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溫州康寧醫 司

Wenzhou Kangning Hospital Co., Ltd.

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

Stock code: 2120

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The AGM of the Com an ill be held a on- ite meeting at Confe ence Room, 12/F, B ilding 1, Shengjin Road, H anglong Re idential Di t ict, Wen ho , Zhejiang P o ince, the PRC, at 9:00 a.m. on T e da , J ne 30, 2026.

A lette f om the Boa d i et o t on age 3 to 17 of thi ci c la .

The notice fo con ening the AGM i et o t on age 18 to 21 of thi ci c la .

Whethe o not o a e able to attend the AGM, o a e e i ed to com lete the accom an ing fo m of o in acco dance ith the in t ction inted the eon and et n it a oon a o ible, and in an e ent not le than 24 ho befo e the time ched led fo holding the AGM (i.e. befo e 9:00 a.m. on Monda , J ne 29, 2026) o an adjo ned meeting the eof. Com letion and deli e of the fo m of o hall not ecl de o f om attending and oting in e on at the AGM o an adjo nment the eof ho ld o o i h.

J ne 10, 2026

C TE T

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

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

Hong Kong Stock E change or Stock E change	The Stock E change of Hong Kong Limited
Late t Practicable Date	J ne 10, 2026, being the late t racticable date for a certaining certain information contained herein before the rinting of thi circ lar
PRC or China	the Peo le' Re blic of China, which, for the r o e of thi circ lar, e cl de Hong Kong, the Maca S ecial Admini trati e Region of the PRC and Tai an
RMB	the la f l c rrenc of the PRC
Share( )	hare( ) of the Com an
Shareholder( )	holder( ) of the Share( )
S er i or( )	the er i or( ) of the Com an
S er i or Committee	the Com an ' er i or committee
Takeo er Code	the Code on Takeo er and Merger and Share B back i ed b the Sec ritie and F t re Commi ion of Hong Kong, a amended from time to time
trea r hare( )	ha the meaning a cribed to it in the Li ting R le
%	ercentage ratio
inde endent non-e ec ti e Director( )	the inde endent non-e ec ti e Director( ) of the Com an
Share( )	the hare( ) of the Com an , incl ding dome tic Share( ) and H Share( )
Shareholder( )	holder( ) of the Share( )
SFO	the Sec ritie and F t re Ordinance (Cha ter 571 of the La of Hong Kong), a amended, lemented or other i e modified from time to time

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

溫州康寧醫院股份有限公司
Wenzhou Kangning Hospital Co., Ltd.
(A joint stock limited liability company incorporated in the People's Republic of China)
Stock code: 2120

Executive Directors:
GUAN Weili (管偉立) *(Chairman)*
WANG Lian e (王蓮月)
WANG Jian (王健)

Non-executive Directors:
QIN Hao (秦浩)
LI Changhao (李昌浩)

Independent non-executive Directors:
ZHONG Wen ang (鍾文堂)
JIN Ling (金玲)
CHAN Sai Ke ng H go (陳世強)

To the Shareholders

Dea Si o Madam,

A D ED A D F A C A A E E T F THE EA 2025
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. INTRODUCTION

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

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

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

3. To consider and approve the financial budget plan of the Company for the year 2026;

4. To consider and approve the profit distribution plan of the Company for the year 2025;

5. To consider and approve the interim profit forecast for the year 2026;

6. To consider and approve the proposed appointment of the auditor for the year 2026;

7. To consider and approve the report of the Board of the Company for the year 2025;

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

9. To consider and approve the report of the independent non-executive Directors of the Company on their performance for the year 2025;

10. To consider and approve the proposed election of Mr. GUAN Weili as an Executive Director of the fifth session of the Board;

11. To consider and approve the proposed election of Ms. WANG Lian[illegible]e as an Executive Director of the fifth session of the Board;

12. To consider and approve the proposed election of Mr. WANG Jian as an Executive Director of the fifth session of the Board;

13. To consider and approve the proposed election of Mr. QIN Hao as a Non-executive Director of the fifth session of the Board;

14. To consider and approve the proposed election of Mr. LI Changhao as a Non-executive Director of the fifth session of the Board;

