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GR Life Style

国锐生活

GR LIFE STYLE COMPANY LIMITED

國銳生活有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 108)

**DISCLOSEABLE TRANSACTION IN RELATION
TO PROPOSED ACQUISITION OF THE SALE SHARES OF
THE TARGET COMPANY INVOLVING ISSUE OF CONSIDERATION
SHARES UNDER SPECIFIC MANDATE**

Financial Adviser



元庫證券有限公司
SILVERBRICKS SECURITIES CO., LTD.

THE PROPOSED ACQUISITION

Reference is made to the Voluntary Announcement in relation to the Company entered into a non-legally binding letter of intent with Vendors regarding a possible acquisition by the Group of the 100% equity interest in a potential target which is primarily engaging in digital medical services. The Board is pleased to announce that on 5 December 2025 (after trading hours), the PRC Holdco, a consolidated affiliated entity of the Company (as the Purchaser) and the Vendors entered into the Agreements, pursuant to which the PRC Holdco has conditionally agreed to purchase and the Vendors have conditionally agreed to sell, the Sale Shares, at the Consideration of approximately RMB269.0 million (equivalent to approximately HK\$294.8 million), which shall be satisfied by the issue and allotment of 147,393,029 Consideration Shares at the Issue Price of HK\$1.6 per Consideration Share subject to the Conditions.

In connection with the Proposed Acquisition, the PRC Holdco and the Vendors entered into four agreements on 5 December 2025, namely (i) the Share SPA, (ii) the Cash SPA, (iii) the Cat A Subscription Agreement, and (iv) the Cat B Subscription Agreement. The Share SPA shall become immediately effective upon due execution by the Company, the PRC Holdco and the Vendors. Pursuant to its terms, the Share SPA shall terminate if all applicable Subscribers fail to obtain the required ODI approvals within 365 days from the date of the Share SPA. The Cash SPA, while being executed on the same date as the Share SPA, is expressed to take effect only upon the termination of the Share SPA. The Cash SPA serves as an alternative settlement arrangement for the Proposed Acquisition in the event the Share SPA does not proceed.

LISTING RULES IMPLICATION

As one or more applicable percentage ratios (as defined under Rule 14.04(9) of the Listing Rules) in relation to the Acquisition exceed 5% but are all less than 25%, the Acquisition constitutes discloseable transactions of the Company and are subject to reporting and announcement requirements under Chapter 14 of the Listing Rules.

The Specific Mandate to be sought for the allotment and issue of the Consideration Shares is subject to the announcement, circular and Shareholders' approval requirements under the Listing Rules.

As no Shareholder has any material interest in the Proposed Acquisition which is different from other Shareholders, no Shareholder is required to abstain from voting at the EGM in respect of the approval of the Specific Mandate.

THE PROPOSED ACQUISITION

Reference is made to the Voluntary Announcement in relation to the Company having entered into a non-legally binding letter of intent with the Vendors regarding a possible acquisition by the Group of 100% equity interest in a potential target primarily engaging in digital medical services. The Board is pleased to announce that on 5 December 2025 (after trading hours), the PRC Holdco (as the Purchaser) and the Vendors entered into the Agreements, pursuant to which the PRC Holdco conditionally agreed to purchase and the Vendors have conditionally agreed to sell, the Sale Shares, representing approximately 78.3% of the issued share capital of the Target Company, for a consideration of approximately RMB269.0 million (equivalent to approximately HK\$294.8 million), to be satisfied in accordance with the terms and conditions of the Agreements.

The Agreements entered into on 5 December 2025 comprise:-

- (i) the Share SPA;
- (ii) the Cash SPA;
- (iii) the Cat A Subscription Agreement; and
- (iv) the Cat B Subscription Agreement.

The Share SPA became effective upon due execution by the Company, the PRC Holdco and the Vendors. Pursuant to its terms, the Share SPA shall terminate if, within 365 days from its date, applicable Subscribers fail to obtain the requisite ODI approvals.

The Cash SPA, while being executed on the same date as the Share SPA, is expressed to take effect only upon the termination of the Share SPA. The Cash SPA serves as an alternative settlement arrangement for the Proposed Acquisition in the event the Share SPA does not proceed.

The Cat B Subscribers will subscribe, for cash, for the Cat B Consideration Shares pursuant to the Cat B Subscription Agreement, while the Cat A Subscribers will subscribe, for cash, for the Cat A Consideration Shares only if the Cash SPA becomes effective.

THE SHARE SPA

The principal terms of the Share SPA are summarised below:

- Date : 5 December 2025
- Parties : (i) the Company as the issuer;
- (ii) the PRC Holdco as the Purchaser;
- (iii) the Target Company;
- (iv) Vendor 1, Vendor 2, Vendor 3, Vendor 4, Vendor 5, Vendor 6, Vendor 7, Vendor 8, Vendor 9, Vendor 10, Vendor 11, Vendor 12, Vendor 13, Vendor 14, Vendor 15 and Vendor 16, as the Vendors.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, the Vendors and their ultimate beneficial owner(s) are Independent Third Parties.

Consideration

The Consideration for the Sale Shares is approximately RMB269.0 million (equivalent to approximately HK\$294.8 million), which shall be settled in the following manner:

On the Share SPA First Payment Date:

1. 20% of the Consideration in cash, being an aggregate of approximately RMB53.8 million (equivalent to approximately HK\$59.0 million).
2. On the Share SPA Second Payment Date:
 - (a) 80% of the Consideration by allotment and issue of the Cat A Consideration Shares at the Issue Price of HK\$1.6 per Consideration Share for all Cat A Subscribers; and
 - (b) For Cat B Subscribers, 80% of the Consideration in cash, being an aggregate of approximately RMB17.1 million (equivalent to approximately HK\$18.8 million), which Cat B Subscribers have agreed, shall be applied towards payment for the Cat B Consideration Shares.

	Share SPA First Payment Cash	Share SPA Second Payment Cash	Shares
Cat A Subscribers	approximately RMB49.5 million (equivalent to approximately HK\$54.3 million)	N/A	135,664,249 Shares (equivalent to approximately RMB198.1 million or HK\$217.1 million)
Cat B Subscribers	approximately RMB4.3 million (equivalent to approximately HK\$4.7 million)	approximately RMB17.1 million (equivalent to approximately HK\$18.8 million)	N/A
Total	approximately RMB53.8 million (equivalent to approximately HK\$59.0 million)	approximately RMB17.1 million (equivalent to approximately HK\$18.8 million)	135,664,249 Shares (equivalent to approximately HK\$217.1 million)

The Consideration was determined by the Vendors and the PRC Holdco after arm's length negotiations with reference to (i) the existing market penetration and leading position of the Target Company in its sector; (ii) the potential financial prospect of the Target Company and (iii) the strategic fit and potential synergies that may be generated for the Company.

On the basis of the foregoing, the Directors consider that the terms and conditions of the Share SPA are fair and reasonable and the Proposed Acquisition is in the interests of the Company and the Shareholders as a whole.

Cat A Consideration Shares

The Cat A Consideration Shares, assuming there will be no change in the issued share capital of the Company between the date of this announcement and the Completion, will represent approximately 4.21% of the issued share capital of the Company as at the date of this announcement and approximately 4.03% of the issued share capital of the Company as enlarged by the allotment and issue of the Cat A Consideration Shares.

The Cat A Consideration Shares will be allotted and issued pursuant to the Specific Mandate and shall, when allotted and issued, rank *pari passu* in all respects with the Shares in issue.

Application will be made by the Company to the Stock Exchange for the approval for the listing of, and permission to deal in, the Cat A Consideration Shares. The Issue Price of HK\$1.6 per Consideration Share represents:

- (i) a discount of approximately 59.80% to the closing price of HK\$3.98 per Share as quoted on the Stock Exchange on the date of the Agreements;
- (ii) a discount of approximately 1.84% to the closing price of HK\$1.63 per Share as quoted on the Stock Exchange on 12 September 2025, being the last trading day immediately before the date of the Voluntary Announcement;
- (iii) a discount of approximately 58.12% to the average closing price of HK\$3.82 per Share as quoted on the Stock Exchange in the last five (5) consecutive trading days immediately prior to the date of the Agreement; and
- (iv) a premium of approximately 1.91% to the average closing price of HK\$1.57 per Share as quoted on the Stock Exchange in the last six consecutive trading months immediately prior to the date of the Agreements.

The Company considers the Issue Price to be fair and reasonable, having been determined after arm's length negotiations between the Company and the Vendors with reference to (i) the closing price of the Company on 12 September 2025, being the last trading day immediately before the date of the Voluntary Announcement in relation to the Proposed Acquisition; and (ii) the six-month average closing price of the Company's Shares immediately before the date of the Share SPA.

The Directors (excluding the independent non-executive Directors whose views will be given after taking into account the advice of the independent financial adviser) are of the view that the terms of the Share SPA are fair and reasonable, having considered, among other things, the reasons for and benefits of the Proposed Acquisition as stated in the section headed "Reasons for and Benefits of the Proposed Acquisition" in this announcement.

