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**北京健康(控股)有限公司**  
**Beijing Health (Holdings) Limited**

(Incorporated in the Cayman Islands with limited liability)  
(Stock Code: 2389)

**ANNOUNCEMENT OF THE ANNUAL RESULTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

The board of directors (the “Board”) of Beijing Health (Holdings) Limited (the “Company”) announces the consolidated annual results of the Company and its subsidiaries (collectively the “Group”) prepared in accordance with Hong Kong Financial Reporting Standards for the year ended 31 December 2024, together with the comparative figures for the year 2023, as follows:

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME**

*For the year ended 31 December 2024*

	<i>Notes</i>	<b>2024</b> <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<b>REVENUE</b>	4	<b>149,945</b>	140,346
Cost of sales		<u>(114,265)</u>	<u>(101,872)</u>
Gross profit		<b>35,680</b>	38,474
Other income and gains/(losses), net	4	<b>(15,678)</b>	36,084
Selling and distribution expenses		<b>(14,331)</b>	(13,904)
Administrative expenses		<b>(80,716)</b>	(89,476)
Impairment losses on financial assets, net		<b>(5,751)</b>	(15,163)
Other expenses and losses		<b>(7,963)</b>	(1,397)
Finance costs	6	<b>(228)</b>	(376)
Share of losses of:			
Joint ventures		<b>(13,446)</b>	(5,728)
Associates		<b>(16,988)</b>	(17,292)
<b>LOSS BEFORE TAX</b>	5	<b>(119,421)</b>	(68,778)
Income tax credit	7	<b>3,846</b>	7,057
<b>LOSS FOR THE YEAR</b>		<b><u>(115,575)</u></b>	<b><u>(61,721)</u></b>

	<b>2024</b> <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<b>LOSS FOR THE YEAR</b>	<u>(115,575)</u>	<u>(61,721)</u>
<b>OTHER COMPREHENSIVE INCOME/ (LOSS)</b>		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Debt investment at fair value through other comprehensive income:		
Changes in fair value	94	120
Exchange differences:		
Exchange differences on translation of foreign operations	(24,746)	(21,057)
Share of other comprehensive income/(loss) of a joint venture	3,272	(892)
Share of other comprehensive (loss)/income of associates	<u>(212)</u>	<u>1,618</u>
Net other comprehensive loss that may be reclassified to profit or loss in subsequent periods	<u>(21,592)</u>	<u>(20,211)</u>
Other comprehensive loss will not be reclassified to profit or loss in subsequent periods:		
Changes in fair value of equity investments designated at fair value through other comprehensive income	<u>(21,016)</u>	<u>(70,935)</u>

	<i>Note</i>	<b>2024</b> <b>HK\$'000</b>	2023 <i>HK\$'000</i>
Net other comprehensive loss that will not be reclassified to profit or loss in subsequent periods		<u>(21,016)</u>	<u>(70,935)</u>
<b>OTHER COMPREHENSIVE LOSS FOR THE YEAR, NET OF TAX</b>		<b><u>(42,608)</u></b>	<b><u>(91,146)</u></b>
<b>TOTAL COMPREHENSIVE LOSS FOR THE YEAR</b>		<b><u>(158,183)</u></b>	<b><u>(152,867)</u></b>
Profit/(loss) attributable to:			
Owners of the parent		(116,218)	(61,882)
Non-controlling interests		<u>643</u>	<u>161</u>
		<b><u>(115,575)</u></b>	<b><u>(61,721)</u></b>
Total comprehensive loss attributable to:			
Owners of the parent		(157,870)	(151,752)
Non-controlling interests		<u>(313)</u>	<u>(1,115)</u>
		<b><u>(158,183)</u></b>	<b><u>(152,867)</u></b>
<b>LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT</b>			
Basic and diluted	9	<b><u>HK(1.92) cents</u></b>	<b><u>HK(1.01) cents</u></b>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2024

