

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, 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 announcement.



Medlive Technology Co., Ltd.

醫脈通科技有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2192)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

FINANCIAL HIGHLIGHTS

	For the year ended 31 December		Year-on-Year Change*
	2024	2023	
	(RMB in thousands)		%
Revenue	558,455	412,004	35.5
Cost of sales	<u>(231,233)</u>	<u>(160,669)</u>	43.9
Gross profit	327,222	251,335	30.2
Profit for the year	330,301	251,760	31.2
Profit attributable to owners of the parent	<u>315,146</u>	<u>242,301</u>	30.1
Non-HKFRS adjusted net profit**	323,600	271,093	19.4

* Year-on-Year Change % represents a comparison between the current reporting year and the previous year.

** Non-HKFRS adjusted net profit was derived from the profit for the year adjusted by excluding share-based compensation to key employees, fair value adjustment of contingent consideration and foreign exchange difference.

REVENUE BY SOLUTION CATEGORIES

	For the year ended 31 December				Year-on-
	2024		2023		Year
	(RMB in thousands, except for percentages)				
	<i>RMB</i>	%	<i>RMB</i>	%	Change*
Revenue:					
Precision marketing and corporate solutions	512,532	91.8	372,687	90.5	37.5
Medical knowledge solutions	17,883	3.2	16,141	3.9	10.8
Intelligent patient management solutions	28,040	5.0	23,176	5.6	21.0
Total	<u>558,455</u>	<u>100.0</u>	<u>412,004</u>	<u>100.0</u>	<u>35.5</u>

* Year-on-Year Change % represents a comparison between the current reporting year and the previous year.

OPERATIONAL HIGHLIGHTS

The following table sets forth the major operating data of the Group:

	For the year ended 31 December	
	2024	2023
Number of healthcare customers of precision marketing and corporate solutions	228	182
Number of products of healthcare customers marketed under precision marketing and corporate solutions	506	386
Paid clicks (<i>in millions</i>)	13.3	9.7
Engaged targeted physicians (<i>in thousands</i>)	867	774
Average MAUs* (<i>in millions</i>)	2.65	2.40

* Average MAUs means the average of the number of unique registered users (i.e. having eliminated all duplication) that accessed the Company's platform in each of October, November and December of the relevant year.

The board of directors (the “**Board**”) of Medlive Technology Co., Ltd. (the “**Company**” or “**Medlive**” or “**We**”) is pleased to announce the audited consolidated results (the “**Annual Results**”) of the Company and its subsidiaries (together the “**Group**”) for the year ended 31 December 2024 (the “**Reporting Year**”). The Annual Results have been reviewed by the audit committee of the Company (the “**Audit Committee**”).

BUSINESS OVERVIEW AND OUTLOOK

Business Review

2024 was a crucial year for the continuous deepening of medical system reform of China and the in-depth empowerment of digital technology for industrial upgrading. The 14th Five-Year Plan of China clearly proposes to promote medical informatization and data sharing, and strengthen the application of digital technology in pharmaceutical research and development, diagnosis and treatment services, and patient management. The combined influence of policy guidance, technology drive and market demand has accelerated the core trend of pharmaceutical industry transformation towards digital marketing. With the normalization of medical insurance negotiations and volume-based procurement, and increasingly stringent compliance supervision, pharmaceutical and medical device companies has increased their demand for accurate, compliant, and efficient academic education and marketing services, and gradually shifted from traditional offline models to the adoption of digital tools that enable efficient outreach to target physicians. Meanwhile, the rapid development of large models and generative AI technologies has injected vitality into the digital precision marketing models, which further optimized the marketing efficiency of pharmaceutical companies, and provided broad market potential and strategic opportunities for the business development of the Group.

As the leading online professional physician platform in China, the Group has persistently taken technological innovation as the engine, focusing on the collaborative development of professional empowerment for physicians and precision marketing of pharmaceutical and medical device enterprises, and keeps contributing to the digital transformation and upgrading of medical industry. By the end of 2024, the number of registered physician users on the *Medlive* platform exceeded 7 million, of which more than 4 million were licensed physicians, accounting for 88% of the total number of licensed physicians in China. With the empowerment for Chinese physicians in multiple high-frequency scenarios such as learning, scientific research, and clinical diagnosis and treatment, the user activity of our platform has continuously improved. In 2024, the average MAUs (without duplication) of the *Medlive* platform reached 2.65 million. With a relatively high coverage rate among Chinese physician users and relatively high MAUs on our platform, we have a solid foundation for developing precision marketing solutions and intelligent patient management solutions for enterprise customers. Through our self-developed AI-driven physician portrait engine, clinical decision support tools, and intelligent medical content distribution system, we have created compliant and efficient academic education solutions for pharmaceutical and medical device companies, achieving accurate matching of academic resources and improvement of marketing efficiency.

In 2024, Medlive kept deepening the innovative application of AI in medical fields with the two-wheel drive of “technology + scenario”. The self-developed large model for medical vertical domain of our Group has been approved by and filed with the Cyberspace

Administration of China (“CAC”) for deep synthesis service algorithms, marking the recognition from national authorities for the Group’s technical capabilities in the field of AI research and development and the safety and standardization of its algorithms. Built on the Transformer framework, this model integrates technologies such as natural language processing (“NLP”), computer vision (“CV”), retrieval augmented generation (“RAG”) and multimodal technologies. Relying on hundreds of millions of authoritative medical databases, private domain professional medical contents and massive high-quality physician portrait data training, the accuracy and traceability of generated contents of the model have been significantly improved. Recently, by accessing the DeepSeek open source large model and completing localized deployment, we have further optimized the model architecture and achieved a leap in the performance of medical problem processing, which effectively coped with the “illusion” problem of the general-purpose large model.

In addressing the diagnosis and treatment scenario of physician users, Medlive has launched an AI Q&A system based on RAG technology. The system supports natural language interaction and multiple rounds of questioning, which can accurately extract key information from multiple heterogeneous massive medical data and reply to physicians in a concise, logical and rigorous way that fits clinical diagnosis and treatment thinking. In this way, a smooth interaction process is formed to fully meet the actual needs of physician users to explore the details of patients’ conditions and optimize their treatment plans. In order to facilitate physicians to formulate reasonable and scientific treatment plans, we have added AI diagnosis and treatment map and AI rational medication functions to the AI Q&A system. AI diagnosis and treatment map can generate mind maps and diagnosis and treatment flow charts based on the disease themes or case information input by physicians, and assist physicians to quickly sort out disease-related knowledge and quickly grasp the overall picture of patients’ conditions by presenting the logic of the disease in a structured manner. With the help of the map, physicians are able to formulate treatment plans quickly, and reduce omissions and deviations in the diagnosis and treatment process as well. AI rational medication can realize personalized drug use decision-making and early risk warning to avoid adverse reactions caused by improper combination of drugs. It changes the relatively general medication guidance mode of traditional guideline consensus, and provides physicians with accurate medication decision support, which significantly improves the safety of clinical medication. In addition, we have launched an AI-assisted writing tool for physician users. Relying on the self-developed medical vertical large model of the Group, the tool realizes the efficient generation of medical contents through a standardized prompt word engine and an intelligent literature matching system. The tool is deeply integrated with authoritative writing standards, and can automatically generate academic papers, diagnosis and treatment plans, and science popularization materials that meet professional standards. The tool has been proven to significantly improve the efficiency of medical content writing of physicians by 60%.

In 2024, the Group was successfully approved as a postdoctoral research workstation jointly awarded by the Ministry of Human Resources and Social Security and the National Postdoctoral Management Committee, marking that Medlive has entered into a new stage of in-depth integration of industry, university and research in the field of medical AI technology innovation and high-end talent cultivation. As an important node of the national medical AI innovation system, the establishment of the workstation was not only a national innovation qualification certification for the technology research and development capabilities, industry-university-research synergy and industry leadership of the Group, but also provided a platform for building a “medicine + AI” composite talent resource pool. We will work with universities and research institutes to accelerate the exploration and application of AI technology in the medical field.

The Group generates revenue by offering three categories of solutions to address various needs of its *Medlive* platform participants, namely, precision marketing and corporate solutions, medical knowledge solutions and intelligent patient management solutions. For the year ended 31 December 2024, the Group’s revenue was approximately RMB558.5 million, representing an increase of 35.5% as compared with the same period last year. While expanding revenue, the Group continuously enhanced its profitability. The Group’s net profit increased by 31.2% from RMB251.8 million for the year ended 31 December 2023 to RMB330.3 million for the year ended 31 December 2024. The net profit margin for the year ended 31 December 2024 continued to maintain a high level of 59.1%. The adjusted net profit and the adjusted net profit margin for the year ended 31 December 2024 were RMB323.6 million and 57.9%, respectively, maintaining a leading position in the industry.

