# 佰泽医疗集团
BAYZED HEALTH GROUP

# 佰澤醫療集團
## Bayzed Health Group Inc

(Incorporated under the laws of the Cayman Islands with limited liability)

Stock Code: 02609




# 2025
# Interim Report

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# CORPORATE INFORMATION

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| **Registered Office in the Cayman Islands** | Osiris International Cayman Limited<br>Suite #4-210, Governors Square<br>23 Lime Tree Bay Avenue<br>PO Box 32311<br>Grand Cayman KY1-1209<br>Cayman Islands |
| **Corporate headquarter** | Room 1505<br>Yinzuo Harmony Plaza Office Building<br>No. 68 Wanfeng Road<br>Fengtai District<br>Beijing<br>China |
| **Principal Place of Business in Hong Kong** | Room 1919, 19/F<br>Lee Garden One<br>33 Hysan Avenue<br>Causeway Bay<br>Hong Kong |
| **Company's Website** | www.bayzedhealthcare.com |

## BOARD OF DIRECTORS

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|---|---|
| **Executive Directors** | Mr. Zhao Yongkai *(Chairman of the Board)*<br>Ms. Xu Xu<br>Dr. Chen Haoyang<br>Mr. Lu Jizhong<br>Mr. Feng Yu |
| **Independent non-executive Directors** | Mr. Chan Hok Leung<br>Ms. Liu Shuang<br>Dr. Guo Wei |
| **Joint Company Secretaries** | Mr. Fan Kunkun<br>Ms. Chan Sze Ting |
| **Authorized Representatives** | Mr. Zhao Yongkai<br>Ms. Chan Sze Ting |
| **Audit Committee** | Mr. Chan Hok Leung *(Chairperson)*<br>Dr. Guo Wei<br>Ms. Liu Shuang |

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| **Remuneration Committee** | Ms. Liu Shuang *(Chairperson)*<br>Mr. Zhao Yongkai<br>Mr. Chan Hok Leung |
| **Nomination Committee** | Mr. Zhao Yongkai *(Chairperson)*<br>Mr. Chan Hok Leung<br>Ms. Liu Shuang |
| **Hong Kong Legal Adviser** | Han Kun Law Offices LLP<br>Rooms 4301–10, 43/F<br>Gloucester Tower, The Landmark<br>15 Queen's Road Central<br>Hong Kong |
| **Auditor** | KPMG<br>*Certified Public Accountants*<br>8th Floor, Prince's Building<br>10 Chater Road<br>Central<br>Hong Kong |
| **Compliance Adviser** | Caitong International Capital Co., Limited<br>Unit 2401–05<br>24/F, Grand Millennium Plaza<br>181 Queen's Road Central<br>Hong Kong |
| **Principal Share Registrar and Transfer Office** | Maples Fund Services (Cayman) Limited<br>PO Box 1093<br>Boundary Hall C<br>Cricket Square<br>Grand Cayman KY1-1102<br>Cayman Islands |
| **Hong Kong Share Registrar** | Tricor Investor Services Limited<br>17/F, Far East Finance Centre<br>16 Harcourt Road<br>Hong Kong |
| **Principal Bankers** | Bank of China<br>China Merchants Bank |
| **Stock Code** | 02609 |

# FINANCIAL HIGHLIGHTS

- Revenue for the six months ended June 30, 2025 amounted to approximately RMB574.7 million, representing an increase of approximately 0.7% as compared with the same period in 2024.

- Gross profit for the six months ended June 30, 2025 amounted to approximately RMB106.3 million, representing an increase of approximately 8.3% as compared with the same period in 2024.

- Loss for the six months ended June 30, 2025 amounted to approximately RMB20.3 million, representing an increase of approximately 176.0% as compared with the same period in 2024.

- Adjusted profit for the six months ended June 30, 2025 amounted to approximately RMB9.4 million, representing an increase of approximately 72.8% as compared with the same period in 2024.

*Note:*

(1) Adjusted profit (non-IFRS measure) represents profit for the Reporting Period adjusted by excluding listing expenses. The listing expenses are expenses relating to the Listing and is a non-recurring item. The Group believes that the non-IFRS measure provides investors and management with greater visibility as to the underlying performance of the business operations and facilitates comparison of operating performance of other companies in the industry and of the Group during different periods.

Adhering to the mission of "respecting life and promoting the widespread availability of high-quality medical resources for the benefit of the public", the Group provides patients with high-quality medical services as a leading full-cycle oncology healthcare group in the PRC, and screening, diagnosis, treatment and rehabilitation are core services the Group provided in its full-cycle oncology healthcare services system, including but not limited to oncology diagnosis for patients, various kinds of oncology treatment, oncology rehabilitation and hospice care, as well as screening and early detection of cancer, vaccination and health management services to other potential healthy people including family members of oncology patients. The Group is dedicated to providing full-cycle oncology healthcare services to individuals (i) who have been diagnosed with cancer; (ii) who present with average or high risks of cancer, such as those with cancer incidents in their family history; and (iii) who have received oncology treatment including radical oncology treatment.

As of June 30, 2025, the Group operated and managed a network of eight hospitals in Beijing, Tianjin, Shanxi Province, Anhui Province and Henan Province with focus on provision of full-cycle oncology healthcare services, through its direct ownership in the equity interest in six private for-profit hospitals and management over two private non-profit hospitals. With the continuous efforts, the market position of the in-network hospitals of the Group has been significantly enhanced.

For the six months ended June 30, 2025, revenue amounted to approximately RMB574.7 million, representing an increase of approximately 0.7% as compared to the same period in 2024. The Group's gross profit amounted to approximately RMB106.3 million, representing an increase of approximately 8.3% as compared to the same period in 2024. The Group's net loss amounted to approximately RMB20.3 million and its adjusted net profit(1) amounted to approximately RMB9.4 million. The Group's EBITDA(2) amounted to approximately RMB43.6 million, and its adjusted EBITDA(3) amounted to approximately RMB73.3 million.

*Notes:*

(1) Adjusted net profit is calculated based on the loss for the period, excluding listing expenses;

(2) EBITDA is calculated based on the loss for the period, excluding income tax expenses, depreciation of property, plant and equipment, amortization of intangible assets, depreciation of right-of-use assets, and net finance costs;

(3) Adjusted EBITDA is calculated based on EBITDA, excluding listing expenses.

## CORE OPERATING INDICATORS

### Self-owned Hospitals

- Revenue from the hospital business amounted to approximately RMB449 million, of which approximately RMB209 million was related to oncology, accounting for approximately 46.4%;

- Total outpatient and emergency visits of 360,000, unchanged from the same period last year;

- 6,795 surgeries performed, of which 2,895 were level III and IV surgeries, representing a period-on-period increase of approximately 16.4%, while level III and IV surgeries accounted for approximately 42.6%, representing a period-on-period increase of approximately 6.1%.

### Managed Hospitals

- Revenue from managed hospitals amounted to approximately RMB193 million;
- 2,845 surgeries performed at managed hospitals, of which 1,946 were level III and IV surgeries, representing a period-on-period increase of approximately 1.7%, while level III and IV surgeries accounted for approximately 68.4%, representing a period-on-period increase of approximately 3.2%.

## INDUSTRY RECOGNITION

As the China Hospital Rehabilitation Medical Consortium Standing Director Unit* (中國醫院康復醫學聯合體常務理事單位), Taiyuan Peace Hospital, under the Group, collaborated with Peking University Third Hospital to organize 29 experts from renowned Class-IIIA hospitals in the fields of oncology, nutrition, psychology, and rehabilitation (including seven experts from the Group) to draft and finalize the Expert Consensus on Cancer Rehabilitation (2025) (《腫瘤康複專家共識(2025)》) by using the Delphi method. This expert consensus was certified by the International Practice Guidelines Registry Platform on March 20, 2025, received an acceptance notice from the Chinese Journal of Clinicians (《中華臨床醫師雜誌》) on May 26, 2025, and was published in there on June 23, 2025. Based on the latest global research and clinical experience, such Consensus clearly defines the target population and objectives of oncology rehabilitation, and proposes systematic assessment standards for oncology rehabilitation as well as scientifically feasible strategies for rehabilitation, namely "five prescriptions (五大處方)". The Consensus emphasizes that oncology rehabilitation should encompass pre-rehabilitation before treatment, rehabilitation interventions during treatment, and long-term recovery periods, with multi-disciplinary teams (MDTs) playing a central role in oncology rehabilitation. The Chinese Journal of Clinicians is supervised by the National Health Commission of China and published by the Chinese Medical Association. It is one of the series of journals published by the Chinese Medical Association and has been included in the Core Journal of Chinese Science and Technology and the Core Journal of Peking University, becoming one of the most influential medical science journals in China. The continued implementation of the "five prescriptions (五大處方)" strategy for oncology rehabilitation, which encompasses exercise, nutrition, medication, psychology, and pain management, is an important component of the Group's full-cycle oncology healthcare services. The Group plans to successively complete the establishment of "Bayway Cancer Rehabilitation Center" at all its hospitals by the first half of 2025. The Expert Consensus on Cancer Rehabilitation (2025) which was drafted by the Group in collaboration with experts from various hospitals has been published in the journal of Chinese Medical Association, demonstrating that the Group's oncology rehabilitation business has gained widespread recognition within the industry, and highlighting the Group's core competitive advantage over other medical institutions.

## DISCIPLINE DEVELOPMENT

While focusing on the discipline development of oncology, the Group continuously promotes the coordinated development of oncology-related disciplines to build a discipline ecosystem covering the entire chain from prevention, screening, diagnosis, treatment, to rehabilitation. Each hospital continuously optimizes its disciplinary development based on its regional needs and own strengths, whereby forming a disciplinary development matrix characterized by "core disciplines guidance, multi-disciplinary collaboration, and balanced regional coverage", which lays a solid foundation for the high-quality development of oncology medical services.

Western Beijing Cancer Hospital has completed the construction of its DSA suite in April 2025 and introduced a team specializing in oncology nutrition; Tianjin Shishi Hospital has expanded the scope of its discipline services, adding a clinical psychology department in March 2025 to enhance its integrated treatment system for both the physical and mental well-being of oncology patients; Hefei Bayway Hospital has put into use hyperbaric oxygen chambers with 40 beds, becoming the largest oxygen therapy center within the region, and the interventional catheterization laboratory has been put into clinical use; Taiyuan Peace Hospital and Hefei Bayway Hospital have established AI rehabilitation centers by early 2025, which are integrated with smart medical technology to enhance the precision of rehabilitation diagnosis and treatment; Taiyuan Peace Hospital has obtained approval for five types of provincially-restricted medical technologies, compiled the Peace Critical Care Rehabilitation Standard Manual, and performed functional neurosurgical radiofrequency ablation procedures. This included utilizing deep brain nuclei radiofrequency ablation for the treatment of mental health disorders, with positive outcomes observed. Though accelerating technological upgrades, Wuzhi Jimin Hospital has successfully registered a national restricted-class technology (tumor ablation technology) and multiple provincial restricted-class technologies in 2025, and obtained the qualification for designated outpatient tumor radiotherapy; leveraging on digitalization to empower disciplinary development, Huangshan Shoukang Hospital has passed the National Electronic Medical Record Level 4 Review, providing support for the standardization and intelligentization of oncology diagnosis and treatment.

## TALENT TEAM DEVELOPMENT

The Group continues to enhance the development of its medical staff team, promotes a standardized training system and the “Double Eagle” talent cultivation program, and continuously introduces high-quality disciplinary talent. As of June 30, 2025, the Group and two managed hospitals had a total of 2,767 medical professionals, which included 413 associate-chief physicians and chief physicians, accounting for 40% of the total number of physicians. Within the medical staff team, one physician was promoted to senior professional rank, 11 physicians were promoted to associate-senior professional rank, and 42 physicians were promoted to mid-end professional rank.