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

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

17. To consider and approve the proposed election of Mr. SZETO Wing Fu as an Independent Non-executive Director of the fifth session of the Board;

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

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

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

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

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

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

AUDITED REPORT AND FINANCIAL STATEMENTS FOR THE YEAR 2025

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

FINAL FINANCIAL REPORT FOR THE YEAR 2025

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

FINANCIAL BUDGET PLAN FOR THE YEAR 2026

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

PROFIT DISTRIBUTION PLAN FOR THE YEAR 2025

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

1. Proposed Distribution of Final Dividend for the Year 2025

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

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

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

3. TAX

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

If the individual holders of H Shares are residents of Hong Kong or Macau or residents of countries which have entered into relevant tax agreements with the PRC in respect of the distribution of cash dividends to them at a rate of 10%, the Company will withhold personal income tax at a rate of 10% on behalf of the relevant shareholders. If an individual holder of H Shares is a resident of a country which has entered into a tax agreement with the PRC at a tax rate lower than 10% on dividends, the Company will withhold personal income tax at a rate of 10% on behalf of the relevant Shareholders. In such case, if the relevant individual holders of H Shares wish to apply for a refund of the excess tax withheld as a result of the application of the 10% tax rate, the Company may process the application on behalf of the relevant individual holder in accordance with the relevant preferential tax agreement, provided that the relevant shareholders submit to Computershare Hong Kong Investor Services Limited the supporting information as required by the notice of the tax agreement. Upon approval by the competent tax authorities, the Company will assist in refunding the excess tax withheld. If an individual holder of H Shares is a resident of a country which has entered into a tax agreement with the PRC with a dividend tax rate higher than 10% but lower than 20%, the Company will withhold and pay on behalf of the individual income tax at the effective tax rate under the relevant tax agreement. If the individual holder of H Shares is a resident of a country that has entered into a tax agreement with the PRC with a dividend tax rate of 20%, or a resident of a country in which the PRC has not entered into any tax agreement, or otherwise, the Company will withhold and pay personal income tax at the rate of 20%.

[illegible]. INTERIM PROFIT DISTRIBUTION PLAN FOR THE YEAR 2026

To proactively share the Company's operating results with all shareholders and to enhance investor confidence in shareholding, the Company proposes at the AGM authorise the Board to determine and implement the interim profit distribution plan for the year 2026, subject to the profit distribution conditions set out below.

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

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

[illegible]. PROPOSED APPOINTMENT OF THE AUDITOR FOR THE YEAR 2026

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

WORK REPORT OF THE BOARD FOR THE YEAR 2025

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

WORK REPORT OF THE SUPERVISORY COMMITTEE FOR THE YEAR 2025

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

WORK REPORT OF THE INDEPENDENT NON-EXECUTIVE DIRECTORS ON THEIR PERFORMANCE FOR THE YEAR 2025

In accordance with the relevant provisions of laws and regulations, such as the Company Law of the People's Republic of China, as well as other normative documents, the Articles, and the Working Policies of Independent Directors of Wenzhou Kangning Hospital Co., Ltd. (《溫州康寧醫院股份有限公司獨立董事工作制度》), the independent non-executive Directors of the Company shall submit an annual report to the AGM of the Company to explain the performance of their duties. An ordinary resolution will be proposed at the AGM to consider and approve the report of the independent non-executive Directors on their performance for the year 2025, which mainly includes the following matters:

(a) The attendance situation of each of the independent non-executive Directors at the Company's shareholders' general meetings, the Board meetings and the meetings of the specialized committees under the Board in 2025;

(b) How the Company cooperates with the independent non-executive Directors in carrying out their work; and

(c) The work and opinions of the independent non-executive Directors in relation to connected transactions, choosing and appointing the accounting firm, profit distribution, compliance with the non-competition agreement by our controlling Shareholders, and the implementation of information disclosure etc.

PROPOSED ELECTION OF DIRECTORS OF THE FIFTH SESSION OF THE BOARD

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

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

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

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

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

The above candidates for Directors meet the requirements as stipulated in relevant laws of the PRC and regulations and the Articles, and the Board agrees to propose ordinary resolutions in respect of the above list of candidates at the AGM for consideration. The AGM will elect three executive Directors, two non-executive Directors and three independent non-executive Directors. The eight Directors will compose the fifth session of the Board.