Conditions for the Share SPA First Payment

The Share SPA First Payment is conditional upon fulfilment or waiver (as the case may be) of the following major Closing conditions:

- (i) the Company being reasonably satisfied with the results of the due diligence review to be conducted;
- (ii) the Agreements having been duly executed and submitted, or finalised by mutual consent;
- (iii) all necessary internal consents, licences and approvals required to be obtained on the part of the Vendors and the Target Company in respect of the Share SPA and the transactions contemplated hereby having been duly obtained;

- (iv) the warranties remaining true, accurate and not misleading in all respects on and as at the Share SPA Closing Date;
- (v) no material adverse change in the equity interests, operations, financial or trading conditions of the Target Company having occurred or before the Completion;
- (vi) all required third-party approvals, consents and filings have been obtained (except for those that should be completed on or after the closing date according to the Share SPA);
- (vii) all original agreements, application documents and forms required for the change of commercial registration of the Target Group company have been submitted to the target company and/or the transferee, and their contents have been confirmed with competent Administration for Market Regulation;
- (viii) the change of partners of four partnerships who are existing shareholder of the Target Company;
- (ix) termination of all existing share option scheme and share award scheme of the Target Company; and
- (x) the completion of the tax filing of the Target Group in relation to individual transferors and certain historical share transfer transactions.

If any of the above conditions are not fulfilled or waived by the Company on or before Share SPA Long Stop Date (or such other date as the parties may agree in writing), the Share SPA will be automatically terminated and lapsed and none of the parties to the Share SPA shall have any claim against the other in respect of the subscription, save for any antecedent breaches thereof.

Conditions for the Share SPA Second Payment

The Share SPA Second Payment is conditional upon fulfilment or waiver (as the case may be) of the following conditions:

- (i) the completion of Closing under Share SPA, PRC Holdco has been duly registered as the shareholder of total Sale Shares, and all relevant commercial registration have been changes of the Target Company duly completed;
- (ii) all applicable Subscribers having obtained the ODI approvals;
- (iii) the Cat A Subscription Agreements having been duly executed;
- (iv) the Stock Exchange having granted the listing of, and permission to deal in, the Consideration Shares;
- (v) the passing of resolutions by the shareholders of the Company at the EGM to approve the allotment and issue of Consideration Shares and the respective transactions contemplated thereunder; and

- (vi) all other consents and acts required under the Listing Rules having been obtained and completed or, as the case may be, the relevant waivers from compliance with any of such rules having been obtained from the Stock Exchange.

Subject to the fulfillment or waiver (as the case may be) of the conditions for the Share SPA Second Payment, the Share SPA Second Payment shall be made within fifteen (15) Business Days after the Company's receipt of the relevant written notice from the Vendors.

Effectiveness and Termination

The Share SPA shall become effective on the date of its due execution by the PRC Holdco and Vendors.

The Share SPA shall terminate upon the occurrence of any of the following events:

- (i) the Closing conditions set above have not been satisfied (or waived, as applicable) as of the Long Stop Date;
- (ii) the Completion has not occurred or is not reasonably expected to occur, and the PRC Holdco and/or the Vendors have agreed not to extend the Share SPA Long Stop Date;
- (iii) the ODI approvals fail to be obtained within a year (365 days) from the date of the Share SPA; and
- (iv) the PRC Holdco and the Vendors both agree to terminate the Share SPA.

Completion

Completion shall take place on the date on which all of the following have occurred:

- (i) the fulfilment (or waiver, as the case maybe) of all the closing Conditions;
- (ii) the completion of submission to and acceptance by the competent commercial registration authority of the Target Group and its subsidiaries for the Proposed Acquisition, such as the change of shareholder;
- (iii) the amendment of the articles of association of the Target Company to the satisfaction of the PRC Holdco; and
- (iv) the appointment of representatives, directors, and senior management of the Target Group to the satisfaction of the PRC Holdco.

THE CASH SPA

The principal terms of the Cash SPA are summarised below:

- Date : 5 December 2025
- Parties : (i) the PRC Holdco as the transferee and Purchaser;
- (ii) the Target Company; and
- (iii) Vendor 1, Vendor 2, Vendor 3, Vendor 4, Vendor 5, Vendor 6, Vendor 7, Vendor 8, Vendor 9, Vendor 10, Vendor 11, Vendor 12, Vendor 13, Vendor 14, Vendor 15 and Vendor 16, as the Vendors.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, the Vendors and their ultimate beneficial owner(s) are Independent Third Parties.

Consideration

The Consideration for the Sale Shares is approximately RMB269 million (equivalent to approximately HK\$294.8 million), and shall be settled in the manner as follows:

On the Cash SPA First Payment Date:

1. 20% of the Consideration in cash.

On the Cash SPA Second Payment Date:

2. 80% of the Consideration in cash, which the Vendors have agreed, shall be applied towards payment for the Cat A Consideration Shares and Cat B Consideration Shares.

The Consideration was determined by the Vendors and the PRC Holdco after arm's length negotiations with reference to (i) the existing market penetration and leading position of the Target Company in its sector, including, among other things, (i) the valuation prepared by an independent valuer in relation to the fair value of 100% equity interest of the Target Group as at 31 August 2025 conducted by market approach; (ii) the unaudited management account of the Target Group for the two years ended 31 December 2024 and the ten months ended 30 October 2025; (iii) the potential financial prospect of the Target Company in the medium to long term; and (v) the strategic fit and potential synergies that may be generated for the Company.

On the basis of the foregoing, the Directors consider that the terms and conditions of the Cash SPA are fair and reasonable and the Proposed Acquisition is in the interests of the Company and the Shareholders as a whole.

The cash consideration is funded by the internal financial resources of the Company Group.

Conditions for the Cash SPA First Payment

The Cash SPA First Payment is conditional upon fulfilment or waiver (as the case may be) of the following major Closing conditions:

- (i) the Company being reasonably satisfied with the results of the due diligence review to be conducted on the Target Group;
- (ii) the Agreements having been duly executed and submitted, or finalised by mutual consent;
- (iii) all necessary internal consents, licences and approvals required to be obtained on the part of the Vendors and the Target Company in respect of the Cash SPA and the transactions contemplated hereby having been duly obtained;
- (iv) the warranties remaining true, accurate and not misleading in all respects on and as at the Cash SPA Closing Date;
- (v) no material adverse change in the equity interests, operations, financial or trading conditions of the Target Company having occurred on or before the Completion;
- (vi) all required third-party approvals, consents and filings have been obtained (except for those that should be completed on or after the closing date according to the Cash SPA);
- (vii) all original agreements, application documents and forms required for the change of commercial registration of the Target Group company have been submitted to the target company and/or the transferee, and their contents have been confirmed with competent Administration for Market Regulation;
- (viii) the change of partners of four partnerships who are existing shareholder of the Target Company;
- (ix) termination of the share option scheme and share award scheme of the Target Company; and
- (x) the completion of the tax filing of the Target Group in relation to individual transferors and certain historical share transfer transactions.

If any of the above conditions are not fulfilled or waived by the Company by 5:00 p.m. on or before Cash SPA Long Stop Date (or such other date as the parties may agree in writing), the Cash SPA shall automatically terminate and lapse, and none of the parties to the Cash SPA shall have any claim against the other in respect of the subscription, save for any antecedent breaches thereof.

Conditions for the Cash SPA Second Payment

The Cash SPA Second Payment is conditional upon fulfilment or waiver (as the case may be) of the following conditions:

- (i) the completion of closing under Cash SPA, PRC Holdco has been duly registered as the shareholder of total Sale Shares, and all relevant commercial registration have been duly completed;
- (ii) the Cat A Subscription Agreements and the Cat B Subscription Agreements are duly signed;
- (iii) ODI approvals have been duly obtained;
- (iv) all PRC onshore SPVs and offshore SPVs for Cat A Subscribers have been duly incorporated for the purpose of ODI Approvals and subscription; and
- (v) each of the Subscribers' escrow accounts (as applicable to them respectively) have been duly set up and escrow agreements duly executed and become effective.

Subject to the fulfillment or waiver (as the case may be) of the conditions for the Cash SPA Second Payment, the Cash SPA Second Payment shall be made within fifteen (15) Business Days after the Company's receipt of the relevant written notice from the Vendors.

Effectiveness and Termination

The Company and the Vendors agree that the Cash SPA shall only become effective upon the termination of the Share SPA.

The Cash SPA shall terminate upon the occurrence of any of the following events:

- (i) the Closing conditions set above have not been satisfied (or waived, as applicable) as of Long Stop Date;
- (ii) the Completion has not occurred or is not reasonably expected to occur, and the PRC Holdco and/or the Vendors have agreed not to extend the Cash SPA Long Stop Date; and
- (iii) the Company and the Vendors both agree to terminate the Cash SPA.

Completion

Completion shall take place on the date on which all of the following have occurred:

- (i) the fulfilment (or waiver, as the case maybe) of all the closing conditions;
- (ii) the completion of submission to and acceptance by the competent commercial registration authority of the Target Group and its subsidiaries for the Proposed Acquisition, such as the change of shareholder;
- (iii) the amendment of the articles of association of the Target Company to the satisfaction of the Company; and
- (iv) the appointment of representatives, directors, and senior management of the Target Group to the satisfaction of the Company.