In 2025, multiple hospitals focused on the core objective of strengthening talent development. They achieved notable results in cultivating leading academic figures and building professional backbone teams, leading to significantly enhanced industry recognition. These accomplishments were demonstrated by the appointments of hospital management personnel and department heads to key roles within provincial, municipal, and county-level professional committees. This development injects talent-driven momentum into enhancing regional medical quality. Zhang Hongshui (張紅水), as the vice president of business of Taiyuan Peace Hospital, has been appointed as the vice chairman of the Cognitive Impairment Rehabilitation Professional Committee of the Shanxi Association of Rehabilitation Medicine, with multiple members of his team being selected as standing members and members; Zhang Xiaoping (張曉萍), an associate consultant surgeon, was appointed as a standing council member of the Colorectal Branch of the Shanxi Association of Chinese Medicine; Gu Feng (顧峰), as the executive vice president of Wuzhi Jimin Hospital, has been appointed as the vice chairman of the Hospital Quality Control Management Committee of Jiaozuo Medical Association; its director of rehabilitation department has been appointed as the chairman of the Expert Committee of Wuzhi Rehabilitation Medicine Quality Control Center; Mu Zhijie (慕志傑), as the director of its gastroenterology department, has been appointed as the chairman of the Expert Committee of Wuzhi Clinical Nutrition Quality Control Center; and Liu Xingli (劉興莉), as the director of its pathology department, has been appointed as the chairman of the Expert Committee of Wuzhi Pathology Quality Control Center. The Neurosurgery Department has appointed Wang Benhan (王本瀚), as the chairman of the Neurosurgery Committee of the Former Jinan Military Region.

## SERVICE OPTIMIZATION AND QUALITY IMPROVEMENT

By steadfastly upholding the value concept of "oncology patient-oriented", and establishing a whole-process service optimization system for oncology, strengthening technological capabilities, and implementing refined quality control measures, the Group has driven systematic improvements in service capacity and patient experience across all hospitals. This initiative, known as the "Patient Experience Enhancement Project", establishes a closed-loop mechanism involving "patient feedback, process iteration, and outcome tracking", ensuring continuous optimization of service details. Patients are invited to actively participate in evaluations of core processes such as outpatient visits and inpatient services, driving the service ecosystem's continuous upgrades toward "more optimized processes, higher efficiency, and better experience".

### Upgraded full-process experience, accurately addressing pain points in medical care

Western Beijing Cancer Hospital has launched the "Jingtong-WeChat Pay" mobile settlement function for medical insurance, which optimizes the outpatient medication pickup process and achieves full coverage of online prescription review, and also has added three outpatient blood draw windows, and rolled out a smart queuing system. It has also completed the informatization of clinic triage, upgraded the laboratory information system (LIS) of clinical laboratory, and deployed smart scanning devices for medication traceability codes. As a result, the average waiting time for patients has been reduced by 30%, significantly improving waiting order.

Taiyuan Peace Hospital has completed a systematic renovation of its outpatient area, such as implementing a three-level guidance system, adopting 3D lighting technology to eliminate blind spots, and widening the east gate to separate pedestrian and vehicle traffic. This hospital has also introduced a "Cloud Imaging" service. Patients can scan a QR code to access their electronic medical images instantly and utilise facial recognition for medical insurance payment, thus significantly reducing patient wait times.

Wuzhi Jimin Hospital has launched home-based nursing care and convenient at-home medical consultation services, precisely addressing the difficulties individuals face in accessing healthcare. It has also established specialist nursing clinics, including a chronic wound management clinic and a catheter and stoma care clinic, which have transformed the patient experience. Moreover, this hospital has launched a cloud imaging system, which allows patients to instantly access their test reports via a dedicated QR code, reducing the report waiting time from two hours to less than one hour.

Tianjin Shishi Hospital has completed the standardization and aging-friendly renovation of 12 patient rooms through adding anti-slip handrails, emergency call systems and other facilities, significantly enhancing safety measures for patients.

Hefei Bayway Hospital has launched ward settlement functionality, making it more convenient for inpatients to pay and settle bills, and reducing waiting times for discharged patients. The hospital also provides bedside haircut services and has set up a living kitchen to enhance the patient service experience.

Tianjin Jixing Hospital offers home-based nursing services for residents, establishing a professional, warm, and community-oriented health service portal.

Huangshan Shoukang Hospital has fully implemented bedside settlement services, reducing the time required to complete discharge procedures to five minutes.

### Building a comprehensive quality control system to strengthen medical safety

A quality control framework that combines group coordination with hospital-level implementation has been in place, and the Group has strengthened risk prevention and control through improved systems and technical measures.

- **Group-level supervision strengthening:** In January 2025, a medical dispute reporting platform was officially launched, which established a 24-hour response mechanism for major adverse events at group-level, enabling end-to-end traceability and rapid resolution; monthly spot checks on medical record quality had been conducted, covering core departments such as oncology and rehabilitation across all hospitals; concurrently, training on standardized medical record documentation had been organized, with over 500 medical staff members participating cumulatively, significantly enhancing the compliance rate of medical record documentation.

- **Hospital-level quality system optimization:**

  - Tianjin Shishi Hospital has restructured its medical quality control committee system, revised 12 core systems including the Administrative Measures for the Clinical Application of Medical Technologies (《醫療技術臨床應用管理辦法》), and established quality control standards covering the entire diagnosis and treatment process;

  - Hefei Bayway Hospital has completed the update of clinical pathway for medical insurance and set up a medical record quality control team composed of medical, nursing, medical insurance, and clinical experts to strengthen medical record quality control work;

  - Huangshan Shoukang Hospital has passed the National Electronic Medical Record Level 4 Review, realizing various functions, such as structured storage of diagnostic and treatment data and intelligent monitoring of medical quality, with standardized construction reaching industry-leading standards;

  - Wuzhi Jimin Hospital has implemented 33 clinical pathways adapted for the medical insurance scheme and standardized the management of five key day surgery conditions. This hospital conducts cross-departmental analysis of complex cases. Through comprehensive quality control of the front page of medical records and settlement lists, combined with the implementation of an automated auditing system, self-identified high-risk practices related to medical insurance claims decreased by 50% on a period-on-period basis;

  - Taiyuan Peace Hospital has established a three-tiered comprehensive quality control system in accordance with the Class III Grade A accreditation standards, and has established and refined relevant systems, responsibilities, and processes, leading to a significant enhancement in the hospital's quality control capabilities. This hospital has completed the construction of its Level 4 (the highest tier) electronic medical record system, elevating its informatization level to new heights.

Through the above measures, the Group has achieved improvements in service standardization and patient satisfaction while laying a firm foundation for the continued development of a high-quality healthcare service ecosystem.

## BUILDING DIGITAL MANAGEMENT CAPABILITIES THROUGH A DATA MIDDLE PLATFORM TO DRIVE OPERATIONAL EFFICIENCY UPGRADES

The Group continues to build a data middle platform as the core engine of its digital transformation. By integrating core data assets from its medical service chain, the Group has built an intelligent management system covering the entire cycle from early screening to diagnosis, treatment, rehabilitation, and follow-up visits. The Group's data middleware platform connects all hospitals via China Telecom's SD-WAN dedicated network, breaking down data barrier between HIS, EMR, and other medical systems of all hospitals. This enables the seamless integration of patient diagnostic data, operational management data, and supply chain data, forming a standardized data asset library.

Leveraging on its self-built reporting system, the Group conducts operational monitoring and management to dynamically track the operational status of all hospitals during the application of such platform; a dynamic operational cost monitoring model is established to track real-time data on human resource costs, equipment depreciation, and drug consumption across hospitals and departments, automatically identifying abnormal cost fluctuations and conducting root-cause analysis; through establishing a quality management and control system, core indicators, such as medical safety and oncology diagnosis and treatment quality, are monitored to enhance diagnosis and treatment quality; with the patient management system and Enterprise WeChat, precise outreach to patients and early screening clients have been achieved.

## SOCIAL RESPONSIBILITY AND BRAND BUILDING

The Group consistently integrates social responsibility into its development strategy, by delivering compassionate healthcare through philanthropic initiatives, promoting synergistic industry advancement via collaboration, and enhancing brand value through professional expertise, thereby continuously demonstrating the complementary role of privately-run healthcare providers in improving the medical service system and meeting public health needs, which has resulted in the synchronous elevation of both its brand influence and societal recognition.

### Deepening public welfare services and practicing care for people's livelihood

The Group promoted the "National Cancer Prevention and Treatment Publicity Week" campaign on the whole. Each hospital organized diverse charitable activities according to its regional needs to precisely address the specific health complaints of the community.

Wuzhi Jimin Hospital collaborated with the local charity association to implement an assistance program for oncology patients, providing assistance to totaling 50 financially disadvantaged patients in the first half of 2025, with over RMB50,000 in medical expenses waived; it initiated a specialized public welfare project named "Kindness for Hernia", offering free hernia surgery to 36 patients from low-income families; and it jointly established a dedicated service channel with the county-level Veterans Affairs Bureau, providing veterans with priority medical treatment, health management, and other customized services.

As actively responding to the government's call, Western Beijing Cancer Hospital conducted diverse and multi-level science popularization and services to enhance public awareness and emphasis on cancer prevention and treatment. It organized free medical consultations and visited 9 communities over a period of one and a half months to provide in-depth services, bringing professional cancer prevention and treatment services to residents' doorsteps and establishing a robust barrier against cancer for surrounding residents.

A science popularization video titled "Tutorial on Homemade Pureed Diet" made by the nutrition department of Taiyuan Peace Hospital has won second prize in the Health Science Popularization Competition of Taiyuan City, contributing to the popularization of knowledge about home rehabilitation for oncology patients.

### Securing authoritative recognition and demonstrating brand strength

Leveraging on outstanding performance in specialty development and operational management, each hospital has received numerous industry honors, with their brand influence continuing to expand.

In 2025, Taiyuan Peace Hospital was selected for the "Top 10 of Medical Institutions Established by Social Capitals • Oncology Hospitals" and "Top 500 of Single Hospitals" by Asclepius, received the "May 1st Labor Medal" of Wanbailin District, has added "Taiyuan Peace Oncology Rehabilitation Hospital" (太原和平腫瘤康復醫院) as its second name, and was elected as the Vice-Director Unit of Taiyuan Palliative Care Specialist Alliance, with its comprehensive strength being recognized by multiple parties;

Western Beijing Cancer Hospital has made it into the "Top 15 of Medical Institutions Established by Social Capitals • Oncology Hospitals" and "Top 300 of Single Hospitals" by Asclepius. Its submitted systematic works won the first prize of the Fengtai District Health System Selection, highlighting its specialty characteristics and brand influence.

Huangshan Shoukang Hospital was awarded the "2024 Huangshan High-Tech Zone Service Industry Contribution Award" for the seventh time and was once again selected for the "Top 100 of Medical Institutions Established by Social Capitals • Single Hospitals" by Asclepius, further solidifying its benchmark position in the region.

Bayway Early Screening Center was awarded the 2024 Gene Technology "Home Testing Pioneer Enterprise Award" for its innovative practices in the field of home-based tumor early screening.

Hefei Bayway Hospital was selected as the director unit of Anhui Province Rehabilitation Medicine Development Alliance in June, becoming a regional benchmark for rehabilitation therapy.

Wuzhi Jimin Hospital was awarded the title of "Advanced Collective of Social Medical Institutions in Henan Province (2024)" by the Henan Provincial Association of Social Medical Institutions; Du Hongwei (杜宏偉), president of the hospital, was awarded the title of "Advanced Individual of Social Medical Institutions in Henan Province (2024)".

### Deepening industry collaboration and promoting resource sharing

Through joining regional alliances and cross-industry collaborations, various hospitals promote the optimized allocation of medical resources and the unification of industry standards.

By joining the Tianjin Xiqing Traditional Chinese Medicine Cultural Tourism Convenience Map, Tianjin Shishi Hospital contributed to the integration of traditional Chinese medicine culture dissemination and convenient services. Hefei Bayway Hospital became the director unit of Anhui Province Rehabilitation Medicine Development Alliance and the unit of the Orthopedics Specialty Alliance of Medical Institutions Division Established by Social Capitals of Anhui Hospital Association. Wuzhi Jimin Hospital was elected as the vice president unit of the Henan Association for Medical Institutions Established by Social Capitals, and hosted the Wuzhi County Cancer Quality Control Center Academic Forum and the 7th annual meeting of the Wuzhi County Anti-Cancer Association, promoting regional collaboration in oncology rehabilitation and standardized diagnosis and treatment. Taiyuan Peace Hospital has become a medical alliance unit of Shanxi Provincial Cardiovascular Hospital and Shanxi Bethune Hospital.