Precision marketing and corporate solutions

The majority of the Group’s revenue comes from precision marketing solutions, which provide digital medical marketing services to pharmaceutical and medical device companies. Attributable to the acceleration of the launch and commercialization of innovative drugs brought about by the deepening of medical reform, and the emphasis of pharmaceutical and medical device companies on the improvement of marketing efficiency, the precision marketing and corporate solutions provided by the Group have attracted more attention from customers. By offering compliant, precise and effective one-stop professional physician academic education solutions, the Group has empowered our customers to maintain consistent engagement of physicians throughout the whole lifecycle of pharmaceutical and medical devices, and has been widely recognized by corporate customers in the industry. In 2024, the number of customers of these solutions was 228, increased by 25.3% as compared with 182 in 2023. At the same time, the number of products covered continued to increase by 31.1% from 386 in 2023 to 506 in 2024. The growing number of products has allowed us to further convert registered physician users on the platform into engaged targeted physicians. At the same time, the number of paid clicks also increased from 9.7 million times in 2023 to 13.3 million times. As a result, for the year ended 31 December 2024, the revenue of the Group’s precision marketing and corporate solutions increased by 37.5% to RMB512.5 million from RMB372.7 million in 2023.

The Group conducts thorough analysis of the academic features and life cycle of pharmaceutical and medical device products, and provides effective and results-oriented precision digital marketing services. At present, the needs of pharmaceutical and medical device enterprise customers in marketing are more comprehensive. In view of this, the precision digital marketing services of the Group offer one-stop solutions covering the whole process including the research and formulation of medical strategy, analysis of learning profile for experts and specialists, digital production of educational content, event design and execution, precise distribution of digital educational content and evaluation of results. We establish the *Medlive* fully integrated internet ecosystem, connecting all channels including websites, mobile APPs, WeChat and other social media accounts, online communities and electronic newsletters. We built a database system that encompasses massive amount of data on browsing behavior of physicians, forming rich digital behavior and cognitive profiles of physicians. Our disease knowledge base platform is a content aggregation platform as well as a personal behavior data platform for physicians. Starting from this platform, we can radiate to various scenarios including clinical research, information browsing, guideline learning, case discussion, patient education, internet diagnosis and treatment and academic conferences. Based on comprehensive and rich insights into physicians, we use AI technology to establish an analysis and content recommendation engine for physicians' online learning. The model not only meets their personalized learning needs for clinical knowledge and experience, but also effectively supports the digital education of clinical physicians throughout the entire lifecycle of pharmaceutical and medical device products in core, intermediate and basic markets. This empowers customers to selectively and precisely deliver content to targeted physicians at their preferred times and through their preferred channels. We charge the pharmaceutical and medical device customers based on the number of clicks on their paid content engaged by targeted physicians. Our solutions can continuously accumulate physician portraits and optimize intelligent distribution models in real time in the process of providing services to customers. In this way, a positive cycle is formed to build up the competitive barriers of the Group in the field of pharmaceutical and medical device enterprise market services.

We also offer various corporate solutions that enable (i) pharmaceutical and medical device companies to cost-effectively conduct market research; and (ii) pharmaceutical and medical device companies, hospitals and other stakeholders of the healthcare industry to improve the efficiency of clinical trials and medical research. In 2024, we leveraged the professional influence of the *Medlive* platform in the clinical research field, as well as our advantages in deep collaboration with pharmaceutical and medical device companies throughout the entire lifecycle, to continue developing clinical research service capability, covering clinical trial design, protocol writing, medical monitoring, data management, statistics and analysis and other core aspects, and have achieved breakthroughs in specialized fields with continuous progress in the fields of oncology, hematology, neurology, pediatrics and cardiovascular disease.

Medical knowledge solutions

The Group's medical knowledge solutions satisfy the needs of physicians for continuing medical education and clinical decision support and the needs of other healthcare professionals for professional medical information. The Group's medical knowledge solutions deliver medical knowledge and intelligent tools to provide efficient and accurate decision support for the diagnosis and treatment of Chinese physicians through multiple user-friendly channels, including its website, mobile applications, desktop applications, WeChat mini-programs and WeChat official accounts. For the year ended 31 December 2024, the revenue of the Group's medical knowledge solutions increased by 10.8% to RMB17.9 million from RMB16.1 million in 2023.

The Group further consolidated our platform advantage by continuously enriching the professional medical content on our *Medlive* platform to maintain the relatively high coverage and engagement of physician users. We utilized AI technology to conduct in-depth review and improvement of the entire platform content, providing physician users with easier-to-use products and continuously enhancing the user experience of physician users. In terms of clinical guidelines, we continued to strengthen our strategic cooperation with the Chinese Medical Association, Wanfang Medical Database, NCCN (National Comprehensive Cancer Network of the United States) and ASCO (American Society of Clinical Oncology), and added more than 3,100 clinical guidelines to the *Medlive* platform. The number of clinical guidelines of the *Medlive* platform increased to 31,100. We conducted in-depth mining and structuring of clinical guideline content based on AI technology to promote the overall improvement of service efficiency. The click-through rate of the first search result increased from 36.9% to 43.5% after optimization of the search algorithm through user behavior data analysis. Users' reading experience and learning effect were effectively improved with upgraded PDF reader function. 18,000 guideline literatures were efficiently converted by our self-developed medical AI translation engine, breaking the language barriers of medical literatures and meeting users' needs for international cutting-edge medical knowledge.

In 2024, approximately 500 new disease knowledge entries were added to our disease knowledge database named *Medlive Knowledge Base*, bringing the total number of entries to 1,700, covering 20 fields including cardiovascular, vestibular, oncology, endocrine, and neurological diseases. We have integrated AI real-time Q&A functionality in *Medlive Knowledge Base*, providing physicians with real-time knowledge-based answers that cultivate proper clinical thinking through the RAG framework, on the basis of the professional medical content across the entire *Medlive* platform. In terms of medication reference, we have added more than 3,000 entries on drug instructions and dynamically updated nearly 10,000 pieces of drug information, bringing the cumulative number of recorded entries to more than 35,000, to assist clinical physicians and pharmacists in using drugs more rationally and safely. Our video platform, *eBroadcasting*, added nearly 15,000 new videos, bringing the total number of videos to 87,000, among which approximately

78,000 videos have completed text translation and content correction through our self-developed large model. The accuracy of the text exceeded 98%. We have also completed the construction of personal IP academic homepages for more than 40,000 speakers. Their exposure in specialized fields was enhanced by aggregating the same speaker's speech videos, research results and academic trends. The AI intelligent search system enable users to accurately search video contents through multiple dimensions such as disease keywords, qualifications of speakers, and conference scenes. We have embedded 醫學文獻王 in our self-developed large model and launched the AI auxiliary reading function to help users quickly understand the core points by summarizing the full-text information with AI technology. In addition, we have upgraded our technology in the application of tools such as AI equipped journal selection, paper checking, AI polishing, literature interpretation, and case summarization, in order to improve the efficiency of clinical physicians' decision-making and scientific research.

In order to meet the needs of users for examination preparation, the Group has launched e考通 and completed a comprehensive upgrade of the examination preparation question bank for licensed physicians and assistant physicians. The question bank integrates 35,000 authoritative test questions and detailed answer analysis, and accurately covers the needs of users in the whole cycle from examination preparation planning to simulated tests, based on the labeling of 7,000 outline knowledge points and multi-dimensional data analysis capability. The review efficiency of users has been greatly improved with functions such as AI intelligent generation of personalized learning paths, derivative training of knowledge points associated with failed questions, and high-frequency mock examination room.

In 2024, the Group deepened the layout of specialized vertical fields by adding specialized channels such as ophthalmology and nephrology. The Group actively participated in relevant academic conferences at home and abroad, bringing together a team of experts in these fields to jointly screen and create high-quality professional medical content. Last year, the Group participated in more than 40 overseas academic conferences and provided in-depth live coverage. We set up the "First Live Room" column and invited clinical experts to engage in face-to-face interviews to interpret the latest information of the conferences from the first perspective, and share their academic views at the first time, so as to ensure that a vast number of clinical physicians can obtain the latest authoritative medical information and clinical practice in a timely manner. At the CSCO (Chinese Society of Clinical Oncology) annual meeting, the Group launched an AI digital human interaction scenario, which restored the historical image of experts through generative AI technology to realize real-time dialogue with current experts across time and space, and intuitively demonstrate medical progress and technology inheritance. In addition, 醫心醫譯, a simultaneous interpretation product developed by us, supports simultaneous interpretation in more than 10 languages such as Chinese, English, Japanese, Korean, and Thai, which greatly improves the dissemination and communication efficiency of international conferences.