CAT A SUBSCRIPTION AGREEMENT

Date : 5 December 2025

Parties : (i) the Company as issuer; and

(ii) Vendor 1, Vendor 2, Vendor 3, Vendor 4, Vendor 5, Vendor 6, Vendor 7, Vendor 8, Vendor 9, Vendor 10, Vendor 11, Vendor 12, Vendor 13 and Vendor 14, as the Cat A Subscribers.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, the Cat A Subscribers and their ultimate beneficial owner(s) are Independent Third Parties.

Cat A Consideration Shares

Please refer to the section headed "**SHARE SPA – Cat A Consideration Shares**"

Conditions for the subscription of the Cat A Consideration Shares

The subscriptions for the Cat A Consideration Shares are conditional upon the fulfilment or waiver (as the case may be) of the following conditions:

- (i) the Stock Exchange having granted the listing of, and permission to deal in, the Cat A Consideration Shares;
- (ii) the passing of resolutions by the shareholders of the Company at the EGM to approve the allotment and issue of the Consideration Shares and the respective transactions contemplated thereunder;

- (iii) all other consents and acts required under the Listing Rules having been obtained and completed or, as the case may be, the relevant waiver from compliance with any of such rules having been obtained from the Stock Exchange;
- (iv) the applicable Subscribers having obtained the ODI approvals;
- (v) the Cat A Subscribers having established special purpose vehicles in Hong Kong; and
- (vi) the Company having settled the Cash SPA Second Payment.

If the above conditions are not fulfilled or waived by the Company by 5:00 p.m. on or before 31 December 2026 (or such other date as the parties may agree in writing), the Cat A Subscription Agreement will automatically terminate and lapse, and none of the parties to the Cat A Subscription Agreement shall have any claim against the other in respect of the subscriptions, save for any antecedent breaches thereof.

Completion

Completion of the subscriptions for the Cat A Consideration Shares shall take place within fifteen (15) Business Days after the date of fulfilment (or waiver, as the case may be) of the foregoing conditions.

CAT B SUBSCRIPTION AGREEMENT

Date : 5 December 2025

Parties : (i) the Company as the issuer; and
(ii) Vendor 15 and Vendor 16 as the Cat B Subscribers

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, the Cat B Subscribers and their ultimate beneficial owner(s) are Independent Third Parties.

Cat B Consideration Shares

The Cat B Consideration Shares, assuming there will be no change in the issued share capital of the Company between the date of this announcement and the Completion, will represent approximately 0.36% of the issued share capital of the Company as at the date of this announcement and approximately 0.35% of the issued share capital of the Company as enlarged by the allotment and issue of the Cat B Consideration Shares.

The Cat B Consideration Shares will be allotted and issued pursuant to the Specific Mandate and shall, when allotted and issued, rank *pari passu* in all respects with the Shares in issue.

Application will be made by the Company to the Stock Exchange for the approval for the listing of, and permission to deal in, the Cat B Consideration Shares. The Issue Price of HK\$1.6 per Consideration Share represents:

- (i) a discount of approximately 59.80% to the closing price of HK\$3.98 per Share as quoted on the Stock Exchange on the date of the Agreements;
- (ii) a discount of approximately 1.84% to the closing price of HK\$1.63 per Share as quoted on the Stock Exchange on 12 September 2025, being the last trading day immediately before the date of the Voluntary Announcement;
- (iii) a discount of approximately 58.12% to the average closing price of HK\$3.82 per Share as quoted on the Stock Exchange in the last five (5) consecutive trading days immediately prior to the date of the Agreements; and
- (iv) a premium of approximately 1.91% to the average closing price of HK\$1.57 per Share as quoted on the Stock Exchange in the last six consecutive trading months immediately prior to the date of the Agreements.

The Company considers the Issue Price to be fair and reasonable, having been determined after arm's length negotiations between the Company and the Vendors with reference to (i) the closing price of the Company on 12 September 2025, being the last trading day immediately before the date of the Voluntary Announcement in relation to the Company having entered into a non-legally binding letter of intent with the Vendors regarding a possible acquisition by the Group of 100% equity interest in a potential target primarily engaging in digital medical services; and (ii) the six-month average closing price of the Company's Shares immediately before the date of the Cat B Subscription Agreement.

The Directors (excluding the independent non-executive Directors whose views will be given after taking into account the advice of the independent financial adviser) are of the view that the terms of the Cat B Subscription Agreement are fair and reasonable, having considered, among other things, the reasons for and benefits of the Proposed Acquisition as stated in the section headed "Reasons for and Benefits of the Proposed Acquisition" in this announcement.

Conditions for the subscription of the Cat B Consideration Shares

The subscriptions for the Cat B Consideration Shares are conditional upon the fulfilment or waiver (as the case may be) of the following conditions:

- (i) the Stock Exchange having granted the listing of, and permission to deal in, the Cat B Consideration Shares;
- (ii) the passing of resolutions by the shareholders of the Company at the EGM to approve the allotment and issue of the Consideration Shares and the respective transactions contemplated thereunder;
- (iii) all other consents and acts required under the Listing Rules having been obtained and completed or, as the case may be, the relevant waiver from compliance with any of such rules having been obtained from the Stock Exchange; and

- (iv) the Company having settled the Share SPA Second Payment or the Cash SPA Second Payment, as the case may be.

If the above conditions are not fulfilled or waived by the Company on or before 31 December 2026 (or such other date as the parties may agree in writing), the Cat B Subscription Agreement will automatically terminate and lapse, and none of the parties to the Cat B Subscription Agreement shall have any claim against the other in respect of the subscriptions, save for any antecedent breaches thereof.

Completion

Completion of the subscription of the Cat B Consideration Shares shall take place within fifteen (15) Business Days after the date of fulfilment (or waiver, as the case may be) of the foregoing conditions.

INFORMATION OF THE COMPANY, THE GROUP, THE PRC, THE WFOE

The Group is principally engaged in (i) property management in the PRC and (ii) property development and investments in the PRC, the United States of America and the United Kingdom.

The PRC Holdco is a limited liability company established in the PRC which is principally engaged in investment holding. As at the date of this announcement, the PRC Holdco is a consolidated affiliated entity of the Company.

Tianjin Yurui Health Technology Co., Ltd.* (天津雨銳健康科技有限公司), a company established under the laws of the PRC with limited liability and as at the date of the announcement it is indirectly a wholly-owned subsidiary of the Company.

INFORMATION OF THE VENDORS

Vendor 1

Wang Yuxiao*, an individual holding 9.77% equity interests in the Target Company.

Vendor 2

Zhang Jialin*, an individual holding 4.69% equity interests in the Target Company.

Vendor 3

Li Guanghui*, an individual holding 4.88% equity interests in the Target Company.

Vendor 4

Zeng Boyi*, an individual holding 6.40% equity interests in the Target Company.

Vendor 5

Zhang Yizhuo*, an individual holding 0.38% equity interests in the Target Company.

Vendor 6

Fan Kun*, an individual holding 0.42% equity interests in the Target Company.

Vendor 7

Zhejiang Rushan Xinxing Venture Capital Co., Ltd.*, a company incorporated in the PRC, holding 1.88% equity interests in the Target Company.

Vendor 8

Zhejiang Rushan High Tech Venture Capital Co., Ltd.*, a company incorporated in the PRC, holding 1.25% equity interests in the Target Company.

Vendor 9

Tianjin Xinbaihao Enterprise Management Partnership (Limited Partnership)*, a limited partnership established in the PRC, holding 5.07% equity interests in the Target Company.

Vendor 10

Shanghai Dongzheng Chunyi Investment Center (Limited Partnership)*, a limited partnership established in the PRC, holding 13.99% equity interests in the Target Company.

Vendor 11

Healthcare Co., Ltd.*, a company incorporated in the PRC, holding 6.80% equity interests in the Target Company.

Vendor 12

Tianjin Huaxin Pharmaceutical Venture Capital Partnership (L.P.)*, a limited partnership established in the PRC, holding 1.72% equity interests in the Target Company.

Vendor 13

Tianjin Huajin Jintian Medical And Healthcare Venture Capital Partnership (L.P.)*, a limited partnership established in the PRC, holding 0.57% equity interests in the Target Company.

Vendor 14

Jiaxing Lanchiyu Cun Enterprise Management Partnership (Limited Partnership)*, a limited partnership established in the PRC, holding 14.23% equity interests in the Target Company.

Vendor 15

Beijing Sogou Technology Development Co., Ltd.*, a company incorporated under the laws of the PRC, holding 5.19% equity interests in the Target Company.

Vendor 16

Tianjin Lanchixinhe Investment Centre (Limited Partnership)*, a limited partnership established in the PRC, holding 1.04% equity interests in the Target Company.

INFORMATION ON THE TARGET COMPANY

The Target Company is a company incorporated in PRC with limited liability.

The Target Company is an investment holding company, its subsidiaries operate value added telecommunications services (including internet information services) and internet hospital/online diagnosis and treatment services through duly licensed medical institutions. The Target Group operates a leading mobile internet medical and health platform in the PRC, known as Doctor Chunyu* (春雨醫生), which was founded in 2011.