Through public welfare initiatives, brand building and industry collaboration, the Group has achieved dual enhancements in social value and brand value, and strengthened positive interactions with government, industry and the public, laying a solid foundation for the continued role of medical institutions run by social forces as a complementary force.

### Expansion and Peripheral Growth

The Group has expanded its service boundaries and enhanced its core competitiveness through the establishment of new institutions, cross-industry cooperation, and technology introduction. In 2025, it has collaborated with 15 institutions with its service radius continuing to expand.

In April 2025, Taiyuan Peace Hospital signed a strategic cooperation agreement with Shanxi Housekeeping Association to jointly establish a medical care worker certification system and home rehabilitation standards, exploring a new combination model of "medical care + living services".

In March 2025, Wuzhi Jimin Hospital collaborated with the county's Social Work Department to expand grassroots coverage through grid-based services.

### The oncology services industry exhibits significant market gaps, presenting substantial commercial opportunities

According to Frost & Sullivan, China's new cancer incidence cases recorded a compound annual growth rate ("**CAGR**") of approximately 2.9% from 2018 to 2022, while cancer-related deaths grew at a CAGR of approximately 3.0% during the same period. In the year ended December 31, 2022, China recorded approximately 4.8 million new cancer cases and approximately 2.9 million cancer-related deaths, accounting for approximately 23.8% and 27.4% of global new cases and deaths, respectively, positioning China as the country with the highest number of new cancer cases and cancer-related deaths worldwide. Furthermore, the market size of China's private oncology medical services (in terms of revenue) increased from approximately RMB29.1 billion in 2018 to approximately RMB53.0 billion in 2022, representing a CAGR of approximately 16.2%, and is projected to expand from approximately RMB53.0 billion in 2022 to approximately RMB109.2 billion in 2026, reflecting a CAGR of approximately 19.8%.

Furthermore, China faces structural imbalances in oncology medical resource allocation, creating a pronounced supply-demand mismatch between high-quality oncology medical resources concentrated in tier 1 and tier 2 cities and the substantial oncology patient population distributed across tier 3 and tier 4 cities; public hospitals, which bear the majority of China's oncology service demand, primarily focus on cancer treatment, resulting in significant resource gaps in cancer screening and oncology rehabilitation, with the phenomenon of "emphasizing treatment over screening" and "emphasizing treatment over rehabilitation" being prevalent. The full-cycle oncology cycle services has been continuously advanced by the Group, which aims precisely to address the uneven distribution of medical resources, with the dual drivers of policy incentives and market gaps providing the Group with extensive development potential.

## FUTURE OUTLOOK

Amidst the demographic shift towards an aging population and the persistent rise in cancer incidence, which will sustain the growth trajectory of oncology medical demand, the Group will continue dedicating its strategic focus to full-cycle oncology care across the entire disease cycle, relentlessly deepening and refining the service chain, scaling up its business operations in early screening, therapeutic interventions and rehabilitation services, thereby addressing the increasingly diverse needs of cancer patients and reinforcing its pioneering position within the full-cycle oncology care continuum.

In order to continue to promote the long-term brand development of its hospitals, the Group will adhere to the service philosophy of "patient-oriented", continuously improve the comprehensive diagnostic and treatment capabilities of its hospitals, further strengthen the standardized and refined management systems of its hospitals, and persistently upgrade the core competitiveness of its hospitals, thus consolidating and enhancing the Group's competitive advantage in the industry.

The Group will steadily advance new hospital mergers and acquisitions and hospital trusteeship businesses that align with its strategic and business development direction, continuously identify and screen high-quality hospital targets, strive to secure more attractive merger and acquisition and trusteeship opportunities, so as to drive the continuous optimization and upgrading of the Group's scale and hospital network.

In addition, the Group will continue to increase investment in oncology-related disciplines across the entire disease spectrum and digital infrastructure while actively developing and expanding high-quality self-pay medical services to meet diverse patient needs and enhance the healthcare experience. The Group will also persistently deepen strategic cooperation with upstream and downstream partners in the oncology services industry to integrate premium medical resources, thereby collectively elevating the industry's overall service capabilities, extending service boundaries, and delivering superior medical services to patients with cancer through participation in this collaborative ecosystem.

## FINANCIAL REVIEW

### Revenue

During the Reporting Period, the Group generated the revenue mainly from (i) operating six private for-profit hospitals the Group owned and providing healthcare services including full-cycle oncology healthcare services; (ii) managing and operating, and receiving management fees from two private not-for-profit hospitals in the in-network hospitals; and (iii) supply of pharmaceuticals, medical equipment and consumables. Given the nature of healthcare service market in the PRC, the Group focuses on full-cycle oncology healthcare services as a core part of the Group's business operations, and the Group expects this trend to continue in the future. For the six months ended June 30, 2025, the Group recorded revenue of RMB574.7 million, representing an increase of approximately 0.7% from RMB570.9 million for the same period in 2024, primarily due to stable business operations.

The table below sets out the breakdown of the revenue for the periods indicted:

| | For the six months ended June 30, | | | |
|---|---|---|---|---|
| | **2025** | | 2024 | |
| | **RMB'000** | **%** | RMB'000 | % |
| **Hospital business** | **449,439** | **78.2** | 455,310 | 79.7 |
| – Inpatient services | **253,497** | **44.1** | 264,354 | 46.3 |
| – Outpatient services | **194,519** | **33.8** | 186,516 | 32.7 |
| – Others[1] | **1,423** | **0.2** | 4,440 | 0.8 |
| **Hospital management business[2]** | **18,254** | **3.2** | 19,144 | 3.4 |
| **Supply of pharmaceuticals, medical equipment and consumables** | **106,717** | **18.6** | 91,605 | 16.0 |
| **Others[3]** | **321** | **0.1** | 4,886 | 0.9 |
| **Total** | **574,731** | **100.0** | 570,945 | 100.0 |

*Notes:*

(1) The revenue derived from others of the hospital business during the Reporting Period primarily refer to nucleic acid testing service and government-procured medical service income.

(2) The revenue derived from the hospital management business during the Reporting Period consisted of the management fee received from Huangshan Shoukang Hospital* (黃山首康醫院) and Taiyuan Wanbailin District Peace Community Health Service Center (太原市萬柏林區和平社區衛生服務中心).

(3) The revenue derived from others of the business during the Reporting Period primarily refer to revenue related to the provision of healthcare-related consultancy services, organizing and arranging experts to attend academic seminars and medical and healthcare related conferences held by the customers and provision of conference affairs, publicity and other related services.

The revenue generated from the hospital business remains relatively stable at RMB449.4 million for the six months ended June 30, 2025, as compared to RMB455.3 million for the six months ended June 30, 2024.

The revenue generated from the hospital management business decreased by approximately 4.7% from RMB19.1 million for the six months ended June 30, 2024 to RMB18.3 million for the same period in 2025, primarily due to disciplinary adjustments at Huangshan Shoukang Hospital.

The revenue generated from the supply of pharmaceuticals, medical equipment and consumables increased by approximately 16.5% from RMB91.6 million for the six months ended June 30, 2024 to RMB106.7 million for the same period in 2025, primarily due to the expansion of market share leading to an increase in the number of new customers as well as increase in the transaction volume with existing customers of the Group.

The revenue generated from the others decreased by approximately 93.4% from RMB4.9 million for the six months ended June 30, 2024 to RMB0.3 million for the same period in 2025, primarily due to the fact that large-scale industry forums and academic conferences were held during the six months ended June 30, 2024, whereas no such events took place in the same period in 2025.

## Cost of Sales

The cost of sales primarily consists of cost of pharmaceuticals, cost of medical consumables, staff cost, depreciation and amortization and others. Cost of sales of the Group remained steady with a decrease by approximately 0.9% from RMB472.7 million for the six months ended June 30, 2024 to RMB468.4 million for the same period in 2025.

### Gross Profit and Gross Profit Margin

The Group recorded a gross profit of RMB106.3 million for the six months ended June 30, 2025, representing an increase from a gross profit of RMB98.2 million for the same period in 2024. Such increase was primarily attributable to adjustment in the hospital discipline development and the proportion of disciplines with higher gross profit relative to those with lower gross profit increased.

| | For the six months ended June 30, | | | |
|---|---|---|---|---|
| | **2025** | | 2024 | |
| | **Gross profit** | **Gross profit margin** | Gross profit | Gross profit margin |
| | **RMB'000** | **%** | RMB'000 | % |
| Hospital business | **75,240** | **16.7** | 66,983 | 14.7 |
| Hospital management business | **13,539** | **74.2** | 14,587 | 76.2 |
| Supply of pharmaceuticals, medical equipment and consumables | **17,397** | **16.3** | 15,136 | 16.5 |
| Others | **170** | **53.1** | 1,534 | 31.4 |
| **Total** | **106,346** | **18.5** | 98,240 | 17.2 |

The gross profit of the hospital business amounted to RMB75.2 million for the six months ended June 30, 2025, representing a gross profit margin of 16.7%, as compared to a gross profit of RMB67.0 million and a gross profit margin of 14.7% for the six months ended June 30, 2024 respectively. Such increase was primarily due to adjustment in the hospital discipline development and the proportion of disciplines with higher gross profit relative to those with lower gross profit increased.

The gross profit of the hospital management business amounted to RMB13.5 million for the six months ended June 30, 2025, representing a gross profit margin of 74.2%, remained steady as compared to a gross profit of RMB14.6 million and a gross profit margin of 76.2% for the six months ended June 30, 2024 respectively.

The gross profit of the supply of pharmaceuticals, medical equipment and consumables amounted to RMB17.4 million for the six months ended June 30, 2025, representing a gross profit margin of 16.3%, remained steady as compared to a gross profit of RMB15.1 million and a gross profit margin of 16.5% for the six months ended June 30, 2024 respectively.

The gross profit of the others amounted to RMB0.2 million for the six months ended June 30, 2025, representing a gross profit margin of 53.1%, as compared to a gross profit of RMB1.5 million and a gross profit margin of 31.4% for the six months ended June 30, 2024 respectively. Such decrease was primarily because larger industry forums and academic conferences were held during the six months ended June 30, 2024, while there was no such forums and academic conferences being held during the six months ended June 30, 2025.

## Other Net Income

Other net income is comprised of government grants, interest income, gains/losses on disposal of property, plant and equipment and intangible assets and others. For the six months ended June 30, 2025, other net income of the Group increased by approximately 73.8% from RMB0.8 million for the six months ended June 30, 2024 to RMB1.4 million for the same period in 2025. This increase was primarily attributable to the fact that provisions for medical dispute compensation were made for the six months ended June 30, 2024, whereas no such disputes occurred during the six months ended June 30, 2025.

## Selling Expenses

The selling expenses consist of marketing and promotion expenses, staff cost, office and travel expenses, depreciation and amortization and miscellaneous. The selling expenses increased by approximately 12.1% from RMB5.7 million for the six months ended June 30, 2024 to RMB6.4 million for the same period in 2025, primarily attributable to the enhanced effort in the marketing activities of hospitals.

## General and Administrative Expenses

The general and administrative expenses consist of staff cost, depreciation and amortization, office and travel expenses, professional service fees, leasing and repair and maintenance expenses and others. The general and administrative expenses of the Group increased by approximately 22.9% from RMB81.6 million for the six months ended June 30, 2024 to RMB100.3 million for the same period in 2025, primarily attributable to the increase in service fees upon the listing of shares on the Hong Kong Stock Exchange.