		2024	2023
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		<b>58,759</b>	57,446
Investment properties		<b>120,397</b>	136,716
Right-of-use assets		<b>369,834</b>	391,249
Properties under development		<b>412,578</b>	421,593
Goodwill		<b>79,979</b>	79,979
Investments in joint ventures		<b>51,666</b>	70,018
Investments in associates		<b>105,944</b>	128,746
Equity investments designated at fair value through other comprehensive income		<b>171,013</b>	169,412
Debt investment at fair value through other comprehensive income		<b>14,199</b>	15,614
Prepayments and other receivables		<b>11,900</b>	12,160
Deferred tax assets		<b>1,781</b>	1,713
		<hr/>	<hr/>
Total non-current assets		<b>1,398,050</b>	1,484,646
		<hr/>	<hr/>
<b>CURRENT ASSETS</b>			
Inventories		<b>40,053</b>	45,403
Trade and bill receivables	10	<b>23,398</b>	16,826
Prepayments, other receivables and other assets		<b>277,581</b>	295,539
Financial assets at fair value through profit or loss		<b>133,219</b>	182,633
Cash and cash equivalents		<b>77,865</b>	153,324
		<hr/>	<hr/>
Total current assets		<b>552,116</b>	693,725
		<hr/>	<hr/>

	<i>Note</i>	<b>2024</b> <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<b>CURRENT LIABILITIES</b>			
Trade payables	11	<b>32,152</b>	29,050
Other payables and accruals		<b>102,742</b>	116,017
Lease liabilities		<b>2,278</b>	3,143
Tax payable		<b>839</b>	523
		<hr/>	<hr/>
Total current liabilities		<b>138,011</b>	148,733
		<hr/>	<hr/>
<b>NET CURRENT ASSETS</b>		<b>414,105</b>	544,992
		<hr/>	<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>1,812,155</b>	2,029,638
		<hr/>	<hr/>
<b>NON-CURRENT LIABILITIES</b>			
Other payables		<b>10,320</b>	9,239
Lease liabilities		<b>3,375</b>	1,750
Deferred tax liabilities		<b>58,034</b>	64,101
		<hr/>	<hr/>
Total non-current liabilities		<b>71,729</b>	75,090
		<hr/>	<hr/>
Net assets		<b>1,740,426</b>	1,954,548
		<hr/> <hr/>	<hr/> <hr/>
<b>EQUITY</b>			
Equity attributable to the owners of the parent			
Share capital		<b>1,211,754</b>	1,211,754
Reserves		<b>504,357</b>	673,731
		<hr/>	<hr/>
		<b>1,716,111</b>	1,885,485
		<hr/>	<hr/>
Non-controlling interests		<b>24,315</b>	69,063
		<hr/>	<hr/>
Total equity		<b>1,740,426</b>	1,954,548
		<hr/> <hr/>	<hr/> <hr/>

## NOTES

### 1 BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties, financial assets at fair value through profit or loss, equity investments designated at fair value through other comprehensive income and debt investment at fair value through other comprehensive income which have been measured at fair value. These consolidated financial statements are presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand except when otherwise indicated.

#### **Basis of consolidation**

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

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

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

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

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

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

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

## 2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

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

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

The application of the revised standards does not have any impact on the financial position or the performance of the Group.

The Group has not applied the following new and revised HKFRSs that have been issued but are not yet effective:

HKFRS 18	<i>Presentation and Disclosure in Financial Statements</i> <sup>3</sup>
HKFRS 19	<i>Subsidiaries without Public Accountability: Disclosures</i> <sup>3</sup>
Amendments to HKFRS 9 and HKFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments</i> <sup>2</sup>
Amendments to HKFRS 9 and HKFRS 7	<i>Contracts Referencing Nature-dependent Electricity</i> <sup>2</sup>
Amendments to HKFRS 10 and HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> <sup>4</sup>
Amendments to HKAS 21	<i>Lack of Exchangeability</i> <sup>1</sup>
<i>Annual Improvements to HKFRS Accounting Standards – Volume 11</i>	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7 <sup>2</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2025

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2026

<sup>3</sup> Effective for annual/reporting periods beginning on or after 1 January 2027

<sup>4</sup> No mandatory effective date yet determined but available for adoption

The Directors do not anticipate that the application of new and revised HKFRSs and Interpretations will have material impact on the consolidated financial statements of the Group.