Intelligent patient management solutions

The Group's intelligent patient management solutions offer comprehensive single disease management services, including (i) monitoring and improving management services of diseases knowledge dissemination and treatment compliance to patients through Internet hospital; and (ii) condition-specific patient education services in collaboration with non-profit organizations. We connect physicians and patients by disease types, and provide physicians with management tools and medical content through an innovative full-course disease management platform to help clinical physicians to make diagnosis and manage patients accurately and efficiently, and improve patients' return consultation rate and medication compliance. In addition, it provides patients with online diagnosis and treatment, disease education, patient management and other services, ultimately improving the patients' quality of life and benefiting the patients. For the year ended 31 December 2024, the revenue of the Group's intelligent patient management solutions increased by 21.0% to RMB28.0 million from RMB23.2 million in 2023.

We give full play to the advantages of rich physician resources of the *Medlive* platform to build a patient management community for physicians, and gather patients by having physicians invite patients to join patients group. As of 31 December 2024, the patient management platform of the Group had accumulated approximately 555,000 users, with approximately 159,000 participating physicians. As the number of our patients increases, the effects of intelligent patient management solutions are gradually becoming apparent, and have been recognized by more and more pharmaceutical customers. We provide "integrated physician-patient" services to invite physicians to cooperate in patient management while assisting physicians in resolving clinical issues based on the characteristics and life cycles of customers' drugs, together with the clinical manifestations and diagnosis and treatment issues of diseases. We have established an exclusive patient group for each physician with a single disease, and provided medical assistance to help answer questions and solve patients' problems in a timely manner. We continued to carry out systematic, targeted and multi-form patient education interactions based on the pain points of physicians and patients. During the implementation of the solution, we promptly reported patient needs and interactive effects in an organized manner to physicians to dynamically optimize the management plan. After a period of physician-patient management, the return consultation rate of patients and the average dosage and frequency of medication have increased significantly.

Business Outlook

In the context of the acceleration of the restructuring of the value chain of the medical industry by AI technology, the Group will take "horizontal specialization and deep cultivation + vertical full-cycle extension" as its core strategy, and deeply integrate generative AI, big data analysis and vertical field large models, to promote the transition from digital services to intelligent services of the medical industry, and seize the opportunities of industry transformation.

- **Horizontal expansion — Specialized construction and operation empowered by AI**

Intelligent specialized database construction: We will continue to enrich the professional medical information and product tools on the Group's *Medlive* platform, expand our businesses by specialty and disease classification, conduct in-depth research on disease types and related innovative pharmaceutical and medical device products, and enhance the professionalism of specialized content. We will also provide full life cycle digital solutions for different disease segments and treatment fields. For example, we will construct a database of clinical results by specialty. By extracting information on research drugs, research results, research methods, experimental sample numbers and other items in clinical trials and conference papers, a clinical results database is built based on Medlive large model to provide the latest data support for drug research and development.

Expert resource integration: Through the AI-driven intelligent integration system of expert resources, the diagnosis and treatment experience, scientific research results and academic insights of experts in various fields are stored in a structured manner, providing physicians with higher quality academic resources and clinical guidance. Relying on the core medical expert resource network, we will further expand the scope of investigator-initiated research (“**III**”) and systematically improve the clinical research capabilities of physicians to promote the efficient implementation of research projects. We will take full advantage of our professional medical teams to build a full-process medical support system from clinical research strategy formulation to evidence generation.

Specialty patient management: We will continue to connect physicians and patients by disease type and continue to expand disease coverage and the number of patients. Based on our experience in serving specialized fields and the recognition of the majority of physicians in China, we will leverage our advantages in product research and development and patient management to provide personalized education content and compliance management tools for patients with chronic diseases relying on our self-developed medical vertical large models, so as to improve patients' treatment compliance.

Cross specialty intelligent collaboration: Specialties on the *Medlive* platform are relatively independent but closely coordinated. We will continue to explore and strengthen cross-specialty connections and cooperation through in-depth understanding of the characteristics and needs of each specialty. Various specialties can share resources, physician insights and product tools. In addition, we will also use AI technology to deeply explore the interconnections between specialties and improve service efficiency.

- **Vertical extension — Full life cycle services for pharmaceutical and medical device companies reshaped by AI**

Expanding our customer and product coverage: We will closely follow the trend of digital transformation of pharmaceutical and medical device companies and continue to leverage the unique advantages of our online professional physician platform. We will further expand our coverage of pharmaceutical and medical device company users. In particular, in the field of innovative drugs and medical devices, we will further leverage the advantages of the *Medlive* platform in supporting clinical diagnosis and treatment, scientific research, and learning of physicians, integrate academic resources and physician resources and make full use of AI technology to explore physician users' needs, so as to help pharmaceutical and medical device companies efficiently promote professional academic content in both core markets and vast primary markets. Efforts will be made to enhance customer loyalty and willingness to invest in digital marketing.

Enriching our solutions: Based on the Group's advantages in precision marketing, we will further expand our solutions that focus on the needs of pharmaceutical and medical device companies in medicine, clinical research, patient management and other aspects, thereby gaining more budget share from our customers. In particular, we will continue to rely on self-developed large models to develop comprehensive solutions which comprise medical strategy, market strategy and multi-channel digital strategy. By capitalizing on the increasing demand for clinical research in the industry, we will further extend the depth and breadth of clinical research services, provide more extensive support to pharmaceutical and medical device companies in accumulating evidence through real world study (“**RWS**”), and support clinical decision-making and marketing. We will deepen our “patient-centered” integrated service, integrate AI technology to build a digital patient management matrix, which covers an intelligent follow-up system, a personalized education knowledge database, a patient community interaction platform and self-service management tools, aiming to empower pharmaceutical and medical device companies to render medication compliance monitoring, disease course data tracking and precise assistance services.

Making strategic investments and mergers and acquisitions: By leveraging the platform advantages and financial advantages as a listed company, we will explore strategic partnerships and integrate industry resources through investments and acquisitions. Taking advantage of our proprietary platform of professional physicians and on the basis of our existing business, we will actively seek quality target enterprises that possess high synergies with the Group and conduct business integration after acquisition. We will continue to leverage our advantages and industry insights in physician resources, medical content, product research and development and user management, grow together with our investee companies, and further consolidate the Group's leading position in the industry.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue

In 2024, the Group generated revenue from three solution categories, namely (i) precision marketing and corporate solutions; (ii) medical knowledge solutions; and (iii) intelligent patient management solutions. The Group's revenue increased by approximately 35.5% from approximately RMB412.0 million for the year ended 31 December 2023 to approximately RMB558.5 million for the year ended 31 December 2024, primarily due to the revenue increase from its precision marketing and corporate solutions.

Precision Marketing and Corporate Solutions

Revenue from precision marketing solutions is primarily derived from fees paid by the Group's healthcare customers for the Group's digital detailing, digital marketing consulting and digital content creation services. Revenue from corporate solutions is primarily derived from fees paid by the Group's healthcare customers for its digital market research, electronic data capture (“EDC”) and clinical data management system (“CDMS”) solutions, real-world studies (“RWS”) support solutions, patient recruitment service, as well as application software development service related to precision marketing and corporate solutions.

Revenue from precision marketing and corporate solutions increased by approximately 37.5% from approximately RMB372.7 million for the year ended 31 December 2023 to approximately RMB512.5 million for the year ended 31 December 2024, primarily due to (i) an expansion of the Group's healthcare customer base from 182 for the year ended 31 December 2023 to 228 for the year ended 31 December 2024; and (ii) an increase of number of healthcare products marketed using the Group's precision marketing and corporate solutions from 386 for the year ended 31 December 2023 to 506 for the year ended 31 December 2024, resulting from user growth and increased user engagement as illustrated by the increase in the number of paid clicks from approximately 9.7 million in 2023 to approximately 13.3 million in 2024.

Medical Knowledge Solutions

Revenue from medical knowledge solutions is primarily derived from provision of professional medical information covering continuing medical education and clinical decision support, including licensing software to physicians, other registered users, including other healthcare professionals, and pharmaceutical companies. Revenue from medical knowledge solutions increased by approximately 10.8% from approximately RMB16.1 million for the year ended 31 December 2023 to approximately RMB17.9 million for the year ended 31 December 2024, primarily because the Group has provided more medical knowledge products thereby broadening its user base and resulted in an increase in the number of paid users.

