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## **Yunkang Group Limited**

**云康集团有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2325)**

### **(1) CONNECTED TRANSACTION IN RELATION TO LEASE OF PROPERTY UNDER THE NEW PROPERTY LEASE AGREEMENT AND**

### **(2) CONTINUING CONNECTED TRANSACTIONS IN RELATION TO SERVICE FEES UNDER THE NEW PROPERTY LEASE AGREEMENT**

Reference is made to the announcement of the Company dated December 27, 2024 in relation to, among others, the entering into of the Existing Property Lease Agreement and the transactions thereunder, which will expire on December 31, 2025.

#### **NEW PROPERTY LEASE AGREEMENT**

The Board hereby announces that, on December 31, 2025, Guangzhou Daan, a subsidiary of Yunkang Industry, and Da An Gene entered into the New Property Lease Agreement, pursuant to which (i) Da An Gene agrees to lease the Premises to the Group; and (ii) Da An Gene agrees to provide related services, including water and electricity supply to the Group, both for a term of three (3) years from January 1, 2026 to December 31, 2028.

#### **LISTING RULES IMPLICATIONS**

As at the date of this announcement, Da An Gene is a controlling shareholder of the Company and is thus a connected person of the Company under Rule 14A.07(1) of the Listing Rules. Therefore, the transactions contemplated under the New Property Lease Agreement constitute connected transactions of the Company.

In accordance with IFRS 16 “Leases”, the Premises leased under the New Property Lease Agreement will be recognised as right-of-use asset of the Group in its consolidated statement of financial position for an amount of approximately RMB9,503,800. Accordingly, the lease of Premises contemplated under the New Property Lease Agreement will be regarded as an acquisition of right-of-use asset by the Group and constitute a connected transaction of the Company under Chapter 14A of the Listing Rules. As the highest of the applicable percentage ratios in respect of the value of right-of-use asset under the New Property Lease Agreement is more than 0.1% but less than 5%, this acquisition of assets is subject to the reporting and announcement requirements and is exempted from the independent shareholders’ approval requirement under Chapter 14A of the Listing Rules, and does not constitute a notifiable transaction under Chapter 14 of the Listing Rules.

The transactions in relation to the Service Fees under the New Property Lease Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. As the highest of the applicable percentage ratios for the proposed caps in respect of the transactions in relation to the Service Fees under the New Property Lease Agreement is more than 0.1% but less than 5%, such transactions are subject to the reporting and announcement requirements and are exempted from the independent shareholders’ approval requirement under Chapter 14A of the Listing Rules.

Reference is made to the announcement of the Company dated December 27, 2024 in relation to, among others, the entering into of the Existing Property Lease Agreement, which will expire on December 31, 2025.

## **I. NEW PROPERTY LEASE AGREEMENT**

The Board hereby announces that, on December 31, 2025, Guangzhou Daan, a subsidiary of Yunkang Industry, and Da An Gene entered into the New Property Lease Agreement, pursuant to which (i) Da An Gene agrees to lease the Premises to the Group; and (ii) Da An Gene agrees to provide related services, including water and electricity supply to the Group, both for a term of three (3) years from January 1, 2026 to December 31, 2028.

### **1. Principal Terms**

Date: December 31, 2025

Parties: (i) Guangzhou Daan, as tenant; and

(ii) Da An Gene, as landlord and service provider

Term: Three (3) years from January 1, 2026 to December 31, 2028

Premises leased: Certain premises of No. 1 Building and No. 2 Building, No. 6 Lizhishan Road, Science City, High-tech Industry Development Zone, Guangzhou, the PRC, with a total gross floor area of approximately 10,468.23 sq.m.

Monthly rent:	<p>The rent of the Premises shall be approximately RMB277,600 per month for the two years ending December 31, 2026 and December 31, 2027, and approximately RMB280,400 per month for the year ending December 31, 2028, which shall be settled quarterly.</p> <p>The rent was determined after arm's length negotiations between Guangzhou Daan and Da An Gene, taking into consideration of (i) the area of the Premises; and (ii) the prevailing market rental rates in respect of comparable premises in the vicinity of the Premises.</p>
Service fees:	<p>The property, water and electricity fees (the "<b>Service Fees</b>") shall be no more than RMB627,300 per month, which shall be settled quarterly.</p>
Termination and renewal:	<p>The New Property Lease Agreement shall be terminated upon (i) mutual agreement of both parties, (ii) any breach on the part of the tenant that entitles the lessor to vacate the Premises, or (iii) the occurrence of any force majeure events.</p> <p>If Guangzhou Daan wishes to renew the lease, it shall serve a written request to Da An Gene sixty (60) days before the New Property Lease Agreement expires. Da An Gene shall formally respond to Guangzhou Daan at least ten (10) days before the expiry date.</p>

## 2. Value of the Right-of-use Asset

In accordance with IFRS 16 “Leases”, the Premises leased under the New Property Lease Agreement will be recognised as right-of-use asset of the Group in its consolidated statement of financial position for an amount of approximately RMB9,503,800, which is calculated with reference to the present value of the aggregated lease payments to be made under the New Property Lease Agreement.