## 3 OPERATING SEGMENT INFORMATION

For management purposes, the Group has one single operating and reportable segment, which is the provision of medical care, health care and geriatric care related services and products. All of the Group's operating results are generated from this single segment. During the year, 100% (2023: 100%) of the Group's revenue was generated from customers in Mainland China, and over 92% (2023: over 87%) the Group's non-current assets, excluding financial instruments and deferred tax assets, were located in Mainland China.

Revenue of approximately HK\$10,462,000 (2023: HK\$17,431,000) was derived from sales of goods to a single customer, including sales to a group of entities which are known to be under common control with that customer.

#### 4 REVENUE, OTHER INCOME AND GAINS, NET

An analysis of revenue is as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Revenue from contracts with customers	<u>149,945</u>	<u>140,346</u>
<b>Revenue from contracts with customers</b>		
<i>(i) Disaggregated revenue information</i>		
<b>For the year ended 31 December</b>		
	2024 <b>Total</b> <i>HK\$'000</i>	2023 <b>Total</b> <i>HK\$'000</i>
<b>Type of goods or services</b>		
Sale of goods	135,907	128,620
Rendering of services	<u>14,038</u>	<u>11,726</u>
Total	<u>149,945</u>	<u>140,346</u>
<b>Geographical market</b>		
Mainland China	<u>149,945</u>	<u>140,346</u>
Total	<u>149,945</u>	<u>140,346</u>

During the year, the Group recognised revenue of HK\$40,018,000 (2023: HK\$41,676,000) that were included in the contract liabilities in respect of the sale of goods of the beginning of the reporting period and recognised from performance obligations satisfied in previous periods.

#### *(ii) Performance obligations*

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

##### *Sale of goods*

The performance obligation is satisfied upon the completion of installation of goods and payment is generally due within 30 to 90 days from delivery, except for new customers, where a partial payment in advance is normally required.

##### *Rendering of services*

The performance obligation is satisfied over time as services are rendered and payment is generally due upon completion of the service period.



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

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Amounts expected to be recognised as revenue:		
Within one year	127,203	155,165
After one year	5,549	4,364
	<u>132,752</u>	<u>159,529</u>

The amounts of transaction prices allocated to the remaining performance obligations which are expected to be recognised as revenue after one year relate to sales of goods and warranty services included in sale contracts, of which the performance obligations are to be satisfied within 2 to 15 years. All the other amount of transaction prices allocated to the remaining performance obligations are expected to be recognised as revenue within one year. The amounts disclosed above do not include variable consideration which is constrained.

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<b>Other income</b>		
Bank interest income	1,606	3,744
Other interest income	3,239	11,863
Investment income of debt investments at fair value through other comprehensive income	601	106
Investment income of equity investments at fair value through other comprehensive income	3,066	3,077
Investment income of financial assets at fair value through profit or loss	3,940	3,261
Gross rental income from investment property operating leases	7,022	8,282
Other rental income	2,461	5,218
Dividend income	37	1,057
Government subsidies	1,195	1,671
Others	6,928	526
Total other income	<u>30,095</u>	<u>38,805</u>
<b>Gains/(losses), net</b>		
Fair value losses on investment properties, net	(13,892)	(12,153)
Fair value losses on financial assets at fair value through profit or loss	(2,538)	(565)
Loss on disposal of associates	–	(380)
Loss on disposal of items of property, plant and equipment	(53)	(71)
Reversal of impairment on investments in associates, net	–	1,211
Foreign exchange differences, net	(29,290)	9,237
Total gains/(losses), net	<u>(45,773)</u>	<u>(2,721)</u>
Total other income and gains/(losses), net	<u>(15,678)</u>	<u>36,084</u>

## 5 LOSS BEFORE TAX

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

	<b>2024</b>	2023
	<b>HK\$'000</b>	HK\$'000
Cost of inventories sold	<b>105,119</b>	94,929
Cost of services provided	<b>9,049</b>	6,943
Depreciation of property, plant and equipment	<b>3,937</b>	4,561
Depreciation of right-of-use assets	<b>17,784</b>	19,650
Impairment/(reversal of impairment) of investments in associates, net	<b>7,912***</b>	(1,211)*
Lease payments not included in the measurement of lease liabilities	<b>1,255</b>	1,510
Auditor's remuneration	<b>1,810</b>	1,240
Employee benefit expense (excluding directors' and chief executive's remuneration)		
Wages and salaries	<b>28,993</b>	32,574
Pension scheme contributions (defined contribution schemes)**	<b>6,895</b>	7,420
Total	<b>35,888</b>	39,994
Impairment loss on financial assets, net:		
Impairment of trade receivables, net	<b>425</b>	998
Impairment of prepayments, other receivables and other assets, net	<b>5,326</b>	14,165
Total	<b>5,751</b>	15,163

\* These items are included in "Other income and gains/(losses), net" in the consolidated statement of profit or loss and other comprehensive income.