The term of office of the fifth session of the Board is three years. According to the requirements of relevant PRC laws and regulations and the Articles, the candidates for Directors of the fifth session of the Board are subject to the approval of the Shareholders of the Company at the AGM. The term of office for the proposed executive Directors, non-executive Directors and independent non-executive Directors will take effect from the date of approval at the AGM until the expiration of the term of office of the fifth session of the Board, and they shall be eligible for re-election upon expiry of the term.

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

The biographical details of the candidates for Directors of the fifth session of the Board are set out in Appendix I to this Circular.

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

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

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

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

PROPOSED ELECTION OF SHAREHOLDER REPRESENTATIVE SUPERVISORS AND INDEPENDENT SUPERVISORS OF THE FIFTH SESSION OF THE SUPERVISORY COMMITTEE

Reference is made to the announcements of the Company dated April 29, 2026, May 14, 2026 and May 18, 2026 respectively, in relation to, among other things, the proposed election of shareholder representative supervisors and independent supervisors of the fifth session of the Supervisory Committee, resignation of supervisors and proposed election of supervisors.

The term of the fourth session of the Supervisory Committee of the Company is due to expire. In order to ensure the smooth election and smooth implementation of the work, the Supervisory Committee agreed to nominate three candidates for Supervisors to the Supervisory Committee, including two Shareholder representative Supervisors and one independent Supervisor. Pursuant to the Articles, the employee representative Supervisors shall account for not less than one-third of the Supervisors in the Supervisory Committee and shall be elected and dismissed at the employees' representative meeting by the employees of the Company or through other democratic procedures. The Company will convene an employees' representative meeting to elect employee representative Supervisor(s) and will duly publish an announcement for this meeting.

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

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

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

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

The Supervisors of the fifth session of the Supervisory Committee will serve for a term of three years, and the term of office of these Shareholder representative Supervisors and independent Supervisor will take effect from the date of approval at the AGM until the expiration of the term of office of the fifth session of the Supervisory Committee, and they shall be eligible for re-election upon expiry of the term.

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

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

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

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

[illegible] GRANT OF A GENERAL MANDATE TO THE BOARD TO PARTIALLY REPURCHASE H SHARES

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

1. [illegible]

In order to further promote the healthy, stable and long-term development of the Company and to effectively safeguard the interests of investors, the Board, having considered the current operating conditions, financial position and future development prospects, proposes to seek shareholders' approval at the AGM for a share repurchase mandate.

2. C[illegible]

The Shares proposed to be repurchased are the H Shares in issue of the Company. The specific number of Shares to be repurchased will be determined by the Board of the Company as authorized by the AGM and the authorized persons of the Board during the implementation period of the repurchase, taking into account the prices of the H Shares of the Company in the secondary market, but the total number shall not exceed 10% of the total number of fully paid-up H Shares in issue of the Company on the date of passing such special resolution (excluding H Shares that have been repurchased but not cancelled; and excluding the treasury shares, if any) (the "[illegible]"). The Company will be permitted to repurchase up to 1,763,901 H Shares under the New Repurchase Mandate, on the basis of the aggregate of 19,598,900 H Shares in issue and 1,959,890 H Shares repurchased but not cancelled by the Company as at the Latest Practicable Date, assuming that after the resolution regarding the New Repurchase Mandate is approved and no other Shares will be issued additionally and/or repurchased by the Company in the current period up to the date of the AGM.

3. [illegible]

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

The Board has no present intention to exercise the New Repurchase Mandate to the extent that would result in the Directors or Shareholders triggering the obligation to make a mandatory general offer under Rules 26 and 32 of the Takeovers Code upon full exercise of the New Repurchase Mandate, or that would further reduce the percentage of the Company's public float. As at the Latest Practicable Date, the Company's public float is approximately 24.11%, which is below the minimum requirement of 25% of the total issued share capital of the Company to be held by the public as prescribed under Rules 8.08 and 19A.28B of the Listing Rules. The Company will not exercise the New Repurchase Mandate until the minimum public float requirement under the Listing Rules has been restored.