Set out below is a summary of the financial information in the unaudited accounts of the Target Company for each of the two financial years ended 31 December 2024 and period ended 31 October 2025:

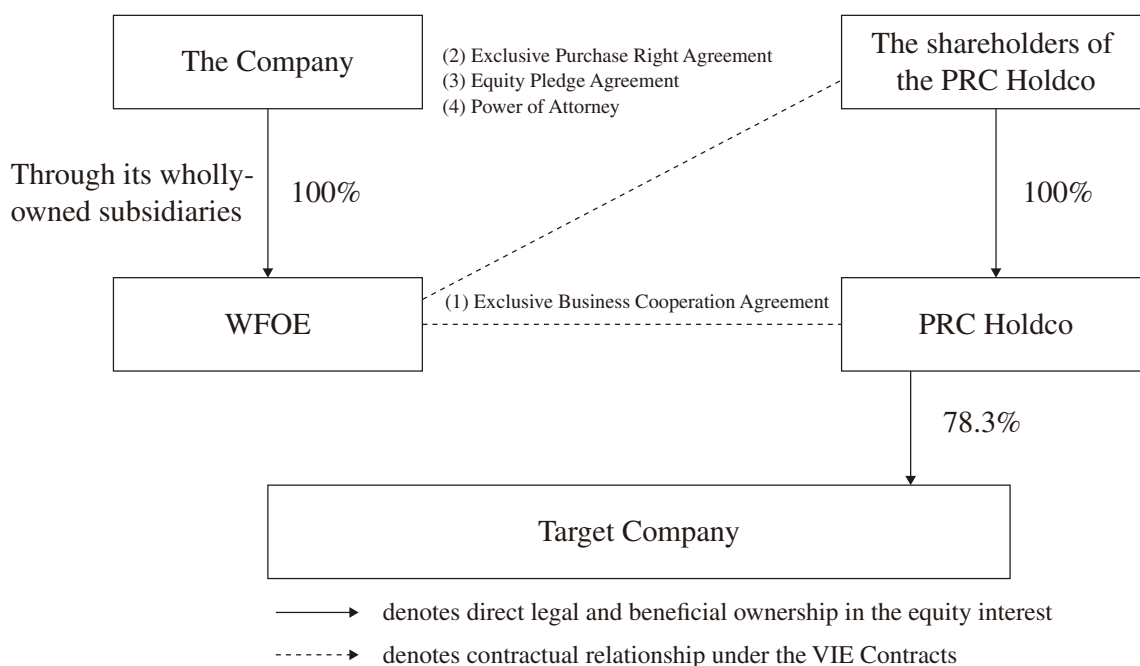
	For the period ended 31 October 2025 (RMB'000) (unaudited)	For the year ended 31 December 2024 (RMB'000) (unaudited)	For the year ended 31 December 2023 (RMB'000) (unaudited)
Revenue	51,048	66,226	101,124
Loss before tax	2,918	22,948	9,571
Loss after tax	2,918	22,949	9,572

As at 31 October 2025, the unaudited net assets of the Target Company was approximately RMB94.9 million (equivalent to approximately HK\$103.9 million).

Shareholding structure of the Target Group immediately prior completion of the Proposed Acquisition

Shareholders	Approximate % of shares in issue of the Target Company
Vendor 1	9.77%
Vendor 2	4.69%
Vendor 3	4.88%
Vendor 4	6.40%
Vendor 5	0.38%
Vendor 6	0.42%
Vendor 7	1.88%
Vendor 8	1.25%
Vendor 9	5.07%
Vendor 10	13.99%
Vendor 11	6.80%
Vendor 12	1.72%
Vendor 13	0.57%
Vendor 14	14.23%
Vendor 15	5.19%
Vendor 16	1.04%
Beijing Chunriqiu Investment Management Partnership (L.P.)*	3.07%
Beijing Chunri Dai Investment Management Partnership (L.P.)*	2.12%
Beijing Chunrixian Investment Management Partnership (L.P.)*	2.09%
Beijing Chunriwan Investment Management Partnership (L.P.)*	1.66%
Beijing Galaxy No. 2 Equity Investment Fund (L.P.)*	6.50%
Zhejiang Dun'an Venture Capital Co., Ltd.*	6.28%
Total	100.00%

Shareholding structure of the Target Group immediately upon completion of the Proposed Acquisition



REASON FOR ENTERING INTO THE VIE CONTRACTS

Foreign investment activities in the PRC are mainly governed by the Special Administrative Measures (Negative List) for the Access of Foreign Investment (2024)* (《外商投資准入特別管理措施(負面清單)(2024年版)》) (the “**2024 Negative List**”) and the Catalogue of Industries for Encouraging Foreign Investment (2022 Version)* (《鼓勵外商投資產業目錄(2022年版)》) (the “**Engaging Catalogue**”), which are jointly promulgated and amended from time to time by the the Ministry of Commerce of the PRC and the NDRC. The 2024 Negative List and the Encouraging Catalogue divide industries into “encouraged”, “restricted”, “prohibited” and “permitted” (the last category comprising all industries not listed as “encouraged”, “restricted” and “prohibited”).

The Target Group’s principal businesses include value-added telecommunications services (e.g., internet information services under the internet content provider (“**ICP**”) licences) and internet hospital/online diagnosis and treatment services conducted through licensed medical institutions. The operation of value-added telecommunications services requires an ICP/ Value-added Telecommunications Business Operation Permit(《增值電信業務經營許可證》), and the operation of internet hospital and online diagnosis and treatment services requires a Medical Institution Practising Licence (《醫療機構執業許可證》). The relevant members of the Target Group have already obtained the required core licences, including, among others, the Value-added Telecommunications Business Operation Permits and Medical Institution Practising Licences for internet hospital operations.

Under the applicable PRC laws and regulations, the business of the Target Company falls into a restricted foreign-invested industry and foreign investor(s) may not hold more than 50% of the Target Company’s equity interests. As such, the Company will form a wholly-owned foreign enterprise (the “**WFOE**”), and the WFOE, the PRC Holdco and the PRC Holdco Shareholders will enter into the VIE Contracts upon Completion to enable the WFOE to gain management control over the operation of the Target Company, and to vest in the WFOE the entire economic benefits and risks of the Target Company’s business. The Company confirms that the use of the VIE Contracts is solely for addressing the abovementioned foreign-ownership restriction.

The Company undertake that, if and when it becomes permissible under the relevant PRC laws, rules and regulations for the WFOE to engage in and to hold more than 50% interest in the value-added telecommunications service business and the online diagnosis and treatment service business in the PRC, the Company shall procure the WFOE to exercise the option under the Exclusive Purchase Right Agreement as soon as practicable, and the relevant VIE Contracts shall be terminated.

The VIE Contracts consist of:

- (i) an exclusive business cooperation agreement (the “**Exclusive Business Cooperation Agreement**”) to be entered into between the PRC Holdco and the WFOE;
- (ii) an exclusive purchase right agreement (the “**Exclusive Purchase Right Agreement**”) to be entered into among the WFOE, the PRC Holdco Shareholders and the PRC Holdco;
- (iii) an equity pledge agreement (the “**Equity Pledge Agreement**”) to be entered into among the WFOE, the PRC Holdco Shareholders and the PRC Holdco; and
- (iv) a power of attorney (the “**Power of Attorney**”) to be executed by the PRC Holdco Shareholders in favour of the WFOE (or its designated person) in respect of the PRC Holdco Shareholders’ rights in the Target Company.

The Exclusive Business Cooperation Agreement, the Exclusive Purchase Right Agreement, the Equity Pledge Agreement and the Power of Attorney shall collectively be referred to as the VIE Contracts.

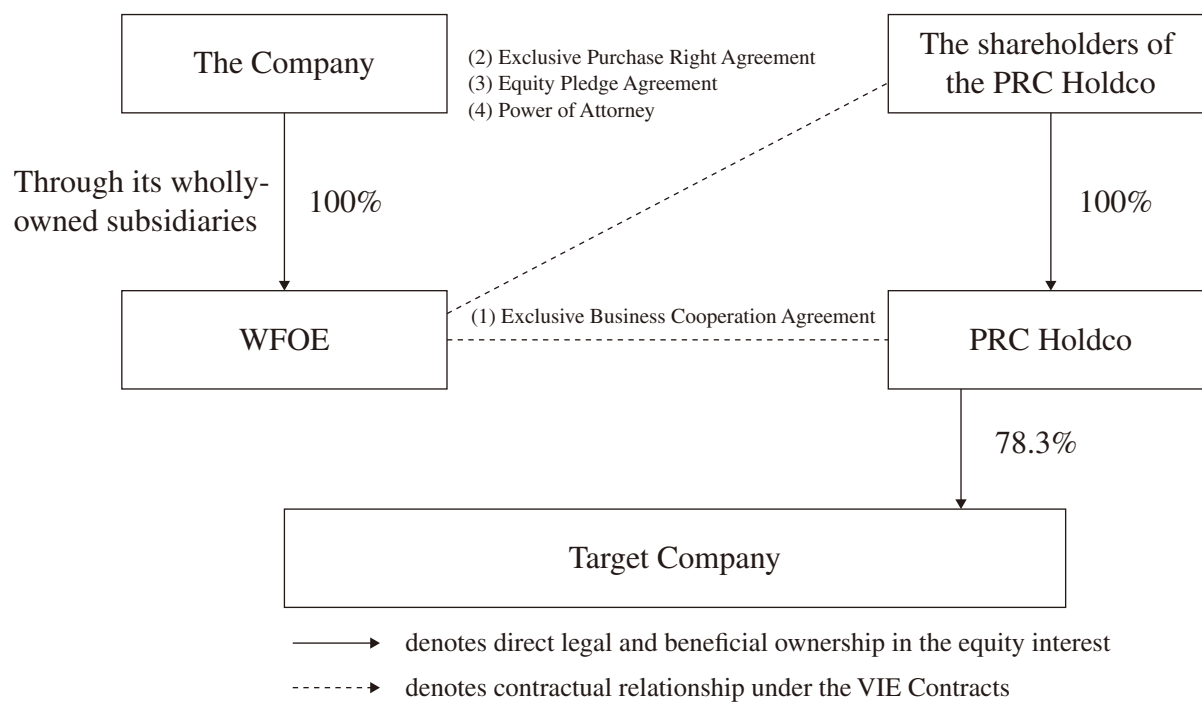
The Directors have considered that, (i) the adoption and utilisation of each of the VIE Contracts does not constitute a breach of the applicable PRC laws and regulations; (ii) no individual VIE Contracts would be deemed invalid or ineffective under the Civil Code of the PRC (《中華人民共和國民法典》); and (iii) each of the VIE Contracts is enforceable under the PRC law, save for the clause providing that the arbitration tribunal may award injunctive relief or winding up orders and that the courts in Hong Kong and the PRC may grant temporary injunctive relief or other temporary remedies, which may not be enforceable under PRC law.