## Impairment Loss on Trade and Bills Receivables

The Group recorded impairment loss on trade and bills receivables of RMB0.6 million for the six months ended June 30, 2025, as compared to reversal of impairment loss on trade and bills receivables of RMB0.3 million for the same period in 2024, mainly due to the increase in account receivables with longer credit terms.

## Finance Costs

The finance costs comprise the interest on interest-bearing borrowings, interest on lease liabilities and others. The Group recorded financial costs of RMB10.5 million for the six months ended June 30, 2025, as compared to financial costs of RMB11.6 million for the same period in 2024, mainly due to the reduction of interest expenses arising from the leases.

## Income Tax Expenses/(Credit)

The Group recorded income tax expenses of RMB7.7 million for the six months ended June 30, 2024, as compared to income tax expenses of RMB10.2 million for the same period in 2025, primarily attributable to an increase in deferred expenses and improved business performance during the Reporting Period.

## Loss for the Period

As a result of the foregoing, the Group recorded a loss of RMB20.3 million for the six months ended June 30, 2025, as compared to a loss of RMB7.3 million for the same period in 2024.

### Property, Plant and Equipment

Property, plant and equipment is comprised of leasehold improvement, medical equipment, office and other equipment, buildings, motor vehicles and construction in process. Property, plant and equipment of the Group decreased by approximately 5.1% from RMB364.0 million as of December 31, 2024 to RMB345.4 million as of June 30, 2025, primarily due to depreciation of assets.

### Right-of-use Assets

The right-of-use assets is comprised of land use right and property leased. The Group recorded right-of-use assets of RMB184.9 million and RMB172.2 million as of December 31, 2024 and June 30, 2025, respectively. Such decrease was primarily due to depreciation of assets.

### Intangible Assets

The intangible assets comprise of management contracts, medical licenses, software, good supply practice licenses and cooperation relationship. The Group recorded the intangible assets of RMB236.4 million and RMB231.0 million as of December 31, 2024 and June 30, 2025, respectively. Such decrease was primarily due to depreciation of assets.

### Goodwill

The Group recorded carrying amount of goodwill of RMB643.0 million and RMB643.0 million as of December 31, 2024 and June 30, 2025, respectively.

### Inventories

The inventories consist of pharmaceuticals, medical equipment and consumables. The inventories decreased by approximately 7.7% from RMB62.8 million as of December 31, 2024 to RMB58.0 million as of June 30, 2025, primarily attributable to the optimized inventory management at certain hospitals within the Group, which reduced inventory levels and decreased capital utilization.

The inventory turnover days decreased from 25 days for the six months ended December 31, 2024 to 23 days for the six months ended June 30, 2025, primarily attributable to the optimized inventory management at certain hospitals within the Group, which reduced inventory levels and decreased capital utilization.

### Trade and Bills Receivables

The trade receivables mainly represent the balances due from the public medical insurance programs for healthcare services provided by the private for-profit hospitals in the In-network Hospitals and the trade-nature receivables for the pharmaceuticals, medical equipment and consumables delivered. The bills receivables primarily represent bank acceptance bills receivable from the customers for purchasing the pharmaceuticals, medical equipment and consumables of the Group. The trade and bills receivables decreased by approximately 10.6% from RMB262.1 million as of December 31, 2024 to RMB234.2 million as of June 30, 2025, primarily attributable to the completion of medical insurance settlements for the year 2024 at certain hospitals and corresponding payments of deposits by medical insurance funds.

### Prepayments and Other Receivables

The prepayments and other receivables primarily consist of prepayments for inventories and services, prepayment for cost incurred in connection with the proposed offering of Company's Shares, receivables from related parties, deposits and amount due from staffs in relation to share-based payments. The prepayments and other receivables decreased by approximately 10.3% from RMB120.6 million as of December 31, 2024 to RMB108.3 million as of June 30, 2025, primarily attributable to (i) a decrease in receivables from related parties; and (ii) the reduction in expenses related to the issuance of the Company's shares.

### Trade and Bills Payables

The trade and bills payables primarily relate to the purchase of pharmaceuticals, medical equipment and consumables from the suppliers, which are non-interest bearing. The trade and bills payables decreased by approximately 18.3% from RMB313.9 million as of December 31, 2024 to RMB256.4 million as of June 30, 2025, primarily attributable to the settlement of procurement payables according to the relevant payment terms.

### Other Payables

The other payables consist of salary and welfare payables, other taxes payable, advances from related parties, payable for acquisition of non-controlling interests, payables for purchase of property, plant and equipment and others. The other payables remained relatively stable at RMB115.2 million as of December 31, 2024 and RMB120.1 million as of June 30, 2025, primarily attributable to an increase in payable related to listing expenses, which was partially offset by a decrease in accrued year-end bonuses paid in 2025 for the year of 2024.

### Contract Liabilities

The contract liabilities represent considerations received from the customers before the Group satisfying performance obligations. As of December 31, 2024 and June 30, 2025, the contract liabilities were RMB30.7 million and RMB24.1 million, respectively. Such decrease was primarily due to the delivery of pharmaceuticals and consumables, with corresponding amounts recognized as revenue.

### Lease Liabilities

As of June 30, 2025, the lease liabilities of the Group remained steady at RMB151.2 million as compared to RMB160.1 million as of December 31, 2024, this is due to the scheduled repayments of lease liabilities.

### Capital Structure

The total assets of the Group increased by from RMB2,203.1 million as of December 31, 2024 to RMB2,662.6 million as of June 30, 2025. The total liabilities of the Group decreased from RMB1,033.0 million as of December 31, 2024 to RMB1,032.8 million as of June 30, 2025. Liabilities-to-assets ratio decreased from approximately 46.9% as of December 31, 2024 to approximately 38.8% as of June 30, 2025. The current ratio of the Group, being current assets divided by current liabilities as of the respective date, increased from 1.0 times as of December 31, 2024 to 1.7 times as of June 30, 2025.

## Liquidity and Capital Resources

The cash and cash equivalents of the Group increased by approximately 183.9% from RMB294.2 million as of December 31, 2024 to RMB835.2 million as of June 30, 2025, primarily attributable to the net proceeds from the Global Offering (after deduction of underwriting fees and commissions and other expenses incurred).

The business operations and expansion plans require a significant amount of capital, including upgrading the existing hospitals in the network, establishing and acquiring new hospitals and other working capital requirements. For the Reporting Period, the Group financed the capital expenditure and working capital requirements mainly through cash generated from operations, bank and other borrowings, capital contributions from shareholders, and net proceeds from the Global Offering, details of which were disclosed in the Prospectus.

The Group manages and monitors the exposure of liquidity risk to ensure appropriate measures are implemented on a timely and effective manner. The Group regularly monitor the liquidity requirements and the compliance with lending covenants, to ensure that the Group maintain sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet the liquidity requirements in the short and longer term. During the Reporting Period, the Group did not use any financial instrument for hedging purposes, did not have any outstanding hedging instruments and did not consider necessary to hedge in order to manage the liquidity and capital resources.

## Indebtedness

The indebtedness mainly consisted of interest-bearing borrowings and lease liabilities. The Group had relatively stable indebtedness at RMB575.8 million and RMB517.3 million as of June 30, 2025 and December 31, 2024, respectively.

The following table sets forth a breakdown of our indebtedness:

| | **As of June 30, 2025 RMB'000** | As of December 31, 2024 RMB'000 |
|---|---|---|
| Interest-bearing borrowings | **424,598** | 357,190 |
| Lease liabilities | **151,245** | 160,068 |
| **Total** | **575,843** | 517,258 |

Except as disclosed above and the guarantees issued by the Group to certain banks in respect of the credit facilities granted to Huangshan Shoukang Hospital, the Group did not have, as of June 30, 2025, any outstanding debt securities, mortgage, charges, debentures or other loan capital (issued or agreed to be issued), bank overdrafts, loans, liabilities under acceptance or acceptance credits, or other similar indebtedness, leasing and financial leasing commitments, hire purchase commitments, guarantee or other material contingent liabilities.

## Gearing ratio

Gearing ratio is calculated using the sum of interest-bearing debt and lease liabilities divided by total equity attributable to the Company's owners. The gearing ratio of the Group decreased from approximately 48.4% as of December 31, 2024 to approximately 37.8% as of June 30, 2025, which was primarily due to the increase in the equity of the Group from the Global Offering.

## Contingent Liabilities

As of June 30, 2025, the Group did not have any material contingent liabilities, guarantees any litigations or claims of material importance, pending or threatened against any member of the Group that is likely to have a material and adverse effect on the business, financial condition or results of operations.

## Pledge of Assets

As of June 30, 2025, the Group did not pledge any Group assets.

## Capital Expenditures

The capital expenditures consist of expenditures on (i) property, plant and equipment, mainly comprising leasehold improvement, construction in progress and medical equipment; and (ii) intangible assets. The capital expenditures decreased by approximately 49.2% from RMB15.4 million for the six months ended June 30, 2024 to RMB7.8 million for the same period in 2025, primarily due to lower demand for new medical equipment purchases, as such equipment typically has a useful life of 5-10 years and does not require annual replacement or upgrades.

## Foreign Exchange Risk and Hedging

As the Group's operations are conducted by the subsidiaries of the Group in Chinese mainland, the Group's presentation currency is RMB. The Company has its functional currency in USD. The proceeds from the Global Offering have been received in Hong Kong dollars. As a result, the Group faces risks resulting from currency exchange rate fluctuations, particularly, the RMB against the Hong Kong dollar and the U.S. dollar.

As of the date of this report, the Group has not hedged its foreign currency exchange risks but has closely managed its foreign currency risk by performing regular reviews of its net foreign currency exposures and may enter into currency forward contracts, when necessary, to manage its foreign exchange exposure.

### Employee and Remuneration

As of June 30, 2025, the Group had 2,105 employees, as compared with 1,991 employees as of June 30, 2024. The total staff cost (salaries, wages and other benefits and contributions to defined contribution retirement plan) were RMB162.0 million for the Reporting Period, representing an increase of approximately 6.2% from RMB152.6 million for the six months ended June 30, 2024. Such increase was primarily due to the growth in the number of employees during the Reporting Period.

The remuneration of employees was based on their performance, skills, knowledge, experience and market trend. The Group reviews the remuneration policies and packages on a regular basis and will make necessary adjustment commensurate with the pay level in the industry. In addition to basic salaries, employees may be offered with discretionary bonus, cash awards and share awards based on individual performance. The Group provides training periodically and across operational functions, including introductory training for new employees, technical training, product training, management training and work safety training, with a view to fostering the basic skills of new employees to perform their duties and improving the relevant skills of the existing employees as well.

For the purposes of (i) motivating the eligible participants to optimize their performance efficiency for the benefit of the Group; and (ii) attracting and retaining the eligible participants whose contributions are or will be beneficial to the long-term growth of the Group, the Company conditionally approved and adopted Post-IPO Share Option Scheme (as defined in the Prospectus) on August 8, 2023 and amended by the Board on June 9, 2025.

As no share options had been granted or agreed to be granted since the adoption of the Post-IPO Share Option Scheme, (i) no share options under the Post-IPO Share Option Scheme were outstanding as of June 30, 2025; (ii) no share options had been exercised, vested, cancelled or lapsed under the Post-IPO Share Option Scheme during the Reporting Period; and (iii) as of June 30, 2025, the Post-IPO Share Option Scheme Scheme Limit (as defined in the Prospectus) was 98,130,435 ordinary Shares. Further details of the Post-IPO Share Option Scheme are set out in the sections headed “Statutory and General Information – Share Option Scheme” in Appendix IV to the Prospectus.

### Significant Investment, Material Acquisitions and Disposal of Subsidiaries, Associates and Joint Ventures

For the six months ended June 30, 2025, the Group did not have any material acquisitions and disposals of subsidiaries, associates or joint ventures. As of June 30, 2025, the Group did not hold any significant investment.

# CORPORATE GOVERNANCE AND OTHER INFORMATION

## CORPORATE GOVERNANCE CODE

The Company is committed to maintaining and promoting stringent corporate governance. The principle of the Company's corporate governance is to promote effective internal control measures, uphold a high standard of ethics, transparency, responsibility and integrity in all aspects of business, to ensure that its affairs are conducted in accordance with applicable laws and regulations and to enhance the transparency and accountability of the Board to all Shareholders. The Company had adopted the CG Code as its own code of corporate governance. Since the Listing Date and up to the date of this interim report, the Company has complied with all the applicable code provisions as set out in the CG Code.