4. [illegible]

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

(1) if the amount of funds used in repurchase has reached the maximum amount during the term of repurchase, the implementation of the repurchase proposal will be completed immediately, that means, the term of repurchase expires in advance with effect from that day;

(2) the conclusion of the next AGM of the Company; or

(3) the date when the general mandate to repurchase H Shares has been withdrawn or amended by a special resolution approved by the shareholders' general meeting.

The Company will make and implement repurchase decisions at opportune timing according to market conditions during the above term of repurchase pursuant to the authorisation from the AGM and the Board, and in accordance with the requirements of the relevant laws, regulations, China Securities Regulatory Commission and/or the Hong Kong Listing Rules.

5. [illegible]

The e chase ill be im lemented in batche , and the ice of the e cha ed H Sha e hall not e ceed 105% (incl i e) of the a e age clo ing ice o e 5 trading da io to each act al e cha e da . When im lementing the e cha e, the ecific e cha e ice hall be dete mined ithin ch ange in acco dance ith the act al it ation of the ma ket and the Com an .

6. [illegible]

The o ce of f nd fo the o o ed e cha e of Sha e i financed b n inte nal f nd of the Com an .

7. [illegible]

[illegible]	A[illegible]
The e cha ed Sha e ma be cancelled to ed ce the egi te ed ca ital o held a t ea ha e ba ed on the ci c m tance at the time of e cha ing the Sha e (ch a ma ket condition and it ca ital management need)	Not e ceeding RMB30 million (incl i e), e cl ding ele ant ta e and handling fee of the e cha e t an action .

The act al amo nt of f nd ed in the e cha e of H Sha e ill be dete mined b the Boa d of the Com an a a tho i ed b the AGM and the a tho i ed e on of the Boa d d ing the im lementation e iod of the e cha e, taking into acco nt the ice of the H Sha e of the Com an in the econda ma ket, and ithin the ange a mentioned abo e.

8. [illegible]

It i o o ed that the a tho i ation granted to the Boa d b the AGM incl de b t not limited to:

(1) fo m lating and im lementing ecific e cha e o o al, incl ding b t not limited to dete mine the timing( ) of e cha e, e iod( ) of e cha e, e cha e ice( ) and antit of e cha e, etc.;

(2) notif ing c edito and making anno ncement in acco dance ith the e i ement of the Com an La of the Peo le' Re blic of China, othe la and eg lation and the A ticle of A ociation;

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

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

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

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

(7) agreeing that the Board authorise the Chairman of the Company and his authorised person to handle the above specific matters within the scope of the above authorisation.

9. [illegible]

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

10. [illegible]

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

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

THE AGM AND PROXY ARRANGEMENT

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

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

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

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

[illegible]. RECOMMENDATION

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

By order of the Board
[illegible]
[illegible]
Chairman

Zhejiang, the PRC
June 10, 2026

温州康寧醫院股份有限公司
Wenzhou Kangning Hospital Co., Ltd.
(A joint stock limited liability company incorporated in the People's Republic of China)
Stock code: 2120

NOTICE OF THE ANNUAL GENERAL MEETING FOR THE YEAR 2025 AND THE CLOSURE OF THE REGISTER OF MEMBERS

NOTICE IS HEREBY GIVEN that the AGM for the year 2025 (the "**AGM**") of Wenzhou Kangning Hospital Co., Ltd. (the "**Company**") will be held as on-site meeting at Conference Room, 12/F, Building 1, Shengjin Road, Huanglong Residential District, Wenzhou, Zhejiang Province, the People's Republic of China (the "**PRC**") at 9:00 a.m. on Tuesday, June 30, 2026 for the purposes of considering and, if thought fit, passing the following resolutions. In this notice, unless the context otherwise requires, terms used herein shall have the same meaning as defined in the Company's circular dated June 10, 2026 (the "**Circular**").