As at the date of this announcement, the Target Company has not encountered any interference for or encumbrance imposed by any governing bodies in operating its business. The Target Company is not aware of any such interference or encumbrance that may arise from the Proposed Acquisition or under the VIE Contracts.

INFORMATION OF THE VIE CONTRACTS

Diagram of the Contractual Arrangements

The following diagram illustrates the contractual arrangements under the VIE Contracts:



The VIE Contracts

The proposed terms of the VIE Contracts are set out below.

1. Exclusive Business Cooperation Agreement

Parties : (1) the WFOE; and
(2) the PRC Holdco.

Term : The Exclusive Business Cooperation Agreement shall be for a term of ten (10) years commencing on the date of its execution and shall automatically renew for successive terms of ten (10) years unless the WFOE gives the PRC Holdco at least ten (10) days' prior notice of its intention not to renew before the expiry of the then-current term.

The Exclusive Business Cooperation Agreement shall remain in force until terminated upon either of the following: (i) the entire share capital of the PRC Holdco has been legally transferred to the WFOE or its nominee; or (ii) the WFOE giving not less than ten (10) days' prior notice of termination.

Subject : The PRC Holdco shall engage the WFOE to provide integrated technology consultancy services and other services and other services in connection with the business of the PRC Holdco as set out in the Exclusive Business Cooperation Agreement.

Pursuant to the Exclusive Business Cooperation Agreement, the PRC Holdco shall pay to the WFOE a service fee equal to 100% of its consolidated profits before taxation, after deducting related operating costs and reasonable expenses, calculated in accordance with the Hong Kong Financial Reporting Standards. The service fee shall be payable on a yearly basis.

2. Exclusive Purchase Right Agreement

Parties : (1) the WFOE;
(2) the PRC Holdco; and
(3) the PRC Holdco Shareholders

Term : The Exclusive Purchase Right Agreement shall have an indefinite term commencing on the date of its execution and shall remain in force until terminated (i) by mutual written agreement; or (ii) when the entire share capital of the PRC Holdco has been legally transferred to the WFOE or its nominee.

Notwithstanding the above, the WFOE may terminate the Exclusive Purchase Right Agreement by giving a ten (10) days' prior notice of termination.

Subject : Pursuant to the Exclusive Purchase Right Agreement, the PRC Holdco Shareholders shall grant to the WFOE (or through its designated person(s)) an exclusive purchase right to purchase at any time, when permitted by the applicable PRC laws and regulations, all or any part of the equity interests of the Target Company. The transfer price of the relevant equity interests and assets shall be the minimum purchase price permitted under PRC laws.

3. Equity Pledge Agreement

- Parties : (1) the WFOE;
- (2) the PRC Holdco; and
- (3) the PRC Holdco Shareholders
- Term : The Equity Pledge Agreement shall have an indefinite term commencing on the date of its execution and shall remain in force until all obligations of the PRC Holdco Shareholders and the PRC Holdco under the VIE Contracts have been satisfied and discharged in full or all the equity interests in, and the entire equity interest of the PRC Holdco are transferred to the WFOE or its designated person(s) pursuant to applicable PRC laws and regulations.
- Subject : Pursuant to the Equity Pledge Agreement, the PRC Holdco Shareholders shall agree to pledge to the WFOE all equity interests held in the PRC Holdco (including the present and future rights and benefits held and to be held by it), as continuing security for the performance of all their obligations and those of the PRC Holdco under the VIE Contracts.

4. Power of Attorney

- Parties : the PRC Holdco Shareholders
- Term : The Power of Attorney shall have an indefinite term commencing on the date of its execution and shall remain irrevocably effective for so long as the relevant the PRC Holdco Shareholder remains a shareholder of the PRC Holdco, unless otherwise terminated in whole or in part by written instruction of the WFOE. Upon any such termination notice, the relevant the PRC Holdco Shareholder shall immediately revoke the prior authorisation and execute a new power of attorney in substantially the same form in favour of such person(s) as nominated by the WFOE.

Subject : Pursuant to the Power of Attorney, each the PRC Holdco Shareholder irrevocably authorises the WFOE (or its designated person(s)) to exercise, to the fullest extent permitted by applicable PRC laws and regulations, all shareholder rights and powers attached to the equity interests held by such the PRC Holdco Shareholder in the PRC Holdco, including without limitation: signing and delivering written resolutions; attending and voting at shareholders' meetings; selling, transferring, pledging or otherwise disposing of all or part of such equity interests; nominating or removing directors; supervising operations; inspecting financial information; initiating shareholder derivative actions; approving annual budgets and dividend distributions; and exercising any other rights conferred on the shareholders by the articles of association or applicable laws. The WFOE may, at its discretion, sublicense or assign such authorisation. All actions taken by the WFOE under the Power of Attorney shall be deemed to be the actions of the relevant the PRC Holdco Shareholder.

Compliance of VIE Contracts with PRC laws, rules and regulations

The VIE Contracts are binding on the parties, will not contravene the articles of association of the WFOE and the PRC Holdco, and will not be deemed as “concealing illegal intentions with a lawful form” and void under the PRC Contract Law.

Settlement of potential dispute arising from the VIE Contracts

The VIE Contracts are governed by the PRC laws. When a dispute arises under any of the VIE Contracts, the relevant parties thereto shall settle the dispute through negotiation in an amicable manner. In case the dispute is not resolved, the VIE Contracts provide that any dispute shall be submitted to the China International Economic and Trade Arbitration Commission for arbitration to be conducted in Beijing. The decision of such arbitration is final and binding on the parties concerned.

Measures to mitigate potential conflict of interests

The PRC Holdco Shareholders undertake in the VIE Contracts that they will forgo any benefits or dividends from the Target Company and pay such benefits to the WFOE as the service fees, that they will perform all obligations in full compliance with the VIE Contracts, and that they will not, by any act or omission, affect the validity or enforceability of the VIE Contracts.

To ensure effective control of the Target Company, the Company has taken steps to prevent potential conflicts of interest between the WFOE and the PRC Holdco Shareholders. Firstly, under the Exclusive Purchase Right Agreement, the PRC Holdco Shareholders shall irrevocably and unconditionally grant to the WFOE (or through its designated person(s)) an exclusive purchase right to purchase at any time, when permitted by the applicable PRC laws and regulations, all or any part of the equity interests in and/or the assets of the Target Company. Secondly, pursuant to the Power of Attorney, the PRC Holdco Shareholders irrevocably authorises the WFOE (or its designated person(s)) to exercise, to the fullest extent permitted by applicable PRC laws and regulations, all shareholder rights and powers attached to the equity interests held by such PRC Holdco Shareholder in the Target Company.

Internal control measures

In order to have effective control over and to safeguard the assets of the PRC Holdco, the VIE Contracts provide that, without the prior written consent of the WFOE, the PRC Holdco Shareholders shall not or shall not procure the PRC Holdco to, at any time, sell, transfer, mortgage or dispose of in any manner any assets, legitimate interests in the business or revenue of the PRC Holdco, or allow any encumbrance or any security interest thereon. Under the Exclusive Business Cooperation Agreement, the PRC Holdco will appoint its directors and senior management as recommended by the WFOE. The WFOE shall regularly, and at any time, review the books and records of the PRC Holdco. The PRC Holdco and the PRC Holdco Shareholders shall (i) at all times operate all of the PRC Holdco's businesses in the ordinary and usual course of business; (ii) maintain the asset value of the PRC Holdco; and (iii) refrain from any action/omission that may adversely affect the PRC Holdco's operating status and asset value.

Unwinding the VIE Contracts

The WFOE agrees that it will unwind the VIE Contracts as soon as the relevant PRC laws and regulations on foreign investment in the operation of the Target Company's business are relaxed to allow the Company or any of its wholly-owned subsidiaries to be registered as a shareholder of the Target Company. Pursuant to the Exclusive Purchase Right Agreement, the PRC Holdco Shareholders undertake that they shall return to the WFOE, in full, the consideration received in relation to such transfer of equity interests or assets during the course of unwinding the VIE Contracts in compliance with the PRC laws.