Intelligent Patient Management Solutions

Revenue from intelligent patient management solutions was primarily derived from fees paid by non-profit organizations with medical focus and pharmaceutical companies for provision of patient education services to patients and non-profit organizations, including content development, application software development and other related services. The Group also started to generate revenue from commissions on fees paid by patients for online consultation services and prescription services on its Internet hospital since the first half of 2021. Revenue from intelligent patient management solutions increased by approximately 21.0% from approximately RMB23.2 million for the year ended 31 December 2023 to approximately RMB28.0 million for the year ended 31 December 2024 mainly because the single-disease patient management platform established by the Group has achieved initial results and scale. While academically educating physicians and improving the level of standardized medical care, the platform effectively connects physicians and patients to scientifically and efficiently implement patient management and education services.

Cost of sales

The Group's cost of sales consists of (i) employee benefit expenses relating to salaries and benefits for employees involved in operating the Group's platform and developing content; (ii) content development cost primarily relating to fees paid to content contributors and service fees paid to content production service providers; (iii) technology service fees relating to cloud content delivery network and telecommunication services as well as licensing fees; and (iv) other expenses primarily relating to consulting fees, equipment rental expenses, travel and transportation expenses. The Group's cost of sales increased by approximately 43.9% from approximately RMB160.7 million for the year ended 31 December 2023 to approximately RMB231.2 million for the year ended 31 December 2024. The increase was primarily due to the growth of business which led to a corresponding increase in various items of cost of sales.

Gross profit and gross profit margin

As a result of the foregoing, the Group's gross profit increased by approximately 30.2% to approximately RMB327.2 million for the year ended 31 December 2024 from approximately RMB251.3 million for the year ended 31 December 2023. The Group's gross profit margin was approximately 58.6% for the year ended 31 December 2024, which decreased slightly compared to the gross profit margin of 61.0% for the year ended 31 December 2023.

Other Income

Other income and gains primarily consist of (i) bank interest income; (ii) investment income from debt investments; and (iii) government subsidy. The Group recorded other income and gains of approximately RMB223.8 million for the year ended 31 December 2024, compared to approximately RMB188.5 million for the year ended 31 December 2023. The increase was primarily attributable to the increase in interest income derived from bank deposits and debt investments.

Selling and Distribution Expenses

The Group's selling and distribution expenses primarily consist of (i) expenses for promotion activities to drive user growth and engagement; (ii) employee benefit expenses relating to salaries and benefits for employees in selling and distribution functions; and (iii) other expenses primarily relating to business development expenses. The Group's selling and distribution expenses increased by approximately 2.0% from approximately RMB32.8 million for the year ended 31 December 2023 to approximately RMB33.4 million for the year ended 31 December 2024, primarily due to an increase in the bonus payments to the Group's sales staff.

Administrative Expenses

The Group's administrative expenses primarily consist of (i) research and development costs primarily relating to salaries and benefits for employees in research and development functions; (ii) employee benefit expenses relating to salaries and benefits for employees in management as well as general and administrative functions; (iii) depreciation of assets, which includes depreciation of right-of-use assets relating to the Group's leases and depreciation of property, plant and equipment; (iv) taxes and surcharges; (v) maintenance expenses primarily relating to technology and telecommunication service fees, as well as service fees for outsourced administrative services; and (vi) other expenses primarily relating to rent, travel and transportation expenses and general office expenses. The Group's administrative expenses increased by approximately 21.5% from approximately RMB144.5 million for the year ended 31 December 2023 to approximately RMB175.6 million for the year ended 31 December 2024, primarily due to increase in research and development fees, while other administrative expenses have been effectively controlled.

Finance Costs

The Group's finance costs consist of interest on lease liabilities. Finance costs are charged to profit or loss over the lease periods so as to produce a constant periodic rate of interest on the remaining balance of the liabilities for each period. Lease liabilities decrease over the periods of the leases, resulting in higher finance costs at the beginning of lease periods. The Group's finance costs increased from approximately RMB0.4 million for the year ended 31 December 2023 to approximately RMB0.8 million for the year ended 31 December 2024 primary due to the relocation of the Group to the new office building in October 2024.

Profit Before Tax

As a result of the foregoing, the Group's profit before tax increased by approximately 34.5% from approximately RMB253.1 million for the year ended 31 December 2023 to approximately RMB340.5 million for the year ended 31 December 2024.

Income Tax Expenses

The Group's income tax expense increased by approximately 641.5% from approximately RMB1.4 million for the year ended 31 December 2023 to approximately RMB10.2 million for the year ended 31 December 2024, primarily because the Group's revenue in 2024 increased substantially as well as the share options granted under the pre-IPO share option scheme commenced vesting and exercise in July 2022 and the number of share options exercised in 2023 was more than that for 2024. As share-based compensation is eligible for income tax deduction, this results in the income tax expenses in 2024 to be higher than that in 2023.

Profit for the Year and Profit Attributable to Owners of the Parent

As a result of the foregoing, the Group's profit for the year increased by approximately 31.2% from approximately RMB251.8 million for the year ended 31 December 2023 to approximately RMB330.3 million for the year ended 31 December 2024 and the Group's profit attributable to owners of the parent increased by approximately 30.1% from approximately RMB242.3 million to approximately RMB315.1 million.

The Group's net profit margin (calculated on the basis of the profit for the year) decreased by 2.0 percentage points from 61.1% for the year ended 31 December 2023 to 59.1% for the year ended 31 December 2024.

Non-HKFRS Measures — Adjusted Net Profit

To supplement the Group's consolidated financial statements which are presented in accordance with HKFRS Accounting Standards, the Company also used unaudited non-HKFRS adjusted net profit as an additional financial measure in order to evaluate its financial performance by eliminating the impact of items that it does not consider indicative of the performance of its business. The term "adjusted net profit" is not defined under HKFRS Accounting Standards. Other companies in the industry which the Group operates in may calculate such non-HKFRS item differently from the Group. The use of adjusted net profit has material limitations as an analytical tool, as adjusted net profit does not include all items that impact the Group's net profit for the Reporting Year and should not be considered in isolation or as a substitute for analysis of the Group's results as reported under HKFRS Accounting Standards.

The following table sets out the calculation of adjusted net profit for the years indicated:

	Year ended 31 December	
	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Profit for the year	330,301	251,760
Add:		
Share-based compensation	5,669	10,415
Fair value adjustment of contingent consideration	(9,133)	2,161
Foreign exchange difference	(3,237)	6,757
	<hr/>	<hr/>
Adjusted net profit	<u>323,600</u>	<u>271,093</u>

The adjusted net profit for the year ended 31 December 2024, adjusted by excluding share-based compensation to key employees, fair value adjustment of contingent consideration and foreign exchange difference, was approximately RMB323.6 million, increased by approximately 19.4% as compared to approximately RMB271.1 million for the year ended 31 December 2023. The adjusted net profit margin for the year ended 31 December 2024 was approximately 57.9%, decreased by 7.9 percentage points from approximately 65.8% for the year ended 31 December 2023.

The fair value adjustment of contingent consideration relates to the deferred consideration payable by the Group for its acquisitions of certain subsidiaries in 2021, 2022 and 2023. The deferred consideration amounts can be reduced if the guaranteed net profits of the acquired subsidiaries are not met. This item is a non-cash item and the amount of fair value adjustment does not represent the actual amount of deferred consideration payable, nor does it reflect the financial performance of the relevant subsidiaries for the relevant reporting periods.

The foreign exchange difference is related to the initial public offering of the Company's shares ("**Shares**") in July 2021 (the "**Global Offering**"). The proceeds from the Global Offering are primarily denominated in Hong Kong dollars and the foreign exchange difference mainly arises from the currency fluctuation of Hong Kong dollars against RMB. Such foreign exchange difference is non-operational in nature and the amount does not directly correlate with the underlying performance of the Company's business operations.

The share-based compensation relates to the pre-IPO share options to subscribe for a total of 26,754,000 Shares granted to certain directors and key employees and share awards representing 500,000 Shares granted to a key employee, and is a non-cash item.

Liquidity and Capital Resources

For the year ended 31 December 2024, the Group financed its operations primarily through cash generated from the Group's operating activities and the net proceeds received and interest income derived from the Global Offering. The Group intends to continue to finance its expansion and business operations using a combination of cash generated from operating activities and the net proceeds received and interest income derived from the Global Offering.

The Group has adopted a prudent financial management approach towards its treasury policy. The Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities, and other commitments can meet its funding requirements from time to time. Taking into account the net proceeds received from the Global Offering and the current cash position of the Group, the Board considers that the Group has sufficient working capital to meet its operation needs for at least the next 12 months.