The Group will continue to review and monitor its corporate governance practices to ensure the compliance with the CG Code.

## MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as the Group's code of conduct regarding the Directors' securities transactions. Having made specific enquiry of all the Directors, each of the Directors has confirmed that he/she has complied with the required standards as set out in the Model Code from the Listing Date and up to date of this report.

## USE OF PROCEEDS

The Company's Shares were listed on the Main Board of the Stock Exchange on June 23, 2025. The net proceeds from the Global Offering after deduction of underwriting fees and commissions and estimated expenses amounted to approximately HKD460.4 million. The Company intends to use the net proceeds in the same matter and proportion as set out in the section headed "Future Plans and Use of Proceeds" of the Prospectus and there has been no change in the intended use of the net proceeds and the expected timeline. The following table sets forth the status of the use of the net proceeds from the Global Offering as of June 30, 2025:

| Intended use of net proceeds | Percentage of intended use of net proceeds (%) | Net proceeds[1] from the Global Offering (In HKD millions) | Amount utilized as of June 30, 2025 (In HKD millions) | Amount unutilized as of June 30, 2025 (In HKD millions) | Expected timeline of full utilization of the net proceeds |
|---|---|---|---|---|---|
| **To continuously strengthen the full-cycle oncology healthcare services** | **35.7** | **164.5** | **–** | **164.5** | **By the end of 2027** |
| Strengthening capabilities of screening and early detection of cancer services | 10.5 | 48.4 | – | 48.4 | By the end of 2027 |
| Strengthening oncology treatment services capabilities | 16.3 | 75.2 | – | 75.2 | By the end of 2027 |
| Strengthening rehabilitation services capabilities | 2.8 | 12.7 | – | 12.7 | By the end of 2027 |
| Construction of the Oncology Center Building for Wuzhi Jimin Hospital | 6.1 | 28.1 | – | 28.1 | By the end of 2027 |
| **To acquire hospitals when appropriate opportunities arise** | **30.6** | **141.0** | **–** | **141.0** | **By the end of 2027** |
| **To expand the hospital management business** | **15.3** | **70.5** | **–** | **70.5** | **By the end of 2027** |
| **To upgrade the IT infrastructure and/or systems** | **10.2** | **47.0** | **–** | **47.0** | **By the end of 2027** |
| **Working capital and other general corporate purposes** | **8.1** | **37.4** | **–** | **37.4** | **By the end of 2027** |
| **Total** | **100.0** | **460.4** | **–** | **460.4** | |

During the period from the Listing Date and up to June 30, 2025, the net proceeds had been used in the same matter and proportion as set out in the section headed "Future Plans and Use of Proceeds" of the Prospectus, and there was no material change or delay in the use of the net proceeds. The Group will utilise the net proceeds from the Global Offering in accordance with the purposes as set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus.

## NO MATERIAL CHANGE

Since the publication of the Group's Prospectus on June 13, 2025, there has been no material change to the Group's business.

## INTERIM DIVIDEND

The Board did not recommend the payment of any dividend for the six months ended June 30, 2025 (for the six months ended June 30, 2024: nil).

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

During the Reporting Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any listed securities (including treasury Shares) of the Company since the Listing Date and up to June 30, 2025.

## SHARE OPTION SCHEME

On August 8, 2023, the Share Option Scheme was conditionally approved and adopted pursuant to written resolutions passed by the Shareholders, and subsequently amended on June 9, 2025.

The purpose of the Share Option Scheme is to (i) motivate the eligible participants to optimize their performance efficiency for the benefit of the Group; and (ii) attract and retain the eligible participants whose contributions are or will be beneficial to the long-term growth of the Group.

The Board may, at its discretion, offer to grant an option to any eligible participants, which includes any director and employee of the Company or any of the subsidiaries (including persons who are granted options under the Share Option Scheme as an inducement to enter into employment contracts with the Company and/or any of the subsidiaries) to subscribe for such number of new Shares as the Board may determine at an exercise price determined in accordance with the rules of the Share Option Scheme.

The maximum number of Shares in respect of which options and awards may be granted under the Share Option Scheme and any other share schemes of the Company must not in aggregate exceed 98,130,435 ordinary Shares in the share capital of the Company which shall not in aggregate exceed 10% of the total number of Shares in issue immediately following the completion of the Global Offering (i.e. 131,846,682 Shares) (the "**Scheme Limit**"). The Company may either issue new Shares to the relevant grantee to satisfy the awards upon exercise of the options granted under the Share Option Scheme.

Subject to the approval of the Shareholders in general meeting in compliance with the relevant Listing Rules, the Scheme Limit may be refreshed by ordinary resolution of the Shareholders in general meeting from time to time. Any refreshment within any three-year period from the date of the Shareholders' approval for the last refreshment (or from the effective date of the Share Option Scheme, being the Listing Date) must be approved by the Shareholders subject to certain provisions.

As of January 1, 2025 and June 30, 2025, no options had been granted, agreed to be granted, exercised, cancelled or lapsed pursuant to the Share Option Scheme and therefore the total number of options available for grant under the Scheme Limit was 98,130,435 Shares.

During the six months ended 30 June 2025, there were no options granted under the Share Option Scheme. Therefore, during the six months ended 30 June 2025, the number of shares that may be issued in respect of options granted under the Share Option Scheme, divided by the weighted average number of Shares (excluding treasury shares, if any) for the six months ended 30 June 2024, is nil.

As no options had been granted or agreed to be granted since the adoption of the Share Option Scheme, (i) no share options under the Share Option Scheme were outstanding as of June 30, 2025; and (ii) no share options had been exercised, vested, cancelled or lapsed under the Share Option Scheme during the Reporting Period.

The Board shall, subject to and in accordance with the provisions of the Share Option Scheme and the Listing Rules, be entitled to but shall not be bound, at any time on any business day during the Share Option Scheme period offer to grant an option to any eligible participant whom the Board may in its absolute discretion select and subject to such conditions (including, without limitation, the vesting period and/or any performance targets) as it may think fit.

An option may be exercised in accordance with the terms of the Share Option Scheme at any time after the date upon which the option is deemed to be granted and accepted and prior to the expiry of ten years from that date. The period during which an option may be exercised will be determined by the Board in its absolute discretion, save that no option may be exercised more than ten years after it has been granted. No option may be granted more than ten years after the Listing Date. Subject to earlier termination by the Company in general meeting or by the Board, the Share Option Scheme shall be valid and effective for a period of ten years from the Listing Date.

## CHANGES IN DIRECTORS' INFORMATION

There has been no change in the information of Directors which is required to be disclosed pursuant to Rule 13.51B (1) of the Listing Rules during the Reporting Period.

## INTERESTS OF DIRECTORS AND CHIEF EXECUTIVE OFFICERS

As of June 30, 2025, the interests and short positions of the Directors and the chief executive officer in the Shares, underlying Shares and debentures of the Company or any of the associated corporations (within the meaning of Part XV of the SFO) which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they are taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept pursuant to section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were set out as follows:

### (i) Interests in the Company

| Name of Director/ chief executive officer | Nature of interest | Number of Shares interested[1] | Approximate percentage of shareholding in the total share capital of the Company[2] |
|---|---|---|---|
| Xu Xu (徐旭) | Interest in controlled corporations | 831,227,272 (L) | 63.04% |

*Notes:*

(1) The letter "L" denotes long position in the Shares.

(2) The percentages were calculated based on the total number of 1,318,466,823 issued Shares as of June 30, 2025.

### (ii) Interests in the shares of associated corporations

| Name of Director/ chief executive officer | Nature of interest | Associated corporations | Amount of Registered Capital (approximately RMB) | Approximate percentage of shareholding |
|---|---|---|---|---|
| Xu Xu (徐旭) | Beneficial interest | Tianjin Yizhong Junan Hospital Management Partnership (Limited Partnership)* (天津醫眾君安醫院管理合夥企業(有限合夥)) | 5,392,000 | 14.54% |

Save as disclosed above, as of June 30, 2025, so far as the Directors are aware, none of the Directors or chief executive officer had or was deemed to have any interest or short positions in the Shares, underlying Shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) that was required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have taken under such provisions of the SFO), or required to be recorded in the register required to be kept pursuant to section 352 of the SFO, or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

## SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As of June 30, 2025, to the best knowledge of the Directors, the following persons (other than being a Director or chief executive officer of the Company) had interests and/or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

| Name of Shareholder | Nature of interest | Number of Shares[1] | Approximate percentage of shareholding in the Company[2] |
|---|---|---|---|
| Bayway Fund L.P.[3] | Beneficial interest | 682,266,228 (L) | 51.75% |
| | Persons acting in concert | 95,915,590 (L) | 7.27% |
| Xuxi Holding[3] | Beneficial interest | 95,915,590 (L) | 7.27% |
| | Persons acting in concert | 682,266,228 (L) | 51.75% |
| Relevant Shareholders of Bayway Fund L.P.[3] | Interest in controlled corporation | 778,181,818 (L) | 59.02% |
| Relevant Shareholders of Xuxi Holding[3] | Interest in controlled corporation | 95,915,590 (L) | 7.27% |
| Zhu Hongbing (朱紅兵)[3] | Interest in controlled corporation | 831,227,272 (L) | 63.04% |
| Cui Yifan (崔一帆)[3] | Interest in controlled corporation | 831,227,272 (L) | 63.04% |
| Shanghai Zhenghesheng Enterprise Management Partnership (Limited Partnership)* (上海正闔盛企業管理合夥企業(有限合夥)) ("**Shanghai Zhenghesheng**")[4] | Beneficial interest | 109,090,909 (L) | 8.27% |
| Relevant Shareholders of Shanghai Zhenghesheng[4] | Interest in controlled corporation | 109,090,909 (L) | 8.27% |
| Shanghai Shengren Enterprise Management Partnership (Limited Partnership)* (上海晟荏企業管理合夥企業(有限合夥)) ("**Shanghai Shengren**")[5] | Beneficial interest | 90,666,667 | 6.88% |
| Relevant Shareholder of Shanghai Shengren[5] | Interest in controlled corporation | 90,666,667 | 6.88% |
| Relevant Shareholders of Shanghai Shengren and Shanghai Xinlun[5] | Interest in controlled corporation | 97,437,667 | 7.39% |

*Notes:*

(1) The letter "L" denotes long position in Shares.

(2) The percentages were calculated based on the total number of 1,318,466,823 issued Shares as at June 30, 2025.

(3) Bayway Fund L.P. is an exempted limited partnership registered in the Cayman Islands with Rose Violet X Limited ("**Rose Violet X**") as its sole general partner. Rose Violet X is a wholly-owned subsidiary of Wineberry X Limited ("**Wineberry X**"), which in turn is owned as to 80% by Crimson X Limited ("**Crimson X**"), the sole shareholder of which is Ms. Xu Xu (徐旭) ("**Ms. Xu**"). In respect of the limited partners of Bayway Fund L.P., each of (i) Verdancy C Limited (a company incorporated in the BVI and is owned as to 90% by Best Power SG Capital Pte. Ltd., a Singapore incorporated private company limited by shares, which in turn is wholly owned by Marine Green C Limited, a company incorporated in the BVI and wholly-owned by Chen Hua (陳樺), the sister of the executive Director Chen Haoyang (陳昊陽)) and (ii) Lavender J Limited (a company incorporated in the BVI and is owned as to 90% by Ultramarine H Limited, which is a company incorporated in the BVI and wholly-owned by Huang Zhuguang (黃柱光)), is interested in more than one-third of the partnership interests in Bayway Fund L.P.. Moreover, the remaining 10% of the shareholding interests in Lavender J Limited is owned by Amethyst J Limited, a company incorporated in the BVI and wholly-owned by Jiang Yanrong (蔣豔榮), who is the spouse of Huang Zhuguang. By virtue of SFO, Rose Violet X, Wineberry X, Crimson X, Verdancy C Limited, Best Power SG Capital Pte. Ltd., Marine Green C Limited, Chen Hua, Lavender J Limited, Ultramarine H Limited, Huang Zhuguang, Amethyst J Limited and Jiang Yanrong (together, the "**Relevant Shareholders of Bayway Fund L.P.**") are deemed to be interested in the Shares held by Bayway Fund L.P..