Insurance to cover the risks relating to the VIE Contracts

The insurance of the Company does not cover the risks relating to the enforcement of the VIE Contracts and the transactions contemplated thereunder, and the Company has no intention to purchase any new insurance in this regard. However, the Company will monitor the relevant legal and operational environment from time to time to ensure compliance with the applicable laws and regulations. In addition, as mentioned above, the Company will implement relevant internal control measures to reduce operational risk.

Potential exposure of the Company to losses

To ensure that the cash flow requirements of the PRC Holdco's ordinary operations are met and/or to set off any loss accrued during such operations, the WFOE may, at its own discretion and only to the extent permissible under the PRC laws, provide financial support to the PRC Holdco, whether or not the PRC Holdco actually incurs any such operational loss. The WFOE's financial support to the PRC Holdco may take the form of bank-entrusted loans.

All intellectual property, or permits or other approvals for the value-added telecommunications services business and the operation of internet hospital and online diagnosis and treatment services owned by the PRC Holdco shall be free from defects, otherwise the WFOE may bear the losses resulting from any such defects.

RISK FACTORS

The WFOE will not have any direct equity ownership in the PRC Holdco or the Target Company and will only rely on the VIE Contracts to control, operate, and be entitled to the economic benefits and risks arising from the value-added telecommunications services business and the operation of internet hospital and online diagnosis and treatment services in the PRC conducted through the Target Company. However, there are risks involved with the operations of the Target Company's value-added telecommunications service business, the operation of internet hospital and the online diagnosis and treatment services under the VIE Contracts.

There is no assurance that the VIE Contracts will comply with future changes in the regulatory requirements in the PRC, and the PRC government may determine that the VIE Contracts do not comply with applicable regulations.

Pursuant to the Interim Measures for the Administration of Business Activities of Internet Loan Information Intermediaries promulgated by China Banking Regulatory Commission, Ministry of Industry and Information Technology (the “**MIIT**”), Ministry of Public Security and State Internet Information Office on 17 August 2016, the Target Company is engaged in the value-added telecommunications services business and the operation of internet hospital and online diagnosis and treatment services, and it should apply for the corresponding telecommunications business license in accordance with the relevant provisions of the competent telecommunication department.

The Circular on Strengthening the Administration of Foreign Investment in the Operation of Value-added Telecommunications Services issued by the MIIT on 13 July 2006 (the “**MIIT Circular**”) provides that a domestic company that holds a value-added telecommunication business licence is prohibited from leasing, transferring or selling the licence to foreign investors in any form, and from providing any assistance, including providing resources, sites or facilities, to foreign investors to operate telecommunication business illegally in the PRC. Due to a lack of interpretative materials from the authorities, the Group cannot assure that the MIIT will not consider the corporate structure and contractual arrangements upon Completion form kind of foreign investment in telecommunication services, in which case the Target Company may be found in violation of the MIIT Circular and, as a result, may be subject to various penalties, including fines and the discontinuation of or restrictions on the Target Company’s operations.

On 11 December 2001, the State Council promulgated Regulations for the Administration of Foreign-invested Telecommunications Enterprises (the “**FITE Regulations**”), which were subsequently amended on 10 September 2008 and 6 February 2016. Under the FITE Regulations, foreign ownership of companies that provide value-added telecommunication services is limited to 50%. In addition, a foreign investor who invests in a value-added telecommunications business in the PRC must possess prior experience in operating value-added telecommunications businesses and a proven track record of business operations overseas (the “**Qualification Requirement**”). Currently, none of the applicable PRC laws, regulations or rules provides clear guidance or interpretation on the Qualification Requirement. If the restrictions on foreign ownership in value-added telecommunications businesses in relation to the Target Company’s business are lifted in the PRC, the WFOE may be required to unwind the VIE Contracts before the Target Company is in a position to fully comply with the Qualification Requirement.

Pursuant to the Provisional Measures for the Administration of Sino-Foreign Joint Venture and Cooperative Joint Venture Medical Institutions* (《中外合資、合作醫療機構管理暫行辦法》), the equity interest or rights held by the PRC party in a sino-foreign joint venture or cooperative medical institution must not be less than 30%, and both the PRC and foreign parties to such joint ventures are required to have direct or indirect experience in healthcare investment and management. Due to differing regional restrictions in the PRC on foreign shareholding ratios for joint venture medical institutions, and based on publicly disclosed information, the Health Commission of Yinchuan Municipality has indicated that foreign investment is prohibited from participating in the establishment of sino-foreign joint venture or cooperative internet medical institutions in Yinchuan.

In light of the foregoing foreign-investment ratio restrictions applicable to value-added telecommunications businesses and internet medical institutions under PRC laws, if this acquisition were structured such that the WFOE directly acquires not less than 51% equity interest in the Target Company, the Target Company would change from a domestic enterprise to a foreign-controlled foreign-invested enterprise and: (1) its foreign shareholding would exceed the maximum 50% cap permitted for value-added telecommunications services under the Administrative Provisions on Foreign-invested Telecommunications Enterprises (2022 Revision) and the Special Administrative Measures (Negative List) for the Access of Foreign Investment (2024 Edition); and (2) the Medical Institution Practising Licence maintained by Yinchuan Chunyu for internet hospital operations could be revoked or the entity could be required to cease its internet hospital and online diagnosis and treatment services due to the prohibition by the Yinchuan Health Commission on foreign participation in internet hospital institutions. As a result, the Group will have to conduct its operations in the PRC through the VIE Contracts.

Despite the fact that there is no indication that the VIE Contracts will be interfered or objected by any PRC regulatory authorities, the Company's PRC legal adviser has advised that there is a possibility that the Ministry of Commerce and other competent authorities may have different opinions on the interpretation of the relevant regulations and may not agree that the VIE Contracts comply with the current PRC laws, regulations or rules or those that may be adopted in the future, and the authorities may deny the validity, effectiveness and enforceability of the VIE Contracts. If the authorities deny the validity, effectiveness and enforceability of the VIE Contracts, it could have a material adverse impact on the Group's businesses, financial condition and results of operations.

The VIE Contracts may not be as effective in providing control over and entitlement to the economic interests in the Target Company as direct ownership

The VIE Contracts may not be as effective in providing the WFOE with control over and entitlement to the economic interests in the PRC Holdco or the Target Company as direct ownership. If the WFOE had direct ownership of the Target Company, it would be able to exercise its rights as a shareholder directly to effect changes in the board of directors of the Target Company. However, under the VIE Contracts, the WFOE can only look to and rely on the PRC Holdco and the PRC Holdco Shareholders to perform their contractual obligations under the VIE Contracts such that the WFOE can exercise effective control over the Target Company. The PRC Holdco Shareholders may not act in the best interests of the WFOE or may not perform their obligations under the VIE Contracts. The WFOE may replace the PRC Holdco Shareholders as registered shareholders of the PRC Holdco by its other nominees pursuant to the VIE Contracts. However, if any dispute relating to the VIE Contracts remains unresolved, the WFOE will have to enforce its rights under the VIE Contracts and seek to interpret the terms of the VIE Contracts in accordance with the PRC laws and will be subject to uncertainties in the PRC legal system.

The VIE Contracts are governed by the PRC laws. When a dispute arises under any of the VIE Contracts, the relevant parties thereto shall settle the dispute through negotiation in an amicable manner. In case the dispute is not resolved, the parties to the dispute may have to rely on legal remedies under the PRC laws. The VIE Contracts provide that dispute will be submitted to the China International Economic and Trade Arbitration Commission for arbitration to be conducted in Beijing. The decision of such arbitration is final and binding on the parties to the dispute.

Since the legal environment in the PRC is different from that in Hong Kong and other jurisdictions, the uncertainties in the PRC legal system could limit the ability of the WFOE to enforce the VIE Contracts. There is no assurance that such arbitration result will be in favour of the WFOE and/or that there will not be any difficulties in enforcing any arbitral awards granted, including specific performance or injunctive relief and the claiming of damages by the WFOE. As the WFOE may not be able to obtain sufficient remedies in a timely manner, its ability to exert effective control over the Target Company and the conduct of the Target Company's business could be materially and adversely affected, which may disrupt the WFOE's business and have a material adverse impact on the WFOE's business, prospects and results of operation.

The VIE Contracts may be subject to scrutiny of the PRC tax authorities and additional tax may be imposed

The VIE Contracts may be subject to scrutiny of the PRC tax authorities and additional tax may be imposed on the WFOE. The WFOE may face adverse tax consequences if the PRC tax authorities determine that the VIE Contracts were not entered into based on arm's length negotiations. If the PRC tax authorities determine that the VIE Contracts were not entered into on an arm's length basis, they may adjust the income and expenses of the WFOE for the PRC tax purposes, which could result in higher tax liabilities on the WFOE.

The operation results of the WFOE may be materially and adversely affected if the tax liabilities of the Target Company or those of the WFOE increase significantly, or if they are required to pay interest on late payments.