The net proceeds received by the Company from its Global Offering in July 2021 which are not put into use immediately, have been used for the subscription for or purchase of wealth management products or placed in fixed deposits with licensed financial institutions. Please refer to the sections headed "Debt investments" and "Use of Proceeds from the Global Offering" for details regarding the use of idle proceeds from the Global Offering.

Cash and cash equivalents and time deposits

The Group operates its business in the PRC and its transactions and revenue were primarily denominated in Renminbi. As such, the Group did not have material exposure to fluctuations in foreign currency exchange rates for cash generated from its operating activities. However, the net proceeds received by the Company from the Global Offering are denominated in Hong Kong dollars and the Company is exposed to fluctuation of exchange rate between Renminbi and Hong Kong dollars. As at 31 December 2024, the Group had cash and cash equivalents of approximately RMB3,844.7 million, which primarily consisted of cash at bank, as compared to approximately RMB4,358.3 million of cash and cash equivalents and approximately RMB42.0 million of non-current time deposits as at 31 December 2023. As at 31 December 2024, around 11.2% of the Group's cash and cash equivalents and non-current time deposits are denominated in Hong Kong dollars, around 12.0% are denominated in RMB and around 76.8% are denominated in US dollars. The balance of cash and cash equivalents as at 31 December 2024 decreased substantially because a portion of cash was invested in wealth management products, which are all debt investments, since early 2024. The balance of debt investments as at 31 December 2024 was approximately RMB639.5 million (31 December 2023: nil).

Debt investments

As at 31 December 2024, the Group had debt investments which amounted to RMB639.5 million in aggregate, which included certificates of deposits (mainly certificates of deposits issued by the Agricultural Bank of China) (the “**CDs**”) and bonds (mainly bonds issued by J.P. Morgan) (the “**Bonds**”, together with the CDs, the “**Wealth Management Products**”). The CDs carry pre-determined return rates ranging from 4.60% to 5.50% per annum. The Bonds carry pre-determined yield ranging from 4.53% to 5.06% per annum. The return from the Wealth Management Products was recorded as interest income and amounted to approximately RMB25.6 million for the year ended 31 December 2024.

The Group intends to subscribe for or purchase wealth management products on a revolving basis, which means that the Group would subscribe for or purchase additional wealth management products when the terms of certain wealth management products previously subscribed for or purchased by the Company expired. Subscriptions for or purchase of wealth management products were made for treasury management purpose to maximize the return on the unutilized funds of the Group after taking into account, among others, the level of risk, return on investment, liquidity and the term to maturity. The Group selects wealth management products issued by reputable commercial banks with relatively low associated risk. Prior to making an investment, the Group has ensured that there remains sufficient working capital for the Group's business needs, operating activities and capital expenditures even after making the investments in such wealth management products. As the current high interest rate cycle may not sustain in the long run, in light of the short to mid-term of maturity of the Wealth Management Products, the Directors are of the view that the Wealth

Management Products pose relatively low risk to the Group and the terms and conditions of each of the subscriptions or purchases are fair and reasonable and are in the interests of the Company and its shareholders as a whole. There was no single Wealth Management Product in the Group's investment portfolio that has a carrying amount that accounts for more than 5% of the Group's total assets as at 31 December 2024. None of these subscriptions or purchases of Wealth Management Products, individually (or collectively if and when aggregation is required) constitutes a notifiable transaction under Chapter 14 of the Listing Rules.

The Group currently does not have any hedging policy for foreign currencies in place. However, the Board will remain alert to any relevant risks and, if necessary, consider to hedge any material potential foreign exchange risk.

Borrowings

During the year ended 31 December 2024, the Group did not have any short-term or long-term bank borrowings and had no outstanding bank and other borrowings and other indebtedness apart from lease liabilities for the relevant lease terms amounting to approximately RMB22.6 million in aggregate. The lease liabilities increased as compared with RMB8.2 million recorded last year due to the signing of a new office lease by the Company.

Gearing ratio

The gearing ratio, which is calculated by dividing borrowings by total equity, was zero since there was no borrowing as of 31 December 2024.

Charge on assets

As of 31 December 2024, the Group did not pledge any of its assets.

Capital expenditures

For the year ended 31 December 2024, the Group's capital expenditure amounted to approximately RMB19.0 million, which mainly comprised capital expenditures recorded for the acquisition of 60% interests in Beijing Medcon Information Consulting Co., Ltd.* (北京美迪康信息諮詢有限公司) ("**Beijing Medcon**") and expenditures on IT equipment, as compared to approximately RMB88.2 million for the year ended 31 December 2023. The Group funded its capital expenditure by using the cash flow generated from its operation and the net proceeds received from the Global Offering.

* For identification purposes only

Contingent liabilities and guarantees

As of 31 December 2024, the Group did not have any significant unrecorded contingent liabilities, guarantees or any material litigation against the Group.

Material acquisitions or disposals and future plans for major investment

During the year ended 31 December 2024, the Group did not make any material acquisition, major investment or material business or assets disposal. The Group will continue to selectively pursue suitable strategic investments and acquisitions that can generate convincing synergies with the Group's existing solutions offerings, expand its customer base and/or enhance its technological capabilities. The Group will utilize proceeds from the Global Offering for the purpose of any such acquisition.

Profit Guarantee and adjustment to consideration

On 8 June 2022, Kingyee (Beijing) Co., Ltd. (金葉天成(北京)科技有限公司) (“**Kingyee Beijing**”), an indirect wholly-owned subsidiary of the Company, entered into an equity transfer agreement pursuant to which Kingyee Beijing acquired 60% equity interest of Beijing Focus Innovation Technology Co., Ltd.* (北京專注創新科技有限公司) (“**Beijing Focus**”) for a cash consideration of RMB48,000,000. The cash consideration is payable in instalments. To date, RMB24,001,000 has been paid. The sellers of the 60% interests in Beijing Focus have undertaken to ensure that the accumulated audited net profit of Beijing Focus for the three years ended 31 December 2022, 2023 and 2024 in total shall be no less than RMB28,150,000 (the “**Guaranteed Profit**”). The consideration may be adjusted downwards if the Guaranteed Profit is not met after the three years.

The sellers have also granted an option to Kingyee Beijing so that if less than 50% of the Guaranteed Profit is met, Kingyee Beijing has the right, but not an obligation, to require the sellers to repurchase interests in Beijing Focus held by Kingyee Beijing.

The accumulated audited net profit of Beijing Focus for the three years ended 31 December 2022, 2023 and 2024 is approximately RMB22,208,000, which falls short of the Guaranteed Profit, representing about 78.9% of the Guaranteed Profit. As such, the cash consideration has been adjusted to RMB37,868,260 according to the terms of the equity transfer agreement, but the right to require the sellers to repurchase interests in Beijing Focus held by Kingyee Beijing has not been triggered.

Further details of the adjustment to the consideration are set out in the Company's announcement dated 24 March 2025, published in compliance with Rule 14.36B of the Listing Rules.

Employees and Staff Costs

As of 31 December 2024, the Group had a total of 747 full time employees, all of whom, except for one employee based in Hong Kong, were located in mainland China. In particular, 187 employees are responsible for the Group's content management, 235 employees for platform operation and customer service, 178 employees for research and development, 66 employees for general and administration and 81 employees for sales and marketing. The total staff cost incurred by the Group for the year ended 31 December 2024 was approximately RMB190.8 million compared to approximately RMB159.2 million for the year ended 31 December 2023. The increase was primarily due to increased headcount in sales personnel and platform development staff.

The Group provides orientation and training to new recruits as well as ongoing in-house training for junior employees, which the Group believes can enhance the skills and productivity of its employees. The Group compensates employees with base salaries and performance-based bonuses. The Company has also adopted a pre-IPO share option scheme, a post-IPO share option scheme and a share award scheme to incentivize employees and senior management and to align their interests with that of the Company.