RESOLUTIONS TO BE CONSIDERED AND APPROVED AT THE AGM

By way of ordinary resolutions:

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

(2) To consider and approve the final financial report of the Company for the year 2025;

(3) To consider and approve the financial budget plan of the Company for the year 2026;

(4) To consider and approve the profit distribution plan of the Company for the year 2025;

(5) To consider and approve the interim profit forecast for the year 2026;

(6) To consider and approve the proposed appointment of the auditor for the year 2026;

(9) To con ide and a o e the e o t of the inde endent non-e ec ti e Di ecto of the Com an on thei e fo mance fo the ea 2025;

(10) To con ide and a o e the o o ed election of M . GUAN Weili a an E ec ti e Di ecto of the fifth e ion of the Boa d;

(11) To con ide and a o e the o o ed election of M . WANG Lian e a an E ec ti e Di ecto of the fifth e ion of the Boa d;

(12) To con ide and a o e the o o ed election of M . WANG Jian a an E ec ti e Di ecto of the fifth e ion of the Boa d;

(13) To con ide and a o e the o o ed election of M . QIN Hao a a Non-e ec ti e Di ecto of the fifth e ion of the Boa d;

(14) To con ide and a o e the o o ed election of M . LI Changhao a a Non-e ec ti e Di ecto of the fifth e ion of the Boa d;

(15) To con ide and a o e the o o ed election of M . ZHONG Wentang a an Inde endent Non-e ec ti e Di ecto of the fifth e ion of the Boa d;

(16) To con ide and a o e the o o ed election of M . JIN Ling a an Inde endent Non-e ec ti e Di ecto of the fifth e ion of the Boa d;

(17) To con ide and a o e the o o ed election of M . SZETO Wing F a an Inde endent Non-e ec ti e Di ecto of the fifth e ion of the Boa d;

(18) To con ide and a o e the o o ed election of M . XU Yongji a a Sha eholde e e entati e S e i o of the fifth e ion of the S e i o Committee;

(19) To con ide and a o e the o o ed election of M . RUAN Tingting a a Sha eholde e e entati e S e i o of the fifth e ion of the S e i o Committee;

(20) To con ide and a o e the o o ed election of M . QIAN Chengliang a an inde endent S e i o of the fifth e ion of the S e i o Committee; and

B :

(21) To con ide and a o e the o o ed g ant of a gene al mandate to the Boa d to a tiall e cha e H Sha e .

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

By order of the Board
[illegible] H[illegible] C[illegible]
G[illegible] A[illegible]
Chairman

Zhejiang, the PRC
June 10, 2026

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

Notes:

ATTENDEES OF THE AGM

1. E[illegible] AGM

(a) Closure of Register of Members. For the purpose of ascertaining Shareholders who are entitled to attend and vote at the AGM, the register of members of the Company is closed from Thursday, June 25, 2026 to Tuesday, June 30, 2026 (both days inclusive).

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

(c) H Shareholders who wish to attend the AGM shall lodge their share certificates accompanied by the transfer documents with Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on Wednesday, June 24, 2026 for registration.

(d) A Shareholder or his/her/its proxy shall produce proof of identity when attending the meeting. If a Shareholder is a legal person, its legal representative or other person authorized by the board of directors or other governing bodies of such Shareholder may attend the AGM by producing a copy of the resolution of the board of directors or other governing bodies of such Shareholder appointing such person to attend the meeting.

2. [illegible]

(a) A Shareholder eligible to attend and vote at the AGM is entitled to appoint, in written form, one or more proxies to attend and vote on his/her/its behalf. A proxy need not be a Shareholder of the

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

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

3. C[illegible] H [illegible] F[illegible] D[illegible]

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

4. [illegible]

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

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

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

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

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

Candidates for Executive Directors

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

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

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

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

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

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

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

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

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

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

Candidates for Non-executive Directors

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

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

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

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

Candidates for Independent Non-executive Directors

Mr. ZHONG Wentang (鐘文堂), aged 36, is an independent non-executive Director of the Company and joined the Group in June 2020. Since February 2019, Mr. ZHONG has served as a partner at Shanghai Infaith Consulting Co., Ltd. (上海信公企業管理諮詢有限公司), a company engaged in providing consultation services for listed companies, where he is mainly responsible for business in sustainable development and in charge of marketing and sales. From February 2016 to February 2019, he served as a senior consultation manager and consultation business director successively in Shanghai Infaith Consulting Co., Ltd., mainly responsible for business in compliance consultation. From October 2012 to February 2016, she served as an auditor and senior auditor successively in PricewaterhouseCoopers Zhong Tian CPA Limited Company, mainly responsible for finance and audit for internal control.