The WFOE's ability to acquire the entire equity interests in the PRC Holdco may be subject to various limitations and substantial costs

In case the WFOE exercises its exclusive purchase right to acquire all or part of the equity interests of the PRC Holdco under the Exclusive Purchase Right Agreement, the acquisition of the entire equity interests in the PRC Holdco may only be conducted to the extent permitted by the applicable PRC laws and will be subject to necessary approvals and relevant procedures under applicable PRC laws. In addition, the abovementioned acquisition may be subject to a minimum price limitation (such as an appraised value for the entire equity interests in the PRC Holdco) or other limitations imposed by applicable PRC laws. Further, a substantial amount of other costs (if any), expenses and time may be involved in transferring the ownership of the PRC Holdco, which may have a material adverse impact on the WFOE's businesses and results of operation.

Completion of the Proposed Acquisition is subject to fulfilment or waiver (as the case may be) of the conditions precedent set out therein, and therefore may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group is principally engaged in (i) property development and investments in the PRC, the United States of America and the United Kingdom; and (ii) the provision of property management services in Beijing and Hebei Province, the PRC. As disclosed in the Company's voluntary announcement dated 15 September 2025, the Group has been actively exploring opportunities to diversify its business portfolio, broaden its income sources and enhance long-term shareholder returns. The Proposed Acquisition represents a continuation of such strategy through entry into the digital medical services sector in the PRC.

According to the Company's annual report for the year ended 31 December 2024 (the **"2024 Annual Report"**), the Group's revenue from property management services decreased from approximately HK\$204.6 million for the year ended 31 December 2023 to approximately HK\$169.8 million for the year ended 31 December 2024, representing a decline of about HK\$34.8 million, or approximately 17%. This reduction in property management revenue, together with the volatility in the Group's investment property valuations, underlines the need for the Group to further diversify its income base and to develop new, resilient and scalable revenue streams.

The Group's property segment has experienced pronounced fair-value volatility in recent periods. As set out in the 2024 Annual Report, the Group recorded a net fair-value loss of approximately HK\$934.8 million on investment properties for the year ended 31 December 2024. This followed a weaker external valuation environment across key assets, and resulted in a consolidated loss for the year of approximately HK\$919.3 million. Against this backdrop, the Board considers it prudent to accelerate diversification into non-cyclical, assetlight verticals with more visible, recurring cash flows to mitigate the impact of periodic property revaluations on earnings and equity, and to stabilise the Group's longterm return profile.

The Target Group operates a leading mobile internet medical and health platform in the PRC, known as Doctor Chunyu* (春雨醫生), which was founded in 2011. Doctor Chunyu provides mobile doctor-patient interaction and digital medical services via its APP, mini-programs and web portal, with service offerings that include online consultation, health management, digital internet hospital services, health-related content, digital marketing solutions for pharmaceutical and healthcare enterprises, as well as innovative health insurance products. As at June 2025, the platform had approximately 180 million registered users, 690,000 contracted doctors, handled around 330,000 health-related issues per day and accumulated about 400 million health records, and has progressively developed into a comprehensive ecosystem covering "digital internet hospital", open platform, community health services and integrated "insurance + health management" offerings.

The Target Group operates value-added telecommunications services (including internet information services) and internet hospital/online diagnosis and treatment services through duly licensed medical institutions. This business model is scalable, benefiting from the regulatory licences (including ICP permits and Medical Institution Practising Licences), and is expected to provide a countercyclical revenue stream that complements the Group's existing real estate-related businesses. By diversifying into a highgrowth vertical, the Group seeks to reduce its concentration risk arising from traditional real estate cycles and to enhance the resilience of its overall business.

The Target Group has a strong customer base and is experienced in the digital medical services sector in the PRC, while the Company has an established customer base, resources and network in the PRC (including, among others, its property management platform and community footprint). The Company intends to leverage its existing resources, market presence and relationships to help the Target Group expand its service coverage, acquire new users and corporate clients, and thereby further scale up the Target Group's business and revenue. In particular, the Group's established property management platform provides a ready ecosystem for communitybased health management services, valueadded services for residents, and crossmarketing opportunities that can support enterprise cooperation and regional service expansion for the Target Group's online medical services.

To maintain the existing business scale of the Target Group and to further expand its business following completion of the Proposed Acquisition, the Company intends to retain the existing management team of the Target Group, and engage industry experts and professionals to assist in the operation and management of the Target Group's digital medical services business. The Board believes that preserving the Target Group's existing operational knowhow, while introducing additional expertise and leveraging the Group's resources, will facilitate a smooth integration and support the longterm growth of the Target Group.

In line with the Group's strategy and maximise synergistic value, the Company is in discussions with two of the remaining shareholders of the Target Company (the "**Remaining Shareholders**"), who collectively hold an interest of approximately 12.76% in the Target Company (the "**Remaining Shares**"). The Company and the Remaining Shareholders have expressed an intention to enter into a separate sale and purchase agreement in respect of the Remaining Shares, with terms and conditions substantially consistent with those of the Shares SPA and/or the Cash SPA (as applicable). The Company will make a further announcement to inform the its Shareholders in compliance with the Listing Rules as and when appropriate or required.

From a financial perspective, digital medical services typically feature recurring service fees and platformbased income streams which may enhance the Group's revenue visibility and overall margin profile over time, as compared with more cyclical development income.

The Consideration for the Proposed Acquisition was determined after arm's length negotiations with reference to, among other things, the Target Group's financial, valuation, market position, growth prospects and the anticipated synergies with the Group.

Having considered the foregoing, the Directors are of the view that (i) the terms of the Agreements are fair and reasonable; and (ii) the Proposed Acquisition is consistent with the Group's strategic development plan, will broaden the Group's revenue base, enhance its longterm competitiveness, and is therefore in the interests of the Company and the Shareholders as a whole.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

Assuming there will be no change in the share capital of the Company between the date of this announcement and the Completion, set out below is the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately after the Completion.

Controlling Shareholder, Substantial Shareholders and Directors	As at the date of the announcement and immediately before the completion of the Proposed Acquisition		Immediately following the completion of the Proposed Acquisition	
	No. of Shares	Approximate % of Shares in issue	No. of Shares	Approximate % of Shares in issue
Wintime Company Limited (<i>Note 1</i>)	1,434,421,537	44.56%	1,434,421,537	42.61%
Gang Rui International Investment (HK) Limited (<i>Note 2</i>)	381,738,927	11.86%	381,738,927	11.34%
Sun Zhongmin	136,752,350	4.25%	136,752,350	4.06%
Vendor 1	–	–	9,777,968	0.29%
Vendor 2	–	–	1,950,812	0.06%
Vendor 3	–	–	18,401,113	0.55%
Vendor 4	–	–	8,837,580	0.26%
Vendor 5	–	–	9,184,930	0.27%
Vendor 6	–	–	12,047,138	0.36%
Vendor 7	–	–	706,186	0.02%
Vendor 8	–	–	784,692	0.02%
Vendor 9	–	–	26,789,490	0.80%
Vendor 10	–	–	3,531,493	0.10%
Vendor 11	–	–	2,354,454	0.07%
Vendor 12	–	–	9,546,401	0.28%
Vendor 13	–	–	26,344,430	0.78%
Vendor 14	–	–	12,808,297	0.38%
Vendor 15	–	–	3,246,081	0.10%
Vendor 16	–	–	1,081,964	0.03%
sub-total	–	–	147,393,029	4.37%
Public Shareholders	1,266,461,172	39.33%	1,266,461,172	37.62%
Total	3,219,373,986	100.00%	3,366,767,015	100.00%

Notes:

1. Wintime Company Limited is interested in 1,434,421,537 shares and 1,322,317,340 underlying shares pursuant to convertible bonds in the principal amount of HK\$1,057,853,872 issued by the Company at conversion price of HK\$0.80 per share on 17 August 2018 and 31 December 2021. Wintime Company Limited is wholly-owned by Widewealth Company Limited, the holding vehicle incorporated in the British Virgin Islands used by Trident Trust Company (B.V.I.) Limited, the trustee of a discretionary trust, namely St. Heliers Trust, of which Mr. Wei Chunxian is the settlor and a beneficiary. Accordingly, each of Widewealth Company Limited and Mr. Wei Chunxian is deemed to be interested in the shares and underlying shares held by Wintime Company Limited under the SFO.
2. 381,738,927 shares are held by Gang Rui International Investment (HK) Limited. Gang Rui International Investment (HK) Limited is owned as to 90% and 10% by Beijing Guorui Real Estate Development Co. Limited* (北京國銳房地產開發有限公司) and Future Glow Ventures Inc. respectively. Future Glow Ventures Inc. is wholly-owned by Mr. Wei Chunxian. Beijing Guorui Real Estate Development Co. Limited* (北京國銳房地產開發有限公司) is directly wholly-owned by Beijing Guorui Holdings Company Limited* (北京國銳控股有限公司), which is in turn wholly-owned by Beijing Qingquan Ruiyuan Business Management Co., Ltd.* (北京清泉銳遠商業管理有限公司), which is in turn wholly-owned by Beijing Ruilong Business Management Co., Ltd.* (北京銳隆商業管理有限公司), which is in turn wholly-owned by Beijing Guorui Enterprise Management Group Co., Ltd.* (北京國銳企業管理集團有限公司), which is in turn wholly-owned by Beijing Gangrui Enterprise Management Development Co., Ltd.* (北京港銳企業管理發展有限公司), which is in turn wholly-owned by Beijing Guorui Chuangxiang Business Management Co., Ltd.* (北京國銳創享商業管理有限公司), which is in turn wholly-owned by GR CREATIVITY LIMITED (國銳創享有限公司), which is in turn wholly-owned by Wish Diligence Ltd (望勤有限公司), which is ultimately owned by Mr. Wei Chunxian (through Fair Development Holdings Ltd, a company wholly-owned by Mr. Wei Chunxian), Mr. Sun Zhongmin and an independent third party as to 82%, 9% and 9%, respectively. Each of Wish Diligence Ltd (望勤有限公司), Fair Development Holdings Ltd and Mr. Wei Chunxian is deemed to be interested in the Shares held by Gang Rui International Investment (HK) Limited under the SFO.