\*\* At 31 December 2024, the Group had no forfeited contributions available to reduce its contributions to the pension schemes in future years (2023: nil).

\*\*\* These items are included in "Other expenses and losses" in the consolidated statement of profit or loss and other comprehensive income.

## 6 FINANCE COSTS

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Interest on bank borrowings	–	98
Interest on lease liabilities	228	278
	<hr/>	<hr/>
Total	<b>228</b>	<b>376</b>
	<hr/> <hr/>	<hr/> <hr/>

## 7 INCOME TAX

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Current – PRC corporate income tax		
Charge for the year	1,032	3,350
Deferred	(4,878)	(10,407)
	<hr/>	<hr/>
Total	<b>(3,846)</b>	<b>(7,057)</b>
	<hr/> <hr/>	<hr/> <hr/>

### Hong Kong profits tax

During the year ended 31 December 2024, no Hong Kong profits tax had been provided as there were no assessable profits arising in Hong Kong during the year (2023: nil).

### PRC corporate income tax

PRC corporate income tax provision in respect of operations in Mainland China is calculated at the applicable tax rates on the estimated assessable profits for the year based on prevailing legislation, interpretations and practices in respect thereof.

## 8 DIVIDEND

The directors do not recommend the payment of any dividend for the year (2023: nil).

## 9 LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amount is based on the loss for the year attributable to ordinary equity holders of the parent of approximately HK\$116,218,000 (2023: HK\$61,882,000), and the weighted average number of ordinary shares of 6,058,772,027 (2023: 6,058,772,027) in issue during the year.

The Group had no potentially dilutive ordinary shares in issue during the year ended 31 December 2024 and 2023.

## 10 TRADE AND BILL RECEIVABLES

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

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Within 3 months	14,497	7,419
4 to 6 months	3,684	5,183
7 to 12 months	2,452	3,222
Over 1 year	2,225	1,002
	<hr/>	<hr/>
Bill receivables	22,855	16,826
	540	–
	<hr/>	<hr/>
Total	<b>23,398</b>	<b>16,826</b>
	<hr/> <hr/>	<hr/> <hr/>

## 11 TRADE PAYABLES

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

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Within 3 months	16,803	14,914
Over 3 months	15,349	14,136
	<hr/>	<hr/>
Total	<b>32,152</b>	<b>29,050</b>
	<hr/> <hr/>	<hr/> <hr/>

The trade payables are non-interest-bearing and are normally settled on terms of 3 to 6 months.

## 12 CONTINGENT LIABILITIES

The Group has contingent liabilities up to RMB28,000,000 (equivalent to approximately HK\$30,238,000) as a guarantor for the bank facility granted to an associate of the Company (31 December 2023: RMB28,000,000 (equivalent to approximately HK\$30,898,000)).

As at 31 December 2024, the associate has utilised bank loans of approximately RMB24,235,000 (equivalent to approximately HK\$26,172,000) which is guaranteed by the Group (31 December 2023: approximately RMB25,003,000 (equivalent to approximately HK\$27,591,000)).

Save as disclosed above, the Group has no significant contingent liabilities as at 31 December 2024 (2023: nil).

## 13 EVENTS AFTER THE REPORTING PERIOD

There are no significant events subsequent to 31 December 2024 which may materially affect the Group's operating and financial performance as of the date of approval of these consolidated financial statements.