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

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

Mr. SZETO graduated from Hong Kong Shue Yan College with a diploma in economics in July 1984. He graduated from University of Southern Mississippi with a doctor of philosophy in education administration in May 1995. Mr. SZETO was certified as a fellow certified public accountant of CPA Australia (FCPA (Aust.)). Mr. SZETO was awarded the Linchpin of Asia Award 2023 (Entrepreneurs Category) by Enterprise Asia in 2023.

The above candidates for independent non-executive Directors have confirmed that they have all the elements of independence set out in Rule 3.13 of the Listing Rules. Specifically, each of the candidates for independent non-executive Directors has confirmed that he/she:

(i) meets the independence criteria relating to each of the factors set out in Rule 3.13(1) to (8) of the Listing Rules;

(ii) does not have any past or present financial or other interest in the business of the Company or any of its subsidiaries, nor does he/she have any connection with any core connected person (as defined under the Listing Rules) of the Company; and

(iii) is not aware of any other factors that may affect his/her independence at the time of nomination.

The Company considers the above candidates for independent non-executive Directors to be independent in accordance with the guidelines on independence as set out in the Listing Rules. The nomination committee of the Board has assessed and reviewed the independence of each of the candidates for independent non-executive Directors and believes that they have satisfied the requirements for independence.

The nomination of the above candidates for independent non-executive Directors was proposed by the Board, preliminarily reviewed by the nomination committee of the Board, considered by the Board, and will be submitted to the AGM for consideration, in accordance with the provisions of the Articles. The above candidates for independent non-executive Directors possess professional knowledge in financial management, auditing, internal control and risk management, and laws as well as other requisite work experience to perform the duties of an independent non-executive Director. They possess fundamental knowledge of the operation of listed companies and are acquainted with relevant laws, administrative regulations, rules, and other regulatory documents. The nomination committee of the Board is of the view that the above candidates for independent non-executive Directors will properly discharge their duties and responsibilities as independent non-executive Directors and will, through their extensive experience and knowledge, offer objective, independent and sufficient opinions and analysis in respect of compliance, market operation, internal control and auditing and corporate governance, facilitate the scientific and objective decision-making of the Board in terms of corporate governance structure and the protection of the rights and interests of public Shareholders, provide opinions and suggestions on scientific decision-making and risk prevention, and promote the continuous improvement in corporate governance of the Company while promoting diversity of the Board structure, including gender, culture, professional skills and qualifications, etc. None of the above candidates for independent non-executive Directors holds directorships in six or more listed companies, and therefore each of them is able to devote sufficient time and attention to the Company.

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

Candidate for Director	Name of company in the Group	Position held in the members of the Group	Term of office
GUAN Weili	Cangnan Kangning Hospital Co., Ltd.	Executive director	From June 2012 to present
	Yongjia Kangning Hospital Co., Ltd.	Executive director	From December 2012 to September 2025
	Yongjia Kangning Hospital Co., Ltd.	Director	From September 2025 to present
	Yueqing Kangning Hospital Co., Ltd.	Executive director	From September 2013 to present
	Wenzhou Yining Geriatric Hospital Co., Ltd.	Director	From November 2015 to present
	Pingyang Kangning Hospital Co., Ltd.	Executive director	From November 2015 to present
	Wenzhou Lucheng Yining Hospital Co., Ltd.	Chairman, General manager	From April 2020 to present
	Wenzhou Yining Nursing Home Co., Ltd.	Director	From August 2024 to present
	Qingtian Kangning Property Management Co., Ltd.	Director	From November 2024 to present
	Qingtian Kangning Hospital Co., Ltd.	Director	From December 2024 to present
WANG Lianyue	Yiwu Kangning Hospital Management Co., Ltd.	Executive director, Manager	From January 2017 to present
	Qingtian Kangning Hospital Co., Ltd.	Manager	From December 2018 to present