Further details of the principal terms of the abovementioned share incentive schemes are set out in the 2024 annual report of the Company.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 December 2024

	Notes	2024 RMB'000	2023 RMB'000
REVENUE	4	558,455	412,004
Cost of sales		<u>(231,233)</u>	<u>(160,669)</u>
Gross profit		327,222	251,335
Other income and gains	4	223,821	188,483
Selling and distribution expenses		(33,428)	(32,778)
Administrative expenses		(175,566)	(144,481)
Other expenses		(789)	(9,071)
Finance costs		(786)	(361)
Share of profit of an associate		<u>—</u>	<u>5</u>
PROFIT BEFORE TAX	5	340,474	253,132
Income tax expense	6	<u>(10,173)</u>	<u>(1,372)</u>
PROFIT FOR THE YEAR		<u>330,301</u>	<u>251,760</u>
Attributable to:			
Owners of the parent		315,146	242,301
Non-controlling interests		<u>15,155</u>	<u>9,459</u>
		<u>330,301</u>	<u>251,760</u>
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic	8	<u>RMB43.23 cents</u>	<u>RMB33.56 cents</u>
Diluted	8	<u>RMB42.80 cents</u>	<u>RMB32.99 cents</u>

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
PROFIT FOR THE YEAR	<u>330,301</u>	<u>251,760</u>
OTHER COMPREHENSIVE INCOME		
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	(6,671)	(6,261)
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of the Company's financial statements into presentation currency	<u>64,303</u>	<u>69,317</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	<u>57,632</u>	<u>63,056</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>387,933</u>	<u>314,816</u>
Attributable to:		
Owners of the parent	372,778	305,357
Non-controlling interests	<u>15,155</u>	<u>9,459</u>
	<u>387,933</u>	<u>314,816</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2024

	<i>Notes</i>	2024 RMB'000	2023 <i>RMB'000</i>
NON-CURRENT ASSETS			
Property, plant and equipment		12,472	2,620
Right-of-use assets		25,574	8,455
Goodwill		192,525	192,525
Other intangible assets		72,122	66,736
Investment in an associate		360	360
Debt investments		440,374	—
Time deposits		—	42,014
Deferred tax assets		8,260	8,518
		<hr/>	<hr/>
Total non-current assets		751,687	321,228
CURRENT ASSETS			
Inventories		—	99
Trade receivables	9	134,671	109,871
Contract assets		40,180	46,049
Prepayments, other receivables and other assets		35,688	15,674
Debt investments		199,087	—
Financial assets at fair value through profit or loss		102,147	42,640
Cash and cash equivalents		3,844,723	4,358,255
		<hr/>	<hr/>
Total current assets		4,356,496	4,572,588
CURRENT LIABILITIES			
Trade payables	10	13,863	14,771
Other payables and accruals		150,765	135,238
Contingent consideration payables		16,189	18,242
Lease liabilities		11,601	4,549
Tax payable		14,692	16,972
		<hr/>	<hr/>
Total current liabilities		207,110	189,772
NET CURRENT ASSETS			
		<hr/>	<hr/>
		4,149,386	4,382,816
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<hr/>	<hr/>
		4,901,073	4,704,044

	<i>Note</i>	2024 RMB'000	2023 <i>RMB'000</i>
NON-CURRENT LIABILITIES			
Lease liabilities		11,032	3,643
Contingent consideration payables		26,716	47,663
Deferred tax liabilities		8,707	7,536
		<hr/>	<hr/>
Total non-current liabilities		46,455	58,842
		<hr/>	<hr/>
Net assets		4,854,618	4,645,202
		<hr/> <hr/>	<hr/> <hr/>
EQUITY			
Equity attributable to owners of the parent			
Share capital	<i>11</i>	46	46
Reserves		4,798,981	4,597,323
		<hr/>	<hr/>
		4,799,027	4,597,369
		<hr/>	<hr/>
Non-controlling interests		55,591	47,833
		<hr/>	<hr/>
Total equity		4,854,618	4,645,202
		<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE CONSOLIDATED FINANCIAL INFORMATION

1. CORPORATE AND GROUP INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands on 8 April 2013. The registered address of the Company is PO Box 309, Uglan House, Grand Cayman, KY1-1104, Cayman Islands.

The Company is an investment holding company. During the year, the Company's subsidiaries were principally engaged in the provision of precision marketing and corporate solutions, medical knowledge solutions, and intelligent patient management solutions.

In the opinion of the directors, the Company does not have an immediate holding company or ultimate holding company. Ms. Tian Liping, Mr. Tian Lixin, Mr. Tian Lijun and Tiantian Co., Limited (as one group) and M3, Inc., which is incorporated in Japan, are the controlling shareholders of the Company, as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss and contingent consideration payables which have been measured at fair value. These financial statements are presented in Renminbi (“**RMB**”) and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 December 2024. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised HKFRS Accounting Standards for the first time for the current year's financial statements.

Amendments to HKFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current (the "2020 Amendments")</i>
Amendments to HKAS 1	<i>Non-current Liabilities with Covenants (the "2022 Amendments")</i>
Amendments to HKAS 7 and HKFRS 7	<i>Supplier Finance Arrangements</i>

The nature and the impact of the revised HKFRS Accounting Standards are described below:

- (a) Amendments to HKFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of HKFRS 16, the amendments did not have any impact on the financial position or performance of the Group.
- (b) The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

The Group has reassessed the terms and conditions of its liabilities as at 1 January 2023 and 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

- (c) Amendments to HKAS 7 and HKFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. As the Group does not have supplier finance arrangements, the amendments did not have any impact on the Group's financial statements.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is not organised into business units based on their services and only has one reportable operating segment. Management monitors the operating results of the Group's operating segment as a whole for the purpose of making decisions about resource allocation and performance assessment.

Geographical information

(a) Revenue from external customers

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Mainland China	547,622	402,130
Overseas	<u>10,833</u>	<u>9,874</u>
Total revenue	<u><u>558,455</u></u>	<u><u>412,004</u></u>

The revenue information above is based on the locations of the customers.

(b) Non-current assets

All non-current assets of the Group are in Mainland China. Accordingly, no geographical information of segment assets is presented.

Information about major customers

No revenue from the Group's sales to a single customer accounted for 10% or more of the Group's revenue during the years ended 31 December 2024 and 2023.

4. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Revenue from contracts with customers	<u>558,455</u>	<u>412,004</u>

Revenue from contracts with customers

(a) Disaggregated revenue information

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Types of services		
Precision marketing and corporate solutions	512,532	372,687
Medical knowledge solutions	17,883	16,141
Intelligent patient management solutions	<u>28,040</u>	<u>23,176</u>
Total	<u>558,455</u>	<u>412,004</u>
Geographical markets		
Mainland China	547,622	402,130
Overseas	<u>10,833</u>	<u>9,874</u>
Total	<u>558,455</u>	<u>412,004</u>
Timing of revenue recognition		
Services transferred at a point in time	428,249	330,036
Services transferred over time	<u>130,206</u>	<u>81,968</u>
Total	<u>558,455</u>	<u>412,004</u>

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period and recognised from performance obligations satisfied in previous periods:

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:		
Precision marketing and corporate solutions	37,912	9,415
Intelligent patient management solutions	374	148
Medical knowledge solutions	—	186
	<hr/>	<hr/>
Total	<u>38,286</u>	<u>9,749</u>

(b) *Performance obligations*

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

Application software development service

The performance obligation is satisfied over time as services are rendered or at the point in time when services are accepted according to the agreement. Payment is generally due within 120 days from the date of billing, except for certain customers, where payment in advance is required.

Software licensing service

The performance obligation is satisfied over time as services are rendered and payment in advance is normally required.

Patient counselling service

The performance obligation is satisfied over time as services are rendered and payment is generally due within 120 days from the date of billing.

Other services

The performance obligation is satisfied at the point in time when the individual service is rendered and payment is generally due within 120 days from the date of billing.

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December are as follows:

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Amounts expected to be recognised as revenue:		
Within one year	258,641	114,951
After one year	13,236	67,345
	<hr/>	<hr/>
Total	271,877	182,296
	<hr/> <hr/>	<hr/> <hr/>

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

An analysis of other income and gains is as follows:

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Other income and gains		
Bank interest income	179,134	183,884
Interest income from debt investments	25,585	—
Fair value adjustment of contingent consideration	9,133	—
Government grants*	3,793	3,680
Investment income from financial assets at fair value through profit or loss	1,538	786
Foreign exchange gains, net	3,237	—
Others	1,401	133
	<hr/>	<hr/>
Total other income and gains	223,821	188,483
	<hr/> <hr/>	<hr/> <hr/>

* The government grants mainly represent incentives awarded by the local governments to support the Group's operations. There were no unfulfilled conditions or contingencies attached to these grants.