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW

#### Geriatric Care Business

The growth rate of China's aging population continues to rise and is expected to exceed 300 million by 2025 and 420 million by 2035. Pursuant to the "Opinions on Deepening the Reform and Development of Elderly Care Services\* (《關於深化養老服務改革發展的意見》)" issued by the CPC Central Committee and State Council in December 2024, the elderly care service network will be basically completed by 2029, and the elderly care service network will be more comprehensive by 2035 that all elderly could enjoy basic elderly care services. The Central Economic Work Conference in December 2024 emphasized the active development of the silver economy. In February 2025, the China Securities Regulatory Commission issued the "Implementation Opinions on the effectively prepared on the 'five major articles' by capital markets\* (《關於資本市場做好金融“五篇大文章”的實施意見》)", which proposed to provide high-quality elderly care financial products and services, support eligible health and silver economy enterprises in equity and debt financing, and explore the issuance of asset-backed securities and REITs based on underlying assets such as elderly care facilities. It can be seen that the Chinese government has provided active support for the elderly care industry.

The Group actively expands inclusive institutions for geriatric care and engages in the investment and operation of nursing homes by adopting the model of "chain operation with integrated medical and geriatric care". It has maintained in-depth deployment in Yangtze River Delta region, which has stronger economic power and greater market demand, and gradually expanded to the entire PRC for the provision of quality geriatric service. The Group has established the "Beikang Geriatric Care\* (北康養老)" geriatric service brand with strong competitive advantages in China and has broad experience in investment and operation of medical and geriatric care. At present, the Group operates a number of self-operated nursing institutions through its own team of professional geriatric care and medical personnel. The occupancy rate of beds for geriatric care is full throughout the year, representing full recognition and acknowledgment by customers and governments.

As of 31 December 2024, the Group operated and managed six geriatric care institutions with a total of 1,243 beds (mainly in the Yangtze River Delta region), including a total of 849 beds for medical care services in four medical institutions. Currently, the occupancy rate of the project as at the end of the period reached 72% and the operating cash flow is stable. During the Year, revenue from beds of geriatric care institutions reached RMB45.08 million (2023: RMB41.81 million), representing a year-on-year increase of 8%.

### ***Brief Description of Geriatric Care Project***

Project Name	Number of beds	Revenue <sup>^</sup>			Occupancy rate as at the end of the period	
		2024	2023	Changes	2024	2023
		<i>RMB'000</i>	<i>RMB'000</i>			
Wuxi Liangxi District Guangyi Geriatric Care Center and Nursing Home	288	<b>20,740</b>	20,810	0%	<b>92%</b>	83%
Wuxi Liangxi District Wuhe Geriatric Care Center and Nursing Home	160	<b>5,880</b>	5,930	(1%)	<b>57%</b>	75%
Changzhou Xinbei District Xuejia Aixin Geriatric Care Center and Nursing Home	415	<b>11,300</b>	9,640	17%	<b>78%</b>	75%
Wuxi Liangxi District Huifeng Geriatric Care Center	100	<b>1,480</b>	1,220	21%	<b>44%</b>	70%
Wuhu Jinghu District Golden Sun Geriatric Care Cente	120	<b>4,580</b>	4,210	9%	<b>95%</b>	100%
Changzhou Luoxi District Geriatric Care and Nursing Home (newly opened)	160	<b>1,100</b>	–	N/A	<b>34%</b>	N/A
<b>Total</b>	<b>1,243</b>	<b>45,080</b>	<b>41,810</b>	<b>8%</b>	<b>72%</b>	<b>79%</b>
		<i>HK\$'000</i>	<i>HK\$'000</i>			

**Presented in accordance  
with Hong Kong Generally  
Accepted Accounting  
Principles**

**14,038**      **11,726**      **19.7%**

<sup>^</sup> This revenue includes the revenue from the private non-enterprise entities (the “Private Non-enterprise Entities”) which were founded by the Group’s subsidiaries. As the Group’s geriatric care business is mainly operated by the Private Non-enterprise Entities founded by the Group’s subsidiaries, the revenue presented in accordance with Hong Kong Generally Accepted Accounting Principles represents the fees charged by the Group’s subsidiaries to the Private Non-enterprise Entities in accordance with market principles.

### *Wuxi Liangxi District Guangyi Geriatric Care Center and Nursing Home*

First established in July 1983, included in Projects Benefiting the People in 2009 and the total investment made by the local government for reconstruction amounted to over RMB40 million. The residential institution has a built-up area of about 20 acres and a gross floor area of over 10,000 sq.m.. The residential institution has double qualification of geriatric care center and nursing home. It was honored with provincial and municipal demonstrative geriatric care institutions and advanced unit consecutively for many years.