Sugar Berry Limited ("**Sugar Berry**") holds 33,090,909 Shares in the Company, representing approximately 2.51% of the shareholding interest in the Company as of June 30, 2025. Sugar Berry is a company incorporated in the BVI and is a wholly-owned subsidiary of Shanghai Huijin Enterprise Management Partnership (Limited Partnership)* (上海琿金企業管理合夥企業(有限合夥)), a limited partnership established in the PRC with Beijing Baihui Investment Fund Management Company Limited* (北京佰惠投資基金管理有限公司) ("**Baihui Investment Fund**") being the sole general partner and Anhui Beiyi Huijin Equity Investment Partnership (Limited Partnership)* (安徽北醫匯金股權投資合夥企業(有限合夥)) ("**Anhui Beiyi Huijin**") being the limited partner. Anhui Beiyi Huijin is a limited partnership established in the PRC with Baihui Investment Fund being the sole general partner. Baihui Investment Fund in turn is owned as to 80% by Ms. Xu. To the best knowledge of the Directors, Gongqingcheng Yusheng Investment Management Partnership (Limited Partnership)* (共青城鈺晟投資管理合夥企業(有限合夥)), a limited partnership established in the PRC, is the only limited partner and is interested in one-third or more of the partnership interests in Anhui Beiyi Huijin. Gongqingcheng Yusheng Investment Management Partnership (Limited Partnership)* (共青城鈺晟投資管理合夥企業(有限合夥)) in turn is owned as to 98.33% by an individual who is the father of a substantial shareholder of Henan Baihui Medical Investment Management Co., Ltd.* (河南佰惠醫療投資管理有限公司), one of the Group's subsidiaries.

Cheery Smiley Limited ("**Cheery Smiley**") holds 13,454,545 Shares in the Company, representing approximately 1.02% of the shareholding interest in the Company as of June 30, 2025. Cheery Smiley is a company incorporated in the BVI and is a wholly-owned subsidiary of Shanghai Huifang Enterprise Management Partnership (Limited Partnership)* (上海琿方企業管理合夥企業(有限合夥)) ("**Shanghai Huifang**"), a limited partnership established in the PRC with Baihui Investment Fund being the sole general partner and Anhui Beiyi Huifang being the limited partner. Anhui Beiyi Huifang is a limited partnership established in the PRC with Baihui Investment Fund being the sole general partner. Baihui Investment Fund in turn is owned as to 80% by Ms. Xu. To the best knowledge of the Directors, Beijing Hopson Jiaye Property Management Company Limited* (北京合生嘉業物業管理有限公司), a limited company established in the PRC, is the only limited partner and is interested in one-third or more of the partnership interests in Anhui Beiyi Huifang. Beijing Hopson Jiaye Property Management Company Limited* (北京合生嘉業物業管理有限公司) in turn is owned as to 97.79% by an individual who is an Independent Third Party.

Backspace Limited ("**Backspace**") holds 6,500,000 Shares in the Company, representing approximately 0.49% of the shareholding interest in the Company as of June 30, 2025. Backspace is a company incorporated in the BVI and is a wholly-owned subsidiary of Shanghai Huitong Enterprise Management Partnership (Limited Partnership)* (上海琿通企業管理合夥企業(有限合夥)) ("**Shanghai Huitong**"), a limited partnership established in the PRC with Baihui Investment Fund being the sole general partner and Anhui Beiyi Huitong being the limited partner. Anhui Beiyi Huitong is a limited partnership established in the PRC with Baihui Investment Fund being the sole general partner. Baihui Investment Fund in turn is owned as to 80% by Ms. Xu. To the best knowledge of the Directors, Shanghai Yuzheng Zerong Enterprise Management Company Limited* (上海毓正澤榮企業管理有限公司), a limited company established in the PRC, is the only limited partner and is interested in one-third or more of the partnership interests in Anhui Beiyi Huitong. Shanghai Yuzheng Zerong Enterprise Management Company Limited* (上海毓正澤榮企業管理有限公司) in turn is owned as to 80% by an individual who is an Independent Third Party. As a result of her control in Baihui Investment Fund, which in turn indirectly controls each of Sugar Berry, Cheery Smiley and Backspace, by virtue of the SFO, Ms. Xu are deemed to be interested in the total Shares directly held by each of Sugar Berry, Cheery Smiley and Backspace.

Xuxi Holding Ltd. ("**Xuxi Holding**") is a company incorporated in the BVI and is a wholly-owned subsidiary of Shanghai Xuxi Enterprise Management Partnership (Limited Partnership)* (上海栩西企業管理合夥企業(有限合夥)) ("**Shanghai Xuxi Management**"), a limited partnership established in the PRC with Cui Yifan (崔一帆) being the sole general partner and Shanghai Xukun Enterprise Management Co., Ltd.* (上海栩琨企業管理有限公司) ("**Shanghai Xukun Management**") being the limited partner. Shanghai Xukun Management is a company established in the PRC which in turn is owned as to 67% by Zhu Hongbing (朱紅兵) and as to 33% by Cui Yifan (崔一帆). Cui Yifan (崔一帆) is a director of subsidiaries of the Group, and the son of Zhu Hongbing (朱紅兵). By virtue of the SFO, each of Shanghai Xuxi Management and Shanghai Xukun Management (together, "**Relevant Shareholders of Xuxi Holding**") are deemed to be interested in the total Shares directly held by Xuxi Holding. Pursuant to the arrangement under the Concert Party Agreements, Bayway Fund L.P. and Xuxi Holding has agreed to, among others, vote unanimously at all shareholders' meetings and directors' meetings, discuss and reach consensus with each other before proposing to shareholders' meetings and directors' meetings, and act in concert, in respect of all key operations and development matters of the Company. By virtue of the SFO, each of Ms. Xu, Zhu Hongbing (朱紅兵) and Cui Yifan (崔一帆), are deemed to be interested in the total Shares directly held by Bayway Fund L.P., Xuxi Holding, Sugar Berry, Cheery Smiley and Backspace.

(4) To the best knowledge of the Directors, Zhengqi (Beijing) Asset Management Co., Ltd.* (正奇(北京)資產管理有限公司) ("**Zhengqi (Beijing)**"), a limited liability company established in the PRC, is the general partner of Shanghai Zhenghesheng. Zhengqi (Beijing) is wholly-owned by Zhengqi Holdings Corporation* (正奇能源科技集團股份有限公司) ("**Zhengqi Holdings**"), which is in turn owned as to 94.62% by Legend Holdings Corporation* (聯想控股股份有限公司), a joint stock limited liability company established under the laws of PRC and its overseas listed shares are listed on the Main Board of the Stock Exchange (Stock Code: 03396). Zhengqi Holdings is the sole limited partner of Shanghai Zhenghesheng and is interested in one-third or more of the partnership interests in Shanghai Zhenghesheng. By virtue of the SFO, Zhengqi (Beijing), Zhengqi Holdings, and Legend Holdings Corporation* (聯想控股股份有限公司) (together "**Relevant Shareholders of Shanghai Zhenghesheng**") are deemed to be interested in the Shares held by Shanghai Zhenghesheng.

(5) To the best knowledge of the Directors, Shenzhen Huaxin Capital Management Co., Ltd.* (深圳市華信資本管理有限公司) ("**SZ Huaxin Capital Management**"), a limited liability company established in the PRC, is the general partner of Shanghai Shengren. Shenzhen Huaxin Capital Management Co., Ltd.* (深圳市華信資本管理有限公司) ("**SZ Huaxin Capital Management**") is owned as to 37% by Chuhou (Shenzhen) Management Center (Limited Partnership)* (處厚(深圳)管理中心(有限合夥)) ("**Chuhou SZ**"), the general partner of which is an individual who is an Independent Third Party. Chuhou SZ has a limited partner (being an individual) who is interested in one-third of the partnership interests in Chuhou SZ and is also an Independent Third Party (the said two individuals as "**Chuhou SZ Individual Shareholders**"). In addition, Luxin Venture Capital Group Co., Ltd* (魯信創業投資集團股份有限公司) ("**Luxin Venture**"), a joint stock limited liability company established under the laws of PRC, the shares of which are listed on the Shanghai Stock Exchange (Stock Code: 600783), has directly and indirectly through corporations controlled by it interested in 47% partnership interests in SZ Huaxin Capital Management in aggregate. In respect of the limited partners of Shanghai Shengren, (i) Shenzhen Zexin Management Center Partnership Enterprise (Limited Partnership)* (深圳市澤信管理中心合夥企業(有限合夥)) ("**SZ Zexin Management**"), a limited partnership established in the PRC whose general partner being Chuhou SZ, is interested in more than one-third of the partnership interests in Shanghai Shengren. SZ Zexin Management does not have any limited partners being interested in one-third or more of the partnership interests in SZ Zexin Management; (ii) three other limited partners of Shanghai Shengren, namely, Chengdu Luxin Jingrong Phase II Venture Capital Center (Limited Partnership)* (成都魯信菁蓉貳期創業投資中心(有限合夥)) ("**CD Luxin Phase II**"), Shandong Luxin New and Old Momentum Conversion Venture Capital Fund of Funds Partnership (Limited Partnership)* (山東省魯信新舊動能轉換創投母基金合夥企業(有限合夥)) ("**SD Luxin Momentum**") and Wuxi Jintou Luxin Venture Capital Partnership (Limited Partnership)* (無錫金投魯信創業投資合夥企業(有限合夥)) ("**WX Jintou Luxin**"), each being a limited partnership established in the PRC, individually are not interested in one-third or more of the partnership interests in Shanghai Shengren, but each of CD Luxin Phase II, SD Luxin Momentum and WX Jintou Luxin is having Shandong High-tech Venture Capital Co., Ltd.* (山東省高新技術創業投資有限公司) ("**SD High-tech Venture**"), a limited company established in the PRC which is wholly owned by Luxin Venture, as general partner and/or their respective largest limited partner.

Shanghai Xinlun Enterprise Management Partnership (Limited Partnership)* (上海信倫企業管理合夥企業(有限合夥)) ("**Shanghai Xinlun**"), a limited partnership established in the PRC, holds 6,771,000 Shares in the Company, representing approximately 0.51% of the shareholding interest in the Company as of June 30, 2025. To the best knowledge of the Directors, SZ Huaxin Capital Management is the general partner of Shanghai Xinlun. Shanghai Xinlun has a limited partner, Wuxi Luxin Third Venture Investment Partnership (Limited Partnership)* (無錫魯信叁期創業投資合夥企業(有限合夥)) ("**Luxin Third Venture**"), which is interested in more than one-third of the partnership interests in Shanghai Xinlun. Luxin Third Venture is a limited partnership established in the PRC and whose general partner is also SZ Huaxin Capital Management, and its largest limited partner being entities ultimately controlled and/or owned by Luxin Venture as to more than one-third of the equity interests.

By virtue of SFO, (i) each of SZ Huaxin Capital Management, Chuhou SZ, Chuhou SZ Individual Shareholders, SD High-tech Venture and Luxin Venture (together, the "**Relevant Shareholders of Shanghai Shengren and Shanghai Xinlun**") are deemed to be interests in the Shares held by Shanghai Shengren and Shanghai Xinlun, and SZ Zexin Management is deemed to be interested in the Shares held by Shanghai Shengren (the "**Relevant Shareholder of Shanghai Shengren**").

Save as disclosed above, to the best knowledge of the Directors, as of June 30, 2025, no person (other than the Directors or chief executive of the Company) had any interest and/or short positions in the Shares or underlying shares which would fall to be disclosed to the Company pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO, or which would be required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein.