## 3. Pricing Policy

The property, water and electricity fees were arrived at after arm's length negotiation between the parties with reference to (i) the area of the Premises; (ii) the prevailing market rates in respect of properties of the same or similar nature in the same region; (iii) the estimated changes in the prevailing market rates in the future; and (iv) the water and electricity fees prescribed by the National Development and Reform Commission (國家發展和改革委員會) and the actual usage of water and electricity.

## 4. Existing Annual Caps and Historical Amounts

The annual caps in respect of property, water and electricity fees under the previous property lease agreements are RMB3,572,000, RMB3,890,000 and RMB4,592,000 for the years ended/ending December 31, 2023, 2024 and 2025, respectively.

The actual amounts of property, water and electricity fees paid under the previous property lease agreements for the years ended December 31, 2023 and 2024 and the eleven months ended November 30, 2025 are as follows:

	For the year ended December 31, 2023 (RMB '000)	For the year ended December 31, 2024 (RMB '000)	For the eleven months ended November 30, 2025 (RMB '000)
Property, water and electricity fees	3,501	3,841	3,611

*Notes:*

*The final transaction amount for the year ending December 31, 2025 is not expected to exceed the annual cap of RMB4.592 million for the year ending December 31, 2025 under the Existing Property Lease Agreement.*

## 5. Proposed Annual Caps and Basis of Determination

The following table sets out the proposed annual caps under the New Property Lease Agreement:

	For the year ending December 31, 2026 (RMB'000)	For the year ending December 31, 2027 (RMB'000)	For the year ending December 31, 2028 (RMB'000)
Property, water and electricity fees	4,557	4,785	5,024

The proposed annual caps are determined with reference to (i) the property, water and electricity fees expected to be paid under the New Property Lease Agreement; (ii) the historical amounts paid by the Group for the property, water and electricity fees pursuant to the previous property lease agreements; and (iii) the expected increase in leased area and water and electricity usage due to the expected continuous growth of the Group's business.

## 6. Internal Control Measures

In order to safeguard the interests of the Shareholders, the Group will adopt the following internal control measures in monitoring the continuing connected transactions and the proposed annual caps under the New Property Lease Agreement:

- (i) the Company's management will review the relevant pricing policies on a regular basis;
- (ii) the Company's external auditors will review the continuing connected transactions under the New Property Lease Agreement annually to confirm, among others, whether the pricing terms have been adhered to and whether the annual caps have been exceeded; and
- (iii) the independent non-executive Directors will conduct an annual review of the implementation and enforcement of the continuing connected transactions contemplated under the New Property Lease Agreement and the annual caps thereunder.

## II. REASONS FOR AND BENEFITS OF ENTERING INTO THE NEW PROPERTY LEASE AGREEMENT

The Premises leased from Da An Gene are mainly used for the Group's daily laboratory tests and office use. Any relocation may cause material disruption to the Group's business operations and would incur additional cost. The Company has also been using Da An Gene's property management services. The Directors believe that the continuation of such leasing arrangement and related services is cost efficient and is in the best interest of the Group and the Shareholders as a whole.

### **III. LISTING RULES IMPLICATIONS**

As at the date of this announcement, Da An Gene is a controlling shareholder of the Company and is thus a connected person of the Company under Rule 14A.07(1) of the Listing Rules. Therefore, the transactions contemplated under the New Property Lease Agreement constitute connected transactions of the Company.