In 2024, Guangyi Geriatric Care Center and Nursing Home achieved operating revenue of RMB20.74 million, which was basically the same as the previous year and remained stable, with an occupancy rate of 92%. In 2024, the occupancy rate of Guangyi Geriatric Care Center and Nursing Home increased slightly. Value-added services business such as integrated medical and geriatric care maintained stable operating results.

### *Wuxi Liangxi District Wuhe Geriatric Care Center and Nursing Home*

Established in 2012, the project is situated at Block C, 20 Antou Qiao, Wuxi. It has a gross floor area of approximately 3,500 sq.m. and has double qualification of geriatric care center and nursing home. The center has set up function rooms such as chess room, reading room, studio, rehabilitation room.

In 2024, Wuhe Geriatric Care Center and Nursing Home achieved operating revenue of RMB5.88 million, which was basically the same as the previous year, and the occupancy rate dropped to 57%. The decline in the occupancy rate as at the end of the period of Wuhe Geriatric Care Center and Nursing Home in 2024 was mainly affected by the renovation of certain rooms. The occupancy rate is expected to increase in 2025.

### *Changzhou Xinbei District Xuejia Aixin Geriatric Care Center and Nursing Home*

The institution is situated at the centre of Xuejiazhen, Xinbei District, Changzhou with a gross floor area of approximately 12,500 sq.m.. It has a green area of approximately 6,200 sq.m.. There are two buildings, the southern block has 3 floors and the northern block has 4 floors. The residential institution has double qualification of geriatric care center and nursing home.

In 2024, Xuejia Aixin Geriatric Care Center and Nursing Home achieved operating revenue of RMB11.30 million, representing a year-on-year increase of 17%, with an occupancy rate of 78%. In 2024, Xuejia Aixin Geriatric Care Center and Nursing Home operated well and achieved significant growth. During the Year, Xuejia Aixin Geriatric Care Center was identified by Jiangsu Commission of Health as an outstanding unit of Jiangsu Province Elderly Friendly Medical Institutions.

### *Wuxi Liangxi District Huifeng Geriatric Care Center*

The institution was built in April 2005. The Group took over in 2017 and carried out renovation and alteration. The gross floor area was 2,400 sq.m.. Green coverage reached 60%. The residential institution has set up function rooms such as chess room, reading room, studio and gym room. The outdoor garden provides sufficient space for the elders.

In 2024, Huifeng Geriatric Care Center achieved operating revenue of RMB1.48 million, representing a year-on-year increase of 21%, with an occupancy rate of 44%. Huifeng Geriatric Care Center completed the improvement of integrated medical and geriatric care in 2024, and the performance is expected to increase significantly onwards.

### *Wuhu Jinghu District Golden Sun Geriatric Care Center*

The institution is situated at 3-1 land parcel, Century City, Jinghu District, Wuhu city. It was converted from Jinghu District Old-age University with a gross area of 3,300 sq.m.. The residential institution provides services such as long term and short term foster care, day care and respite care. Meanwhile, it provides home health care social services to the nearby areas.

In 2024, Wuhu Golden Sun Geriatric Care Center achieved operating revenue of RMB4.58 million, representing a year-on-year increase of 9%, with an occupancy rate of 95%. Wuhu Golden Sun Geriatric Care Center has undergone internal renovation work in response to market demand, increasing the number of operating beds by approximately 10. It has also opened a new catering center, which is open to the public, thereby increasing value-added service revenue.

### *Changzhou Luoxi District Geriatric Care Center and Nursing Home*

Changzhou Luoxi District Geriatric Care and Nursing Home is located at 997 Zhengtai Road, Luoxi Town, Xinbei District, Changzhou City, Jiangsu Province. The project covers a total site area of 15,000 sq.m., with a gross floor area of 4,800 sq.m., a landscaping area of approximately 5,000 sq.m., and a total of 160 beds. In 2023, the Group entered into a contract with the government to acquire the operating right of the project. After renovation and transformation, the project was officially put into operation in May 2024, turning into a smart and garden-like nursing home that integrates medical and geriatric care, with the occupancy rate of the project reaching 34% since its operations.