5. PROFIT BEFORE TAX

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

	<i>Notes</i>	2024 RMB'000	2023 RMB'000
Cost of services provided*		231,134	160,481
Cost of inventories sold		99	188
Depreciation of property, plant and equipment		2,091	1,594
Depreciation of right-of-use assets		9,975	5,301
Amortisation of other intangible assets**		3,534	2,476
Impairment of trade receivables, net	9	512	505
Research and development costs		64,581	54,255
Lease payments not included in the measurement of lease liabilities		1,152	3,053
Bank interest income	4	(179,134)	(183,884)
Interest income from debt investments	4	(25,585)	—
Government grants	4	(3,793)	(3,680)
Foreign exchange differences, net		(3,237)	6,757
Investment income from financial assets at fair value through profit or loss	4	(1,538)	(786)
Fair value adjustment of contingent consideration	4	(9,133)	2,161
Loss on disposal of items of property, plant and equipment		—	4
Loss on disposal of leases		262	—
Auditor's remuneration		2,086	2,043
Employee benefit expense (excluding directors' and chief executive's remuneration):			
Wages and salaries		156,547	126,002
Pension scheme contributions***		17,347	15,128
Staff welfare expenses		4,391	2,228
Share-based payment expense		3,296	5,744
Total		181,581	149,102

* The employee benefit expense included in "Cost of services provided" in the consolidated statement of profit or loss and other comprehensive income is RMB62,895,000 (2023: RMB51,027,000) during the year.

** The amortisation of other intangible assets is included in "Cost of sales" in the consolidated statement of profit or loss and other comprehensive income.

*** There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

6. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Pursuant to the rules and regulations of the Cayman Islands, the Company is not subject to any income tax in this jurisdiction.

The statutory tax rate for the subsidiary in Hong Kong is 16.5%. No Hong Kong profits tax on the subsidiary has been provided as there was no assessable profit arising in Hong Kong during the year.

The provision for current income tax in Mainland China is based on a statutory tax rate of 25% of the assessable profits of the PRC subsidiaries of the Group as determined in accordance with the PRC Corporate Income Tax Law.

Jinye Tiancheng, Yimaihutong, Medcon and Focus Innovation are accredited as High and New Technology Enterprises and were entitled to a preferential income tax rate of 15% (2023: 15%) during the year. Shijiazhuang Maili, Yinchuan Yimaitong, Beijing Yimaitong Medicine Co., Ltd., Linberg and Shanghai Yimaitong Huilin Medical Technology Co., Ltd. (“**Huilin**”) are accredited as Small and Micro Enterprises and were entitled to a preferential tax rate of 5% (2023: 5%) during the year.

The income tax expense of the Group during the year is analysed as follows:

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Current — Mainland China		
Charge for the year	8,702	1,983
Underprovision in prior years	42	2
Deferred tax	1,429	(613)
Total tax charge for the year	<u>10,173</u>	<u>1,372</u>

A reconciliation of the tax expense applicable to profit before tax at the statutory rate in Mainland China to the tax expense at the effective tax rate is as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Profit before tax	<u>340,474</u>	<u>253,132</u>
Tax at the statutory tax rate of 25% in Mainland China	85,119	63,284
Preferential tax rates enacted by local authority	(14,757)	(8,620)
Effect of tax rate differences in other jurisdictions	(48,667)	(41,786)
Income not subject to tax	(124)	(1,574)
Additional deductible allowance for research and development expenses	(8,439)	(6,432)
Expenses not deductible for tax	409	58
Additional deductible allowance for share options exercised	(4,322)	(6,338)
Tax losses not recognised	959	2,953
Tax losses utilised from previous periods	(47)	(175)
Adjustments in respect of current tax of previous periods	<u>42</u>	<u>2</u>
Tax charge at the Group's effective tax rate	<u>10,173</u>	<u>1,372</u>

7. DIVIDENDS

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Interim — RMB12.05 cents (2023: RMB10.67 cents) per ordinary share	88,311	78,010
Proposed final — RMB13.66 cents (2023: RMB12.48 cents) per ordinary share	<u>100,111</u>	<u>90,725</u>

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

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

The calculation of the basic earnings per share amount is based on the profit attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 729,071,150 (2023: 721,911,495) outstanding during the year. The weighted average number of ordinary shares for the year is adjusted to reflect the ordinary shares issued under the share award scheme adopted by the Company.

The calculation of the diluted earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares outstanding during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise of all dilutive potential ordinary shares into ordinary shares.

The calculation of the basic and diluted earnings per share is based on:

	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>
Earnings		
Profit attributable to ordinary equity holders of the parent, used in the basic and diluted earnings per share calculation	<u>315,146</u>	<u>242,301</u>
	Number of shares	
	2024	2023
Shares		
Weighted average number of ordinary shares outstanding during the year used in the basic earnings per share calculation	729,071,150	721,911,495
Effect of dilution — weighted average number of ordinary shares:		
Share options	<u>7,188,554</u>	<u>12,671,548</u>
	<u>736,259,704</u>	<u>734,583,043</u>

9. TRADE RECEIVABLES

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Trade receivables	136,502	111,190
Impairment	(1,831)	(1,319)
	<u>134,671</u>	<u>109,871</u>

The Group's trading terms with its customers are mainly on credit. The credit terms granted generally ranged up to 180 days, depending on the specific payment terms in each contract. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

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

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Within 6 months	129,119	106,424
6 to 12 months	3,978	2,633
1 to 2 years	1,505	761
2 to 3 years	69	53
	<u>134,671</u>	<u>109,871</u>

The movements in the loss allowance for impairment of trade receivables are as follows:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
At beginning of year	1,319	814
Impairment losses, net	512	505
	<u>1,831</u>	<u>1,319</u>

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on ageing and days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

As at 31 December 2024

	Trade receivables ageing						Total
	Current	Less than 6 months and past due	6 to 12 months and past due	1 to 2 years and past due	2 to 3 years and past due	Over 3 years and past due	
Expected credit loss rate	—	0.4%	1.3%	31.7%	86.0%	100.0%	1.3%
Gross carrying amount (RMB'000)	119,119	10,039	4,030	2,203	494	617	136,502
Expected credit losses (RMB'000)	—	39	52	698	425	617	1,831

As at 31 December 2023

	Trade receivables ageing						Total
	Current	Less than 6 months and past due	6 to 12 months and past due	1 to 2 years and past due	2 to 3 years and past due	Over 3 years and past due	
Expected credit loss rate	—	0.3%	5.9%	40.3%	61.0%	100.0%	1.2%
Gross carrying amount (RMB'000)	91,857	14,606	2,798	1,274	136	519	111,190
Expected credit losses (RMB'000)	—	39	165	513	83	519	1,319

Note: The Group estimated the expected credit loss rate to be minimal on the current trade receivables.

10. TRADE PAYABLES

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

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Within 3 months	12,382	12,722
3 to 6 months	154	1,099
6 to 12 months	341	797
Over 1 year	986	153
	<u>13,863</u>	<u>14,771</u>

Included in the Group's trade payables are amount due to M3, Inc., a shareholder of the Company, of RMB1,291,000 as at 31 December 2024 (2023: RMB778,000), which are repayable on demand.

The trade payables are non-interest-bearing and are normally settled within six months.

11. SHARE CAPITAL

Shares

	2024 <i>US\$</i>	2023 <i>US\$</i>
Authorised: 50,000,000,000 ordinary shares of US\$0.00001 each	<u>500,000</u>	<u>500,000</u>
Issued and fully paid: 732,876,000 (2023: 726,962,500) ordinary shares of US\$0.00001 each	<u>7,328</u>	<u>7,269</u>
Equivalent to RMB	<u>46,000</u>	<u>46,000</u>

A summary of movements in the Company's share capital is as follows:

	Number of shares in issue	Share capital RMB'000
At 1 January 2023	717,348,000	45
Issue of shares for share award scheme	9,714,500	1
Repurchase	(100,000)	—
	<hr/>	<hr/>
At 31 December 2023 and 1 January 2024	726,962,500	46
Issue of shares for share award scheme (<i>note</i>)	5,913,500	—
	<hr/>	<hr/>
At 31 December 2024	<u>732,876,000</u>	<u>46</u>

Note:

In July and October 2024, the Company issued 5,888,500 and 25,000 ordinary shares with par value of US\$0.00001 each with total amount of US\$58.89 (equivalent to RMB420) and US\$0.25 (equivalent to RMB2), respectively, for the exercise of share options under the Company's share option scheme. The exercise price was RMB0.38 per share, resulting in the issue of 5,913,500 shares for a total cash consideration of RMB2,247,000.

12. COMMITMENTS

At the end of the reporting period, the Group did not have any significant commitments.

13. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 24 March 2025.

OTHER INFORMATION

FINAL DIVIDEND

The Board has resolved to recommend a final dividend of RMB0.1366 (equivalent to HK\$0.1480 based on the rate of HK\$1.08310 to RMB1.00, being the official exchange rate of HK dollars against Renminbi as quoted by the People's Bank of China on 21 March 2025) per Share. Subject to the passing of the relevant resolution at the annual general meeting, the final dividend will be paid in Hong Kong dollars at HK\$0.1480 per Share. The final dividend will be paid on or around 6 June 2025 to shareholders whose names appear on the register of members of the Company on 16 May 2025.

