of Shanghai Trust. From October 2011 to October 2015, Mr. XU served 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 served as a director, member of the investment committee and senior partner of Shanghai Jinpu Jianfu Equity 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 Sciences at Fudan University, where he receives 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).

**A**, aged 34. Since 2022, she 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 impact investing, and has served as a risk control manager, mainly responsible for fund risk control and post-investment management related matters. Meanwhile, she serves 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 serves as a director of Shanghai Guangcone 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**

**A C** (錢成良), aged 75, is the independent Supervisor of the Company. He is primarily responsible for monitoring our compliance with laws and regulations. Mr. QIAN joined the Company in June 2017 and has served as our independent Supervisor since then. Prior to joining the Company, from May 2007 to May 2012, he served as a deputy director at the Standing Committee of Wenzhou Municipal People's Congress (溫州市人大常委會). From February 2003 to April 2007, he served as a vice mayor of Wenzhou. From October 1996 to January 2003, he served as the head of the organization division of Standing Committee of the municipal committee of the Communist Party in Lishui (

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 Repurchase Mandate, which is set out as follows:

**C A A D BE F HA E ED T BE E CHA 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 persons of the Board during the implementation period of the repurchase, taking into account the prices 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 approving such special resolution. The Company will be permitted 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 the450(Shgw)-399.9(6(a9u1(and)-276(ex.450(N

## THE STATUS OF SHARES REPURCHASED

The Company may cancel any repurchased Shares and/or hold them as treasury shares subject to the circumstances prevailing at the time of repurchase of the H Shares (e.g., market conditions and its capital management needs).

In respect of any treasury shares of the Company deposited with The Central Clearing and Settlement System for resale on the Hong Kong Stock Exchange, the Company shall take appropriate and necessary measures to ensure that such treasury shares can be identified and distinguished properly. The Company should deposit such treasury shares within a segregated stock account of The Central Clearing and Settlement System. The Company shall not exercise any right in respect of the treasury shares, and no dividend may be declared or paid in respect of the treasury shares.

## DIRECTORS, THEIR CLOSE ASSOCIATES AND CONNECTED PERSONS

To the best knowledge of the Directors, having made all reasonable enquiries, none of the Directors or their close associates (as defined in the Hong Kong Listing Rules) have any present intention to sell to the Company any H Shares of the Company if the Repurchase Mandate is approved by the AGM.

## UNDERTAKING OF THE DIRECTORS

The Directors undertake that, in appropriate circumstances, they will exercise the powers of the Company to repurchase Shares pursuant to the Repurchase Mandate in compliance with the Hong Kong Listing Rules, Articles of Association, applicable laws, rules and regulations of the PRC, and in accordance with the special resolution set out in the notice of the AGM. Neither the Explanatory Statement nor the proposed Share Repurchase Mandate has any unusual features.

## EFFECT OF THE TAKEOVERS CODE

If a Shareholder's proportionate interest in the voting rights of the Company increases as a result of the Directors exercising the power of the Company to repurchase Shares pursuant to the Repurchase Mandate, such an increase will be treated as an acquisition of the voting rights pursuant to Rule 32 of the Takeovers Code. If such an increase results in a change in control, it could, under certain circumstances, result in the recommendation for a mandatory acquisition offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best knowledge and belief of the Directors, Mr. GUAN Weili, Ms. WANG Lianyue and Ms. WANG Hongyue (sister of Ms. WANG Lianyue) are regarded as parties acting in concert, 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 Ms. WANG Hongyue, and therefore Mr. XU Yi is deemed to be interested in the Shares of

## CORE CONNECTED PERSONS

No core connected person (as defined in the Hong Kong Listing Rules) 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 share repurchase is approved by the Shareholders.

## PRICE OF H SHARES

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

| | Highest price | Lowest price |
|---|---|---|
| | *(HK$)* | *(HK$)* |
| **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 |