LISTING RULES IMPLICATION

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Proposed Acquisition are more than 5% but are all less than 25%, the Proposed Acquisition constitutes a discloseable transaction for the Company and is therefore subject to the reporting, and announcement requirements under Chapter 14 of the Listing Rules.

The Specific Mandate to be sought for the allotment and issue of the Consideration Shares is subject to the announcement, circular and Shareholders' approval requirements under the Listing Rules.

As no Shareholder has any material interest in the Proposed Acquisition which is different from other Shareholders, no Shareholder is required to abstain from voting at the EGM in respect of the approval of the Specific Mandate.

GENERAL

The EGM will be convened to consider and, if thought fit, approve, among other things, the Specific Mandate for the allotment and issue of the Consideration Shares.

To the best of the Directors' knowledge, information, and belief, having made all reasonable enquiries, no Shareholder has a material interest in the Agreement, and the transactions contemplated thereunder (including the allotment and issue of Consideration Shares under the Specific Mandate). As such, no Shareholder will be required to abstain from voting on the resolution(s) to approve the allotment and issue of Consideration Shares under the Specific Mandate at the EGM.

A circular containing, among other things, (i) the Specific Mandate; and (ii) a notice convening the EGM, will be despatched to the Shareholders as soon as possible in the compliance of the Listing Rules.

Shareholders and potential investors of the Company should note that the Completion is subject to the satisfaction of the conditions precedent to the Agreements and there is no assurance that such conditions precedent will be fulfilled. Therefore, the transactions contemplated under the Agreement may or may not proceed. Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the shares or any securities of the Company.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings when used herein:

“Agreements”	the Share SPA, the Cash SPA, the Cat A Subscription Agreement and the Cat B Subscription Agreement
“Board”	the board of Directors
“Cash SPA”	the sale and purchase agreement entered into between the Company and all Vendors dated 5 December 2025
“Cash SPA First Payment”	the first settlement of the Consideration under the Cash SPA
“Cash SPA First Payment Date”	the date of settling Cash SPA First Payment
“Cash SPA Long Stop Date”	31 March 2026
“Cash SPA Second Payment”	the second settlement of the Consideration under the Cash SPA

“Cash SPA Second Payment Date”	the date of settling Cash SPA Second Payment
“Completion”	the completion of the Proposed Acquisition contemplated under the Agreements
“Consideration”	consideration in respect of the Proposed Acquisition
“Consideration Shares”	an aggregate of 147,393,029 new Shares, which include Cat A Consideration Shares and Cat B Consideration Shares, to be allotted and issued by the Company to the Vendors (or its nominee) at the Issue Price, each a “Consideration Share”
“Cat A Consideration Shares”	an aggregate of 135,664,249 new Shares to be allotted and issued by the Company to the Cat A Subscribers at the Issue Price
“Cat B Consideration Shares”	an aggregate of 11,728,780 new Shares to be allotted and issued by the Company to the Cat B Subscribers at the Issue Price
“Cat A Subscribers”	Vendor 1, Vendor 2, Vendor 3, Vendor 4, Vendor 5, Vendor 6, Vendor 7, Vendor 8, Vendor 9, Vendor 10, Vendor 11, Vendor 12, Vendor 13 and Vendor 14
“Cat B Subscribers”	Vendor 15 and Vendor 16
“Cat A Subscription Agreement”	the subscription agreement entered into between the Company and the Cat A Subscribers dated 5 December 2025
“Cat B Subscription Agreement”	the subscription agreement entered into between the Company and the Cat B Subscribers dated 5 December 2025
“EGM”	the extraordinary general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving, among other things, the Proposed Acquisition and the issue and allotment of the Consideration Shares
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) who is, to the best knowledge of the Directors having made due and reasonable enquiries, not a connected person of the Company (having the meaning ascribed to it under the Listing Rules)
“Issue Price”	HK\$1.60

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time
“NPRC”	The National Development and Reform Commission
“ODI”	overseas direct investment
“PRC”	the People’s Republic of China which for the purpose of this announcement does not include Taiwan, Macau Special Administrative Region of the PRC and Hong Kong
“PRC Holdco”	Changsha Yurui Health Technology Co., Ltd.*, a company established under the laws of the PRC with limited liability
“PRC Holdco Shareholders”	the shareholders of the PRC Holdco
“Proposed Acquisition”	the proposed acquisition of the Sale Shares pursuant to the terms of the Share SPA and/or the Cash SPA
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Shares”	An aggregate of 140,340,550 shares of the Target Company, representing approximately 78.3% of the total issued share capital of the Target Company
“Share(s)”	ordinary share(s) in the share capital of the Company and listed on the Stock Exchange
“Share SPA”	the sale and purchase agreement entered into between the Company and the Vendors dated 5 December 2025
“Share SPA First Payment”	the first settlement of the Consideration under the Share SPA
“Share SPA First Payment Date”	the date of settling the Share SPA Second Payment
“Share SPA Second Payment”	the second settlement of the Consideration under the Share SPA
“Share SPA Second Payment Date”	the date of settling the Share SPA Second Payment
“Share SPA Long Stop Date”	31 March 2026
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“Specific Mandate”	the specific mandate to be sought from the Shareholders at the EGM and to be granted to the Board for the allotment and issue of the Consideration Shares

“Target Company”	Beijing Chun Yu Tian Xia Software Co., Ltd.*, a company established under the laws of the PRC
“Target Group”	the Target Company and its subsidiaries from time to time
“Vendor 1”	Wang Yuxiao*
“Vendor 2”	Zhang Jialin*
“Vendor 3”	Li Guanghui*
“Vendor 4”	Zeng Boyi*
“Vendor 5”	Zhang Yizhuo*
“Vendor 6”	Fan Kun*
“Vendor 7”	Zhejiang Rushan Xinxing Venture Capital Co., Ltd.*, a company incorporated in the PRC
“Vendor 8”	Zhejiang Rushan High Tech Venture Capital Co., Ltd.*, a company incorporated in the PRC
“Vendor 9”	Tianjin Xinbaihao Enterprise Management Partnership (Limited Partnership)*, a company incorporated in the PRC
“Vendor 10”	Shanghai Dongzheng Chunyi Investment Center (Limited Partnership)*, a company incorporated in the PRC
“Vendor 11”	Healthcare Co., Ltd.*, a company incorporated in the PRC
“Vendor 12”	Tianjin Huaxin Pharmaceutical Venture Capital Partnership (L.P.)*, a company incorporated in the PRC
“Vendor 13”	Tianjin Huajin Jintian Medical And Healthcare Venture Capital Partnership(L.P.)*, a company incorporated in the PRC
Vendor 14	Jiaying Lanchiyu Cun Enterprise Management Partnership (Limited Partnership)*, a company incorporated in the PRC
Vendor 15	Beijing Sogou Technology Development Co., Ltd.*, a company incorporated in the PRC
Vendor 16	Tianjin Lanchixinhe Investment Centre (Limited Partnership)*, a company incorporated in the PRC

“Vendor(s)”	collectively, Vendor 1, Vendor 2, Vendor 3, Vendor 4, Vendor 5, Vendor 6, Vendor 7, Vendor 8, Vendor 9, Vendor 10, Vendor 11, Vendor 12, Vendor 13, Vendor 14, Vendor 15 and Vendor 16
“Voluntary Announcement”	the announcement of the Company dated 12 September 2025 in relation to the Proposed Acquisition
“%”	per cent.

- * *The English names of Chinese entities marked with “*” are translations of their Chinese names and are included for identification purpose only, and should not be regarded as their official English translation. In the event of any inconsistency, the Chinese name prevails.*

By order of the Board
GR Life Style Company Limited
Wei Chunxian
Chairman

Hong Kong, 5 December 2025

As at the date of this announcement, the executive directors of the Company are Mr. Wei Chunxian, Mr. Wei Laier and Mr. Sun Zhongmin; and the independent non-executive directors of the Company are Mr. Tung Woon Cheung Eric, Ms. To Tsz Wan Vivien and Mr. Leung Louis Ho Ming.

For the purpose of this announcement, unless the context otherwise requires, conversion of RMB into HK\$ is based on the approximate exchange rate of RMB1.00 to HK\$1.0957. Such exchange rate is for the purpose of illustration only and does not constitute a representation that any amounts in HK\$ or RMB have been, could have been or may be converted at such or any other rate or at all.