CLOSURE OF THE REGISTER OF MEMBERS

The register of members of the Company will be closed from 2 May 2025 to 8 May 2025 (both days inclusive) in order to determine the identity of the shareholders who are entitled to attend the annual general meeting, during which period no share transfers will be registered. To be eligible to attend the annual general meeting, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong share registrar, Tricor Investor Services Limited, at 17/F Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on 30 April 2025.

Subject to the passing of the relevant resolution at the annual general meeting, which is proposed to be held on 8 May 2025, the register of members of the Company will be closed from 14 May 2025 to 16 May 2025 (both days inclusive), for the purpose of determining shareholders' entitlements to the final dividend. In order to qualify for the final dividend, all transfer documents, accompanied by relevant share certificates, must be lodged for registration with the Company's Hong Kong share registrar, Tricor Investor Services Limited, at 17/F Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on 13 May 2025.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any listed securities of the Company (including sale of treasury shares) during the Reporting Year.

USE OF PROCEEDS FROM THE GLOBAL OFFERING

The Shares were listed on the The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 15 July 2021. The net proceeds from the Company’s global offering (including the exercise of the over-allotment option) was approximately HK\$4,677 million (the “**IPO Proceeds**”), which were to be utilized for the purposes as set out in the prospectus of the Company dated 30 June 2021 (the “**Prospectus**”). On 12 June 2023, the Company announced re-allocation of the use of the IPO Proceeds, the extension of timing of the use of the IPO Proceeds and the possible utilisation of idle IPO Proceeds to subscribe for or purchase wealth management products (the “**Announcement**”). The outbreak of the novel COVID-19 pandemic and its consequential travel restrictions and corresponding lockdown measures have affected the global social and economic environments. The pandemic has caused delay in the implementation of certain projects of the Company and thereby delayed the timing of the planned use of related IPO Proceeds by roughly two to three years. The pandemic also caused changes in economic conditions. This coupled with the Company’s success in external growth through acquisitions made after its listing led the Board to decide that more IPO Proceeds should be allocated to pursuing strategic investments or acquisitions opportunities. For further details and reasons for such changes, please refer to the Announcement. The following table shows a summary of the allocation of the intended use of the IPO Proceeds as adjusted and set out in the Announcement, and the utilization as at 31 December 2024:

Intended use of IPO proceeds	Allocation of intended use of IPO Proceeds (as adjusted) (HK\$ millions)	Remaining balance as at 31 December 2023 (HK\$ millions)	Utilization as at 31 December 2024 (HK\$ millions)	Remaining balance as at 31 December 2024 (HK\$ millions)	Expected time of use
A. Business Expansion					
(1) enhance medical knowledge solutions of the Company and enrich medical knowledge information and tools on the platform of the Company	280.7	244.5	91.6	189.1	before December 2027
(2) improve patient care offerings	187.1	153.4	95.3	91.8	before December 2027
(3) strengthen intelligent clinical research solutions	140.3	103.5	85.4	54.9	before December 2027
(4) strengthen the relationships with the existing customers of the Company and develop and attract additional customers in pharmaceutical, biotechnology and medical device industries	187.1	143.8	70.4	116.7	before December 2027

Intended use of IPO proceeds	Allocation of intended use of IPO Proceeds (as adjusted) (HK\$ millions)	Remaining balance as at 31 December 2023 (HK\$ millions)	Utilization as at 31 December 2024 (HK\$ millions)	Remaining balance as at 31 December 2024 (HK\$ millions)	Expected time of use
(5) enhance user growth and engagement through targeted sales and marketing activities	140.3	111.1	46.7	93.6	before December 2027
B. Investment in technology and enhancement of research and development capabilities					
(1) recruit talent and collaborate with experts	467.7	384.1	133.7	334.0	before December 2027
(2) develop and expand the application scenarios of technology of the Company, particularly, machine learning, natural language processing, knowledge graph and user understanding	374.2	317.5	129.2	245.0	before December 2027
(3) build up the data center of the Company and strengthen the computing power and storage capabilities of the IT infrastructure of the Company	93.6	74.5	65.7	27.9	before December 2027
C. Pursue strategic investments or acquisitions opportunities	2,338.6	2,142.8	206.9	2,131.7	N/A
D. General replenishment of the working capital of the Company and for other general corporate purposes	467.7	361.7	110.4	357.3	N/A
Total	<u>4,677.3</u>	<u>4,036.9</u>	<u>1,035.3</u>	<u>3,642.0</u>	

As at 31 December 2024, approximately RMB639.5 million of unutilised IPO Proceeds have been used for the subscription or purchase of Wealth Management Products and the remaining amount of unutilised IPO proceeds were deposited with licensed financial institutions. Please refer to the section headed “Debt investments” in this results announcement for details of the Wealth Management Products.

EVENTS AFTER THE REPORTING YEAR

There was no important event affecting the Group which occurred after the end of the Reporting Year up to the date of this announcement.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

During the Reporting Year, the Company has complied with the applicable code provisions as set forth in Part 2 of the Corporate Governance Code contained in Appendix C1 (the “**Corporate Governance Code**”) to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), except for a deviation from code provision C.2.1 which requires that the roles of chairman and chief executive should be separate and should not be performed by the same individual.

Ms. Tian Liping (“**Ms. Tian**”) is the chairwoman and chief executive officer of the Company. With extensive experience in the medical information technology industry, Ms. Tian is responsible for formulating and implementing the overall development strategies and business plans of the Group and oversees the overall development and operations of the Group. Ms. Tian founded the Group in 1996 and is instrumental to the Company’s growth and business expansion since its establishment. The Board considers that vesting the roles of chairwoman and chief executive officer in the same person is beneficial to the management of the Group. The balance of power and authority is ensured by the operation of the senior management and the Board, which comprises experienced and high-calibre individuals. The Board currently comprises four executive directors (including Ms. Tian), two non-executive directors and three independent non-executive directors and therefore, in the Company’s view, has an appropriate level of independence element in its composition.

The Board will continue to review and monitor the practices of the Company for the purpose of complying with the Corporate Governance Code and maintaining a high standard of corporate governance practices of the Company.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the “Model Code for Securities Transactions by Directors of Listed Issuers” (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as its code of conduct regarding directors’ securities transactions. All directors have confirmed, following specific enquiry by the Company, that they have complied with the Model Code during the Reporting Year.

SCOPE OF WORK FOR ANNUAL RESULTS ANNOUNCEMENT BY AUDITOR

The financial information set out in this announcement does not constitute the Group’s audited accounts for the year ended 31 December 2024, but represents an extract from the consolidated financial statements for the year ended 31 December 2024 which have been audited by the auditor of the Company, Ernst & Young, in accordance with Hong Kong Standards on Auditing as issued by the Hong Kong Institute of Certified Public Accountants.

AUDIT COMMITTEE

The Company has established the Audit Committee with written terms of reference in compliance with the Rule 3.21 of the Listing Rules and the Corporate Governance Code. As of the date of this announcement, the Audit Committee comprises three independent non-executive directors of the Company, namely, Ms. Wang Shan, Mr. Richard Yeh and Dr. Ma Jun. Ms. Wang Shan is the chairwoman of the Audit Committee.

The Audit Committee has reviewed the Annual Results, and confirms that the applicable accounting principles, standards and requirements have been complied with, and that adequate disclosures have been made.

CHANGE IN DIRECTORS' BIOGRAPHICAL DETAILS UNDER RULE 13.51B(1) OF THE LISTING RULES

Due to expiry of his term, Dr. Ma Jun, an independent non-executive Director of the Company, has ceased to be the chairman of anti-leukemia association of the China Society of Clinical Oncology (中國臨床腫瘤學會) from January 2025.

Save as disclosed above, there has been no other change in the directors' biographical details which are required to be disclosed pursuant to rule 13.51B(1) of the Listing Rules.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This announcement is published on the website of the Stock Exchange (<http://www.hkexnews.hk>) and that of the Company (<http://ir.medlive.cn>). The annual report of the Company for the year ended 31 December 2024 will be posted on the website of the Stock Exchange and that of the Company in due course.

By order of the Board
Medlive Technology Co., Ltd.
Tian Liping
Chairwoman and Chief Executive Officer

Hong Kong, 24 March 2025

As of the date of this announcement, the Board comprises Ms. Tian Liping, Mr. Tian Lixin, Mr. Tian Lijun and Ms. Zhou Xin as executive directors; Mr. Eiji Tsuchiya and Mr. Kazutaka Kanairo as non-executive directors; and Mr. Richard Yeh, Dr. Ma Jun and Ms. Wang Shan as independent non-executive directors.