Luoxi District Geriatric Care Center and Nursing Home opened in May 2024, and there was elderly settled in as soon as its operation. In 2024, Changzhou Luoxi District Geriatric Care Center and Nursing Home achieved operating revenue of RMB1.10 million, with an occupancy rate of 34%. As the occupancy rate gradually increases, it will continue to contribute to the Group's operating revenue and performance growth in the future.



## ***Newly-signed Projects***

### ***Ancient Canal Cultural and Creative Building Health Care Project***

On 10 November 2023, the Group signed a cooperation agreement with Jiangsu Ancient Canal Hotel Management Company Limited\* (江蘇古運河酒店管理有限公司) regarding the health care project of Ancient Canal Cultural and Creative Building in Liangxi District, Wuxi City, and successfully obtained the operating right of the Ancient Canal Cultural and Creative Building Health Care Project. Ancient Canal Cultural and Creative Building is located in the center of Liangxi District, Wuxi City, the Wuxi People's Hospital, with 17 floors and a construction area of about 18,000 sq.m.. The project plans to set up about 450 integrated medical and geriatric care beds, mainly double standard rooms, with beds for highend users to meet differentiated needs. The project is expected to commence in the first half of 2025.

### ***Health Care Project In Rizhao***

The Group and Rizhao Urban Construction Investment Group Co., Ltd.\* (日照市城市建設投資集團有限公司) (“Rizhao Urban Construction Group”) have entered into a cooperation agreement in relation to a health care project on 13 September 2024. The Group will cooperate with Rizhao Urban Construction Group to renovate and transform a comprehensive building with an area of approximately 5,500 sq.m. under Rizhao Urban Construction Group in the Donggang District, Rizhao, Shandong Province to cooperate in the construction of the harbour health care center. The project is planned to provide approximately 116 beds, actively building an integrated medical and geriatric care nursing service institution with complete functions, excellent services, and standardized management.

## **Health Industrial Park Business**

The Group acquired land parcels of high-quality mainly in first-tier cities such as Beijing and Shanghai based on the policies and directions on land planning adjustments of central and local governments. Leveraging on the transformation and upgrading, the Group introduced advanced industrial construction philosophy to fully satisfy the needs of the government and market users with the focus being placed on new modes of business operations such as setting up corporate headquarters and healthcare industrial parks.

As of 31 December 2024, the Group participated in six projects in total in Beijing, Shanghai, Dali and Canada with a total site area of over 400,000 sq.m.. The implementation plans of each of the projects have gained support from the local governments where the projects are located. As the projects are positioned in line with the market demand, it is expected that the projects will have considerable potential for appreciation in commercial value.

As of 31 December 2024, the progress of the Group's projects under development as follows:

Location	Project Name	Land Area (sq.m.)	Shareholding Percentage	Future Planning of the Project	Project Status
Beijing	Inland Port Project	87,607	95%	This project is located in the core urban area of the Fourth Ring Road of Beijing, with a superior geographical location. The Group intends to bring in quality partners to upgrade and transform the project, and jointly operate the park after transformation, to create a new industrial park project with the theme of smart warehousing, digital technology and new energy.	During the year, the application to the Chaoyang District Development and Reform Commission for the extension of key projects was completed. At present, project revenue has been steadily improved through the new operation management system and the reorganization of the tenant portfolio.
Shanghai	Sanlu Road Project	20,480	20%	This project has been completed as a new industrial park and is recruiting tenants	Properties are recruiting tenants.
Shanghai	Hongmei Road Project	39,448	100%	This project is strategically located in the core area of Shanghai. The Group intends to bring in quality partners to jointly develop this project	The rental apartment project is temporarily suspended, and the project is temporarily recruiting tenants for short-term lease.