C D	G	H G	T
	Hang ho Yining N r e Ser ice Co., Ltd.	E ec ti e director, General manager	From December 2020 to re ent
	Zhejiang Yining Health Technolog Co., Ltd.	E ec ti e director	From Se tember 2022 to re ent
	Zhejiang Dening Pharmace tical Co., Ltd.	Chairman	From Se tember 2022 to re ent
	Ch n'an Kangning H angfeng Ho ital Co., Ltd.	Director	From No ember 2022 to re ent
	Changch n Kanglin P chological Ho ital Co., Ltd.	Chairman	From Ma 2023 to re ent
	Wen ho Gao in Fang ho Ho ital Co., Ltd.	Chairman, Manager	From No ember 2025 to re ent
	Beijing Yining Ho ital Co., Ltd.	E ec ti e director	From J ne 2024 to re ent
	Qingtian Kangning Pro ect Management Co., Ltd.	Manager	From No ember 2024 to re ent
WANG Jian	Q ho Yining Ho ital Co., Ltd.	Director	From No ember 2015 to re ent
	Wenling Nanfang P chiatric S ecialt Ho ital Co., Ltd.	Chairman, Manager	From Jan ar 2019 to re ent
	H ainan Kangning Ho ital Co., Ltd.	Director	From J ne 2019 to re ent
	He e Yining P chiatric Ho ital Co., Ltd.	Director	From J l 2019 to re ent
	Yining Internet Ho ital (Wen ho) Co., Ltd.	E ec ti e director, General manager	From March 2020 to Febr ar 2025
	Zhejiang Yining Health Technolog Co., Ltd.	Manager	From March 2020 to re ent
	Wen ho L cheng Yining Ho ital Co., Ltd.	Director	From A ril 2020 to re ent
	Jin n Sh ning Ho ital Co., Ltd.	Chairman	From October 2022 to re ent

[illegible]	[illegible]	[illegible]	[illegible]
	Longwan Kangning Hospital Co., Ltd.	Executive director, General manager	From February 2023 to present
	Beijing Yining Hospital Co., Ltd.	Director, Manager	From February 2023 to present
	Changchun Kanglin Psychological Hospital Co., Ltd.	Director	From May 2023 to present
	Chengdu Jinniu Yining Psychiatric Hospital Co., Ltd.	Chairman	From December 2023 to present
	Zhejiang Yining Geriatric Health Service Co., Ltd.	Director, Manager	From April 2024 to present
	Hangzhou Yining Hospital Co., Ltd.	Director	From May 2025 to present
	Zhejiang Youning Pharmaceutical Co., Ltd.	Director, Manager	From June 2025 to present
	Wenzhou Deci Care Service Co., Ltd.	Director	From September 2025 to present
	Zhejiang Jerinte Health Technology Co., Ltd.	Chairman	From September 2025 to present
	Wenzhou Gaoxin Fangzhou Hospital Co., Ltd.	Director	From November 2025 to present

C[illegible]

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

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

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

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

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

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  A C (錢成良), aged 75, i the inde endent S er i or of the Com an . He i rimar il re on ible for monitoring o r com liance ith la and reg lation . Mr. QIAN joined the Com an in J ne 2017 and ha er ed a o r inde endent S er i or ince then. Prior to joining the Com an , from Ma 2007 to Ma 2012, he er ed a a de t director at the Standing Committee of Wen ho M nici al Peo le' Congre (溫州市人大常委會). From Febr ar 2003 to A ril 2007, he er ed a a ice ma or of Wen ho . From October 1996 to Jan ar 2003, he er ed a the head of the organi ation di i ion of Standing Committee of the m nici al committee of the Comm ni t Part in Li h i (麗水市委常委). From No ember 1995 to Se tember 1996, he er ed a an e ec ti e de t head of the organi ation di i ion of the m nici al committee of the Comm ni t Part in Wen ho .

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

CLASS AND NUMBER OF SHARES PROPOSED TO BE REPURCHASED

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

REASONS FOR PROPOSED REPURCHASE

In order to further promote the healthy, stable and long-term development of the Company and to effectively safeguard the interests of investors, the Board, having considered the current operating conditions, financial position and future development prospects, proposes to seek shareholders' approval at the AGM for a share repurchase mandate.