## AUDIT COMMITTEE

The Company established the Audit Committee on June 9, 2025 with written terms of reference in compliance with code provisions set out in Part 2 to Appendix C1 to the Listing Rules. As of the date of this report, the Audit Committee comprises three independent non-executive Directors, namely Mr. Chan Hok Leung, Dr. Guo Wei and Ms. Liu Shuang. Mr. Chan Hok Leung is the chairman of the Audit Committee who possesses appropriate professional qualifications as required by Rules 3.10(2) and 3.21 of the Listing Rules. The Audit Committee and the Company's management have also reviewed the accounting principles and practices adopted by the Group and discussed matters in relation to risk management, internal control and financial reporting, including a review of the interim results of the Group for the six months ended June 30, 2025.

The interim results of the Group for the six months ended June 30, 2025 had not been audited.

## SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

The Group has no material events subsequent to June 30, 2025 which could have a material impact on the operating and financial performance of the Group as of the date of this interim report.

# UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

| | Notes | For the six months ended June 30, 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|---|
| **Revenue** | *3* | **574,731** | 570,945 |
| **Cost of sales** | | **(468,385)** | (472,705) |
| **Gross profit** | | **106,346** | 98,240 |
| Other net income | *4* | **1,439** | 828 |
| Selling expenses | | **(6,420)** | (5,725) |
| General and administrative expenses | | **(100,324)** | (81,649) |
| Impairment loss on trade and bills receivables | | **(602)** | 301 |
| **Profit from operations** | | **439** | 11,995 |
| Finance cost | *5* | **(10,507)** | (11,613) |
| **(Loss)/profit before taxation** | *5* | **(10,068)** | 382 |
| Income tax expense | *6* | **(10,194)** | (7,722) |
| Loss for the period | | **(20,262)** | (7,340) |
| Adjusted profit for the period | | **9,427** | 5,454 |
| **Other comprehensive income for the period (after tax and reclassification adjustments)** | | | |
| Exchange differences on translation of financial statements of foreign operations | | **(1,357)** | 1,338 |
| **Total comprehensive income for the period** | | **(21,619)** | (6,002) |
| **Loss for the period attributable to:** | | | |
| Equity shareholders of the Company | | **(27,620)** | (11,548) |
| Non-controlling interests | | **7,358** | 4,208 |
| | | **(20,262)** | (7,340) |
| **Total comprehensive income attributable to:** | | | |
| Equity shareholders of the Company | | **(28,977)** | (10,210) |
| Non-controlling interests | | **7,358** | 4,208 |
| | | **(21,619)** | (6,002) |
| **Loss per share** | *7* | | |
| Basic and diluted (RMB) | | **(0.02)** | (0.01) |

# UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| | Notes | As of June 30, 2025 RMB'000 | As of December 31, 2024 RMB'000 |
|---|---|---|---|
| **Non-current assets** | | | |
| Property, plant and equipment | | **345,388** | 364,021 |
| Right-of-use assets | | **172,213** | 184,887 |
| Intangible assets | | **230,996** | 236,395 |
| Goodwill | | **643,049** | 643,049 |
| Deferred tax assets | | **7,055** | 6,765 |
| Other non-current assets | | **15,517** | 9,977 |
| | | **1,414,218** | 1,445,094 |
| **Current assets** | | | |
| Inventories | | **57,953** | 62,758 |
| Trade and bills receivables | *8* | **234,247** | 262,087 |
| Prepayments and other receivables | *9* | **108,265** | 120,637 |
| Restricted cash | | **12,669** | 18,270 |
| Cash and cash equivalents | | **835,214** | 294,240 |
| | | **1,248,348** | 757,992 |
| **Current liabilities** | | | |
| Trade and bills payables | *10* | **256,374** | 313,880 |
| Other payables | *11* | **120,099** | 115,177 |
| Contract liabilities | | **24,066** | 30,739 |
| Interest-bearing borrowings | | **316,598** | 292,090 |
| Lease liabilities | | **23,429** | 22,908 |
| Current taxation | | **8,412** | 6,979 |
| | | **748,978** | 781,773 |
| **Net current assets/(liabilities)** | | **499,370** | (23,781) |
| **Total assets less current liabilities** | | **1,913,588** | 1,421,313 |
| **Non-current liabilities** | | | |
| Interest-bearing borrowings | | **108,000** | 65,100 |
| Lease liabilities | | **127,816** | 137,160 |
| Deferred tax liabilities | | **48,029** | 48,987 |
| | | **283,845** | 251,247 |
| **NET ASSETS** | | **1,629,743** | 1,170,066 |
| **CAPITAL AND RESERVES** | | | |
| Share capital | *12* | **87** | 78 |
| Reserves | | **1,521,472** | 1,069,162 |
| **Total equity attributable to equity shareholders of the Company** | | **1,521,559** | 1,069,240 |
| **Non-controlling interests** | | **108,184** | 100,826 |
| **TOTAL EQUITY** | | **1,629,743** | 1,170,066 |

# UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| | Attributable to owners of the Company | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Share capital RMB'000 | Share premium RMB'000 | Capital reserve RMB'000 | Exchange reserve RMB'000 | Other reserve RMB'000 | Accumulated losses RMB'000 | Total RMB'000 | Non-controlling interests RMB'000 | Total equity RMB'000 |
| **Balance at January 1, 2024** | 78 | 135,175 | 1,293,888 | (1,689) | (50,582) | (292,746) | 1,084,124 | 91,394 | 1,175,518 |
| **Changes in equity for the six months ended June 30, 2024:** | | | | | | | | | |
| **(Loss)/profit for the period** | – | – | – | – | – | (11,548) | (11,548) | 4,208 | (7,340) |
| **Other comprehensive income** | – | – | – | 1,338 | – | – | 1,338 | – | 1,338 |
| **Total comprehensive income** | – | – | – | 1,338 | – | (11,548) | (10,210) | 4,208 | (6,002) |
| **Acquisition of non-controlling interests** | – | – | – | – | (2,697) | – | (2,697) | (468) | (3,165) |
| **Balance at June 30, 2024** | 78 | 135,175 | 1,293,888 | (351) | (53,279) | (304,294) | 1,071,217 | 95,134 | 1,166,351 |
| **Balance at January 1, 2025** | **78** | **135,175** | **1,293,888** | **(419)** | **(53,279)** | **(306,203)** | **1,069,240** | **100,826** | **1,170,066** |
| **(Loss)/profit for the period** | **–** | **–** | **–** | **–** | **–** | **(27,620)** | **(27,620)** | **7, 358** | **(20,626)** |
| **Other comprehensive income** | **–** | **–** | **–** | **(1,357)** | **–** | **–** | **(1,357)** | **–** | **(1,357)** |
| **Total comprehensive income** | **–** | **–** | **–** | **(1,357)** | **–** | **(27,620)** | **(28,977)** | **7,358** | **(21,619)** |
| **Issuance of shares upon listing** | **9** | **–** | **513,121** | **–** | **–** | **–** | **513,130** | **–** | **513,130** |
| **Expense attributed to issuance of new shares upon listing** | **–** | **–** | **(31,834)** | **–** | **–** | **–** | **(31,834)** | **–** | **(31,834)** |
| **Balance at June 30, 2025** | **87** | **135,175** | **1,775,175** | **(1,776)** | **(53,279)** | **(333,823)** | **1,521,559** | **108,184** | **1,629,743** |

# UNAUDITED CONSOLIDATED CASH FLOW STATEMENTS

| | Notes | For the six months ended June 30, 2025 RMB'000 | 2024 RMB'000 |
|---|---|---|---|
| **Operating activities** | | | |
| Cash generated from operations | | **99,188** | 90,716 |
| Income tax paid | | **(10,009)** | (14,484) |
| **Net cash generated from operating activities** | | **89,179** | 76,232 |
| **Investing activities** | | | |
| Payment for purchase of property, plant and equipment | | **(20,339)** | (22,415) |
| Payment for purchase of intangible assets | | **(298)** | (246) |
| Received from related parties | | **4,400** | 77,054 |
| **Net cash (used in)/generated from investing activities** | | **(16,237)** | 54,393 |
| **Financing activities** | | | |
| Proceeds from issuance of shares | | **513,130** | – |
| Proceeds from interest-bearing borrowings | | **150,396** | 107,263 |
| Repayment of interest-bearing borrowings | | **(159,016)** | (137,518) |
| Capital element of lease rentals paid | | **(8,823)** | (5,799) |
| Interest element of lease rentals paid | | **(3,714)** | (4,118) |
| Interest expense paid | | **(6,793)** | (7,471) |
| Increase in deposits with banks | | **–** | (20) |
| Acquisition of non-controlling interests | | **–** | (3,771) |
| Repayment to related parties | | **–** | (1,498) |
| Expenses paid in connection with the issuance of new shares | | **(17,148)** | (2,293) |
| **Net cash generated from/(used in) financing activities** | | **468,032** | (55,225) |
| **Net increase/(decrease) in cash and cash equivalents** | | **540,974** | 75,400 |
| **Cash and cash equivalents at the beginning of the period** | | **294,240** | 241,991 |
| **Cash and cash equivalents at the end of the period** | | **835,214** | 317,391 |

## 1. GENERAL INFORMATION

Bayzed Health Group Inc (the "**Company**") was incorporated in Cayman Islands on December 9, 2021 as an exempted company with limited liability under the Companies Act (As Revised) of the Cayman Islands.

The Company is an investment holding company and has not carried on any business. The Company and its subsidiaries (together, "**the Group**") primarily focused on hospital business and hospital management business, the revenue of the Group generated from (i) operating six private for-profit hospitals and providing healthcare services including full-cycle oncology healthcare services and other medical services, (ii) managing and operating, and receiving management fees from two private not-for-profit hospitals and (iii) supply of pharmaceuticals, medical equipment and consumables in the People's Republic of China (the "**PRC**").

This interim consolidated financial information is presented in Renminbi ("**RMB**"), unless otherwise stated, and is approved for issue by the Board of Directors on August 26, 2025. This interim consolidated financial information has not been audited.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 2.1 BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with International Accounting Standard ("**IAS**") 34, *Interim financial reporting*, issued by the International Accounting Standards Board ("**IASB**").

This interim financial report has been prepared in accordance with the same accounting policies adopted in the 2024 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2025 annual financial statements. Details of these changes in accounting policies are set out in Note 2.2. The preparation of an interim financial report in conformity with IAS 34 requires the management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses based on the current situation. Actual results may differ from these estimates.

### 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has applied the following amendments to IFRSs for the current accounting period:

– Amendments to IAS 21, The effects of changes in foreign exchange rates – Lack of exchangeability

None of these developments has had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

## 3. REVENUE AND SEGMENT REPORTING

### (a) Revenue

The Group is principally engaged in hospital business, hospital management services, supply of pharmaceuticals, medical equipment and consumables and other business.

***Disaggregation of revenue***

| | For the six months ended June 30, | |
|---|---|---|
| | **2025** | 2024 |
| | **RMB'000** | RMB'000 |
| **Over time:** | | |
| – Inpatient services | **253,497** | 264,354 |
| – Hospital management services | **18,254** | 19,144 |
| **At point in time:** | | |
| – Outpatient services | **194,519** | 186,516 |
| – Supply of pharmaceuticals, medical equipment and consumables | **106,717** | 91,605 |
| – Other business | **1,744** | 9,326 |
| **Revenue from contracts with customers** | **574,731** | 570,945 |

All of the revenue of the Group is generated from contracts with customers within the scope of IFRS 15.

The Group has applied the practical expedient in paragraph 121(a) of IFRS 15 and therefore the information about remaining performance obligations is not disclosed for contracts that have an expected duration of one year or less.

### (b) Segment reporting

The Group's most senior executive management assesses performance and allocates resources on a group basis. Accordingly, no operating segment information is presented.

The Group generated all revenue in the PRC and its non-current assets are substantially located in the PRC, and accordingly, no analysis of geographic information is presented.