In accordance with IFRS 16 “Leases”, the Premises leased under the New Property Lease Agreement will be recognised as right-of-use asset of the Group in its consolidated statement of financial position for an amount of approximately RMB9,503,800. Accordingly, the lease of Premises contemplated under the New Property Lease Agreement will be regarded as an acquisition of right-of-use asset by the Group and constitute a connected transaction of the Company under Chapter 14A of the Listing Rules. As the highest of the applicable percentage ratios in respect of the value of right-of-use asset under the New Property Lease Agreement is more than 0.1% but less than 5%, this acquisition of assets is subject to the reporting and announcement requirements and is exempted from the independent shareholders’ approval requirement under Chapter 14A of the Listing Rules, and does not constitute a notifiable transaction under Chapter 14 of the Listing Rules

The transactions in relation to the Service Fees under the New Property Lease Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. As the highest of the applicable percentage ratios for the proposed annual caps in respect of the transactions in relation to the Service Fees under the New Property Lease Agreement is more than 0.1% but less than 5%, such transactions are subject to the reporting and announcement requirements and are exempted from the independent shareholders’ approval requirement under Chapter 14A of the Listing Rules.

### **IV. INFORMATION ON THE PARTIES**

The Group is a China-based company mainly engaged in the provision of diagnostic testing services.

Guangzhou Daan is a company established in the PRC and principally engaged in the provision of diagnostic testing services. It is a subsidiary of Yunkang Industry, which is controlled by the Company through the Contractual Arrangements.

Da An Gene is a biomedical high-tech company listed on the SME Board of the Shenzhen Stock Exchange (Stock Code: 002030.SZ) with a focus on molecular diagnostic technology and is primarily engaged in the research and development, production, and sales of clinical test reagents, instruments, and supporting consumables.

### **V. APPROVAL BY THE BOARD**

As Mr. Zhang Weijie is the deputy general manager and a director of Da An Gene, he had abstained from voting on the resolutions at the meeting of the Board for approving the New Property Lease Agreement and the transactions contemplated thereunder. Save as disclosed above, none of the Directors has a material interest in the transactions contemplated under the New Property Lease Agreement or is required to abstain from voting on the resolutions of the Board for considering and approving the same.

The Directors are of the view that the connected transaction in relation to the lease of Premises, as well as the continuing connected transactions in relation to the Service Fees and the proposed annual caps contemplated under the New Property Lease Agreement are entered into (i) in the ordinary and usual course of business of the Group; (ii) on normal commercial terms or better; and (iii) on terms that are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

## VI. DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Board”	the board of Directors
“CDB Development Fund”	CDB Development Fund Co., Ltd. (國開發展基金有限公司), an investment entity established under the laws of the PRC by China Development Bank (國家開發銀行)
“Company”	Yunkang Group Limited 云康集團有限公司, an exempted company with limited liability incorporated in the Cayman Islands, the shares of which were listed on the main board of the Stock Exchange (stock code: 2325)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Da An Gene”	Daan Gene Co., Ltd. (廣州達安基因股份有限公司), a company limited by shares established in the PRC whose shares are listed on the SME Board of the Shenzhen Stock Exchange (stock code: 002030.SZ)
“Directors(s)”	director(s) of the Company
“Existing Property Lease Agreement”	the property lease agreement dated December 27, 2024 entered into between Guangzhou Daan and Da An Gene
“Group”	the Company, its subsidiaries and consolidated affiliated entities
“Guangzhou Daan”	Guangzhou Daan Clinical Laboratory Center Co. Ltd. (廣州達安臨床檢驗中心有限公司), a company established in the PRC and held as to 95.75% by Yunkang Industry and 4.25% by CDB Development Fund
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

“New Property Lease Agreement”	the property lease agreement dated December 31, 2025 entered into between Guangzhou Daan and Da An Gene
“PRC” or “China”	the People’s Republic of China, but for the purpose of this announcement and for geographical reference only and except where the context requires otherwise, references in this announcement to “China” and the “PRC” do not apply to Hong Kong, Macau and Taiwan
“Premises”	certain premises of No. 1 Building and No. 2 Building, No. 6 Lizhishan Road, Science City, High-tech Industry Development Zone, Guangzhou, the PRC
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	holder(s) of the ordinary share(s) of US\$0.000002 each in the issued share capital of the Company
“sq. m.”	square metres
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Yunkang Industry”	Yunkang Health Industry Investment Co., Ltd. (雲康健康產業投資股份有限公司), a company established in the PRC and controlled by the Company through the Contractual Arrangements (as defined in the prospectus of the Company dated May 5, 2022)
“%”	per cent.

By order of the Board  
**Yunkang Group Limited**  
**Zhang Yong**  
*Chairman*

Guangzhou, the PRC  
December 31, 2025

*As at the date of this announcement, the Board comprises Mr. Zhang Yong as chairman and executive Director; Mr. Zhang Weijie, Dr. Wang Pinghui and Dr. Wang Ruihua as non-executive Directors; and Mr. Yu Shiyou, Mr. Xie Shaohua and Dr. Dong Min as independent non-executive Directors.*