FUNDS FOR PROPOSED REPURCHASE

In repurchasing H Shares of the Company, the Company plans to use its own internal funds to finance such purpose legally in accordance with the Articles of Association and the applicable PRC laws, statutes and regulations.

Considering the current working capital conditions of the Company, the Directors believe that an exercise of Repurchase Mandate in full will not cause material adverse impact on the working capital and/or gearing position of the Company (as compared to the financial position as at December 31, 2025 as disclosed in the Company's published audited financial statements in the annual report for the year ended December 31, 2025). However, if the Board believes that the exercise of Repurchase Mandate will have material adverse impact on the working capital requirements or gearing ratio of the Company, the Board tends not to repurchase Shares by exercising the power conferred under the Repurchase Mandate. The Board will consider the prevailing market conditions at an appropriate time to make decisions on the number of H Shares to be repurchased, the price and other terms to repurchase H Shares, in the best interests of the Company.

THE STATUS OF SHARES REPURCHASED

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

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

DISCLOSURE OF INTERESTS OF DIRECTORS AND THEIR CLOSE ASSOCIATES

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

UNDERTAKING OF THE DIRECTORS

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

EFFECTS OF THE TAKEOVERS CODE

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

A at the Late t Practicable Date, to the be t knowledge and belief of the Director , Mr. GUAN Weili, M . WANG Lian e and M . WANG Hong e (i ter of M . WANG Lian e) are regarded a artie acting in concert, and therefore the are deemed to be jointl intere ted in 27,330,100 Dome tic Share and 458,300 H Share of the Com an . Mr. XU Yi i the o e of M . WANG Hong e, and therefore Mr. XU Yi i deemed to be intere ted in the Share of the Com an held b M . WANG Hong e b irt e of Part XV of the SFO. The aggregate n mber of Share held b the abo e er on re re ent a ro imatel 39.47% of the total n mber of i ed hare of the Com an (e cl ding H Share that ha e been re rcha ed b t not et cancelled and e cl ding Trea r Share , if an). Following the e erci e of the hare re rcha e b the Com an , nder R le 26.1 of the Takeo er Code, the Director , Mr. GUAN Weili, M . WANG Lian e, M . WANG Hong e and Mr. XU Yi o ld be obliged to make a general mandator offer to the Shareholder for all the i ed Share and other ec ritie of the Com an not alread owned or agreed to be ac ired b them or artie acting in concert with them. The Board re entl ha no intention to e erci e the New Re rcha e Mandate to ch an e tent of triggering an obligation nder the Takeo er Code.

Sa e a di clo ed abo e, a at the Late t Practicable Date, to the be t knowledge and belief of the Director , the Director are not aware of an con e ence which ma ari e nder the Takeo er Code and an imilarl a licable law a a con e ence of an re rcha e of Share nder the general mandate.

The Hong Kong Li ting R le rohibit a com an from making re rcha e on the Hong Kong Stock E change if the re lt of the re rcha e would re lt in le than 25% (or ch other re cribed minim m ercentage a determined b the Hong Kong Stock E change) of the i ed hare ca ital being held b the blic. A at the Late t Practicable Date, the Com an ' blic float wa a ro imatel 24.11%, which i below the minim m re irement of 25% of the total i ed hare of the Com an to be held b the blic a re cribed nder R le 8.08 and 19A.28B of the Li ting R le . The Com an will not e erci e the New Re rcha e Mandate ntil the minim m blic float nder the Li ting R le ha been re tored. After the minim m blic float a re ired nder the Li ting R le ha been re tored, the Director do not ro o e to re rcha e Share which would re lt in le than the re cribed minim m ercentage of Share in blic hand of the Com an .

EC TE R CHA ED B THE C A

D ring the i month immediatel before the Late t Practicable Date, the H Share re rcha ed b the Com an on the Hong Kong Stock E change are a follow :

D			
		(HK$)	*(HK$)*
December 15, 2025	24,900	11.2	11.2

CORE CONNECTED PERSONS

No core connected person (as defined in the Hong Kong Listing Rules) has notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to do so in the event that share repurchase is approved by the Shareholders.

PRICES OF H SHARES

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

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