## 4. OTHER NET INCOME

| | For the six months ended | |
|---|---|---|
| | **2025** | 2024 |
| | **RMB'000** | RMB'000 |
| Government grants | **347** | 754 |
| Gains on disposal of property, plant and equipment and intangible assets | **–** | 7 |
| Finance Income | **1,314** | 1,535 |
| Others | **(222)** | (1,468) |
| | **1,439** | 828 |

## 5. LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging:

### (a) Finance cost

| | For the six months ended | |
|---|---|---|
| | **2025** | 2024 |
| | **RMB'000** | RMB'000 |
| Interest on interest-bearing borrowings | **6,793** | 7,471 |
| Interest on lease liabilities | **3,714** | 4,118 |
| Others | **–** | 24 |
| | **10,507** | 11,613 |

### (b) Staff cost

| | For the six months ended | |
|---|---|---|
| | **2025** | 2024 |
| | **RMB'000** | RMB'000 |
| Salaries, wages and other benefits | **151,470** | 139,540 |
| Contributions to defined contribution retirement plan *(Note)* | **10,544** | 13,031 |
| | **162,014** | 152,571 |

*Note:*

The employees of the subsidiaries of the Group established in the Chinese mainland participate in defined contribution retirement benefit plans managed by the local government authorities, whereby these subsidiaries are required to contribute funds which are calculated based on certain percentages of the average employee salary as agreed by the local municipal governments to the scheme to fund the retirement benefits of the employees.

The Group has no further material obligation for payment of other retirement benefits beyond the above contributions. Contributions to the plans vest immediately, there is no forfeited contributions that may be used by the Group to reduce the existing level of contributions.

## 6. INCOME TAX

Taxation in the consolidated statements of profit or loss and other comprehensive income represents:

| | For the six months ended | |
|---|---|---|
| | **2025** | 2024 |
| | **RMB'000** | RMB'000 |
| **Current tax – the PRC Enterprise Income Tax** | | |
| Provision for the period | **11,442** | 10,406 |
| **Deferred tax** | | |
| Origination and reversal of temporary differences | **(1,248)** | (2,684) |
| | **10,194** | 7,722 |

## 6. INCOME TAX *(Continued)*

*Notes:*

(i) Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax in the Cayman Islands and the BVI.

(ii) The subsidiaries of the Group established in the Chinese mainland are subject to PRC Enterprise Income Tax rate of 25% during the Reporting Period.

(iii) The provision for Hong Kong Profits Tax is subject to Hong Kong's two-tiered profits tax regime, under which the tax rate is 8.25% for assessable profits on the first HK$2 million and 16.50% for any assessable profits in excess of HK$2 million. The Group's subsidiary in Hong Kong SAR did not have any assessable profits during the Reporting Period.

(iv) Certain subsidiaries of the Group have been approved as Small Low-profit Enterprise ("**SLE**"). The entitled subsidiaries are subject to a preferential income tax rate from 5% to 20% during the Reporting Period.

## 7. LOSS PER SHARE

The calculation of basic loss per share as at June 30, 2025 is based on the loss attributable to ordinary equity holders of the Company of RMB27.6 million (six months ended June 30, 2024: loss attributable of RMB11.5 million) and the weighted average of 1,318,466,823 ordinary shares (six months ended June 30, 2024: 1,185,361,023 shares) in issue during the Reporting Period.

The Group had no potentially dilutive ordinary shares which were outstanding during the six months ended June 30, 2025 and 2024. Therefore, there is no difference between the diluted loss per share and the basic loss per share.

## 8. TRADE AND BILLS RECEIVABLES

The ageing analysis (based on the invoice date and net of loss allowance) as of the end of the Reporting Period is as follows:

| | **June 30, 2025 RMB'000** | December 31, 2024 RMB'000 |
|---|---|---|
| Within 3 months | **166,085** | 156,536 |
| Over 3 months but within 6 months | **40,889** | 61,977 |
| Over 6 months but within 9 months | **6,066** | 4,162 |
| Over 9 months but within 1 year | **741** | 3,159 |
| Over 1 year | **1,190** | 1,796 |
| Bills receivables | **19,276** | 34,457 |
| | **234,247** | 262,087 |

The Group generally grants a credit period of 30 days to 90 days to its customers.

## 9. PREPAYMENTS AND OTHER RECEIVABLES

| | June 30, 2025 RMB'000 | December 31, 2024 RMB'000 |
|---|---|---|
| Prepayments for inventories and services | 12,533 | 15,917 |
| Prepayment for cost incurred in connection with the proposed offering of the Company's shares | – | 5,324 |
| Receivables from related parties | 82,402 | 86,802 |
| Deposits | 5,826 | 6,864 |
| Amount due from staffs in relation to share-based payments | 470 | 470 |
| Others | 7,014 | 5,260 |
| Total | 108,265 | 120,637 |

## 10. TRADE AND BILLS PAYABLES

An ageing analysis of trade payables (based on the invoice date) is as follows:

| | June 30, 2025 RMB'000 | December 31, 2024 RMB'000 |
|---|---|---|
| Within 3 months | 147,684 | 163,593 |
| Over 3 months but within 6 months | 63,187 | 74,983 |
| Over 6 months but within 12 months | 30,222 | 33,401 |
| Over 1 year | 8,597 | 20,206 |
| Bills payables | 6,684 | 21,697 |
| | 256,374 | 313,880 |

## 11. OTHER PAYABLES

| | June 30, 2025 RMB'000 | December 31, 2024 RMB'000 |
|---|---|---|
| Salary and welfare payables | 58,934 | 63,116 |
| Other taxes payable | 3,244 | 4,567 |
| Payables for purchases of property, plant, and equipment | 11,037 | 18,331 |
| Others | 46,884 | 29,163 |
| Total | 120,099 | 115,177 |

## 12. CAPITAL, RESERVES AND DIVIDENDS

### (a) Dividends

No interim dividend for the six months ended June 30, 2025 is paid (2024: Nil).

### (b) Share capital

| | June 30, 2025 | | December 31, 2024 | |
|---|---|---|---|---|
| | **No. of shares** | **RMB'000** | No. of shares | RMB'000 |
| Ordinary shares, issued and fully paid: | | | | |
| At January 1 | **1,185,361,023** | **78** | 1,185,361,023 | 78 |
| Issuance of ordinary shares upon initial public offering | **133,105,800** | **9** | – | – |
| At June 30/December 31 | **1,318,466,823** | **87** | 1,185,361,023 | 78 |

*Note:* In connection with the listing, 133,105,800 ordinary shares of USD0.00001 par value each were issued at HK$4.22 per share for the Company's initial public offering on June 23, 2025 for gross proceeds of HK$561,706,476 (equivalent to RMB513,130,100).

## 13. NON-IFRS MEASURES

To supplement the financial information, which are presented in accordance with IFRSs, the Group uses non-IFRS measures, namely, adjusted EBITDA (non-IFRS measure) and adjusted net loss/profit (non-IFRS measure), as additional financial measures, which are not required by, or presented in accordance with, IFRSs. The Group believes that such non-IFRS measures facilitate comparisons of operating performance from year to year and company to company by eliminating potential impacts of certain items. The Group believes that such measures provide useful information to investors and others in understanding and evaluating the consolidated results of operations in the same manner as they help the management. However, the presentation of adjusted EBITDA (non-IFRS measure) and adjusted net loss/profit (non-IFRS measure) may not be comparable to similarly titled financial measures presented by other companies. The use of such non-IFRS measures have limitations as analytical tools, and you should not consider them in isolation from, or as substitute for analysis of, the results of operations or financial condition as reported under IFRSs.

## 13. NON-IFRS MEASURES *(Continued)*

The following table sets out EBITDA (non-IFRS measure), adjusted EBITDA (non-IFRS measure) and adjusted net loss/profit (non-IFRS measure), and a reconciliation from loss for the period to EBITDA (non-IFRS measure), adjusted EBITDA (non-IFRS measure) and adjusted net loss/profit (non-IFRS measure) for the periods indicated.

| | For the six months ended June 30, | |
|---|---|---|
| | **2025** | 2024 |
| | **RMB'000** | RMB'000 |
| **Loss for the period** | **(20,262)** | (7,340) |
| ***Add*** | | |
| Listing expenses | **29,689** | 12,794 |
| **Adjusted net profit (non-IFRS measure)** | **9,427** | 5,454 |
| **Loss for the period** | **(20,262)** | (7,340) |
| ***Add*** | | |
| Income tax expenses | **10,194** | 7,722 |
| Depreciation of property, plant and equipment | **25,905** | 24,913 |
| Amortization of intangible assets | **5,905** | 5,355 |
| Depreciation of right-of-use assets | **12,674** | 13,241 |
| Finance costs | **9,193** | 10,078 |
| **EBITDA (non-IFRS measure)** | **43,609** | 53,969 |
| ***Add*** | | |
| Listing expenses | **29,689** | 12,794 |
| **Adjusted EBITDA (non-IFRS measure)** | **73,298** | 66,763 |

| | |
|---|---|
| "Articles of Association" | the articles of association to be adopted by the Company and as amended from time to time |
| "Audit Committee" | the audit committee of the Board |
| "Board" or "Board of Directors" | the board of Directors |
| "CG Code" | the Corporate Governance Code as set out in Appendix C1 to the Listing Rules |
| "China" or "the PRC" | the People's Republic of China, unless the context requires otherwise, excluding, for the purposes of this document only, the regions of Hong Kong, Macau and Taiwan of the People's Republic of China |
| "close associate(s)" | has the meaning ascribed thereto under the Listing Rules |
| "Company" | Bayzed Health Group Inc (佰澤醫療集團), an exempted company incorporated under the laws of the Cayman Islands with limited liability on December 9, 2021 |
| "Director(s)" | the director(s) of the Company |
| "Global Offering" | the global offering of Shares, details of which were disclosed in the Prospectus |
| "Hong Kong" or "HK" | the Hong Kong Special Administrative Region of the PRC |
| "Hong Kong dollars" or "HK$" | Hong Kong dollars and cents respectively, the lawful currency of Hong Kong |
| "Hong Kong Stock Exchange" or "Stock Exchange" | The Stock Exchange of Hong Kong Limited, a wholly owned subsidiary of Hong Kong Exchanges and Clearing Limited |
| "Independent Third Party(ies)" | any person(s) or entity(ies) who, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, is/are not a connected person of the Company within the meaning of the Listing Rules |
| "Listing" | the listing of the Shares on the Main Board of the Stock Exchange |
| "Listing Date" | June 23, 2025, the date on which the Shares are listed and on which dealings in the Shares are first permitted to commence on the Hong Kong Stock Exchange |
| "Listing Rules" | the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time |
| "Main Board" | the stock market (excluding the option market) operated by the Hong Kong Stock Exchange which is independent from and operated in parallel with the GEM of the Hong Kong Stock Exchange |

# DEFINITIONS

| | |
|---|---|
| "Model Code" | the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules |
| "Prospectus" | the prospectus of the Company dated June 13, 2025 |
| "Remuneration Committee" | the remuneration committee of the Board |
| "Reporting Period" | for the six months ended June 30, 2025 |
| "RMB" or "Renminbi" | Renminbi, the lawful currency of the PRC |
| "Securities and Futures Commission" or "SFC" | the Securities and Futures Commission of Hong Kong |
| "SFO" | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time |
| "Share(s)" | ordinary share(s) with a par value of USD0.00001 each in the share capital of the Company |
| "Shareholder(s)" | holder(s) of Share(s) |
| "subsidiary(ies)" | has the meaning ascribed thereto under the Listing Rules |
| "substantial shareholder(s)" | has the meaning ascribed thereto under the Listing Rules |
| "%" | percent |

*Certain amounts and percentage figures included in this interim report have been subject to rounding. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them. Any discrepancies in any table or chart between the total shown and the sum of the amounts listed are due to rounding.*

*For ease of reference, the names of PRC laws and regulations, governmental authorities, institutions, natural persons or other entities (including the subsidiaries) have been included in this interim report in both the Chinese and English languages and in the event of any inconsistency, the Chinese versions shall prevail.*

* *for identification purpose only*

佰泽医疗集团
BAYZED HEALTH GROUP