Location	Project Name	Land Area (sq.m.)	Shareholding Percentage	Future Planning of the Project	Project Status
Dali	Haidong New District Project	275,181	60%	Greater health industrial park complex including lands for residential, commercial and medical purposes	As the Yunnan provincial government suspended its approval process for the development and construction in Haidong New District, this project is temporarily withheld.  The Group is discussing with the local government on the follow-up arrangements.
Canada	Royal Tower	10,588	47.47%	Urban health apartments	We are preparing the application of replanning the nature of project land development, and seeking appropriate partners.
Canada	Ovation	2,425	N/A <sup>(1)</sup>	Artistic health apartments	The pre-sale of this project began in April 2019 and the units were delivered to buyers at the beginning of 2024. In mid-July 2024, the Project Company has repaid approximately CAD8.60 million to the Group, and it is expected that with further sales of the remaining unsold units, the Project Company will continue to make repayment arrangements to the Group.

*Note<sup>(1)</sup>*: This project is engaged in the form of debt investment.

### Sale of Medical and Geriatric Products

Beijing Vissam Prosperity Furniture Limited\* (北京偉森盛業家具有限公司) (“Vissam Prosperity”), a company under the Group engaging in medical and geriatric product business, continued to deeply engaged in the design and sale of the professional furniture for the geriatric care, medical, education and other industries. On the basis of meeting the basic requirements of professional, green and environmental protection, it takes “people’s health needs” as the core of its products and continues to maintain the industry leader.

In 2024, Vissam Prosperity actively engaged in industry networking events. It participated in a total of 13 offline marketing activities, hosted 837 clients, secured 32 valid projects, and signed contracts for 4 projects. Vissam Prosperity also conducted brand promotion activities through online exhibitions and self-media (including platforms such as WeChat Public Account, WeChat Video Account, Sohu and Douyin), achieving a total exposure of 99.33 million. Consequently, Vissam Prosperity successfully signed key projects during the Year, including Renmin University Tongzhou new campus project, Chang'an University south campus teaching building project, China University of Petroleum project, Tsinghua University No.5 teaching project and Sichuan University Project, with new sales contracts with a contract amount of RMB122 million.

At present, Vissam Prosperity has a total of seven marketing centers in China, with Beijing as the center and expands nationwide. During the Year, marketing centers were set up in Xi'an and Nanjing respectively to provide services to customers.

In terms of product research and development, Vissam Prosperity and United States KI Company reached a strategic and in-depth cooperation during the Year to jointly set up a R&D center in China, which Vissam Prosperity will conduct product research and development and United States KI Company will provide brand authorization to establish brand attributes and expand market influence.

Vissam Prosperity has continuously improved the corporate professional standards and obtained seven major product certificates in 2024, including Government Green Procurement Requirement Standard Certification, Five-star Green Supply Chain Certificate, Environmental Guardian Certificate for Furniture Products, Low VOCs Certificate for Furniture Products, Corporate Integrity Management System, Measurement Management System, as well as SA8000 Social Responsibility. Meanwhile, Vissam Prosperity completed the annual inspection of China Environmental Product Certification, China Environmental Labeling Product Certification, Environmental Management System Certification, Quality Management System Certification, Occupational Health and Safety Management Systems Certification, Safety Product Certification, Furniture Hazardous Substance Limit Certification and Healthy Home Ergonomic Certification.

## **FUTURE PROSPECT**

In respect of the geriatric care industry, the Group will focus on building the “Beikang Medical and Geriatric Care” brand and continue to leverage on the strengths of the operation model of “chain operation with integrated medical and geriatric care”, and continue to reinforce and strengthen its core competitiveness in chain management, standardization, specialization and integration of medical and geriatric care, as well as continue its penetration into the Yangtze River Delta region, which is characterized by its robust economy and strong consumer demand, and to accelerate the expansion of the number of the elderly beds. The Group's newly contracted Wuxi Ancient Canal Nursing Home project is expected to commence operation in 2025, The project will increase the number of operating beds by approximately 450 to create an urban healthcare complex integrating geriatric care, nursing

care and healthcare in one hospital. At the same time, The Group will launch online value-added services in 2025, by using online channels such as Wechat Mini Program and Douyin to build up comprehensive value-added services, including the online ordering of elderly nutritious meals, nursing products, nursing services, home-based on-site services and accompanying services for medical appointment and caring, to realize the combination of online and offline industrial chain and continuously improve service revenue.

In respect of health industrial parks, China has stepped up its supervision of the real estate industry and the pressure of high debts on the domestic real estate industry has not been alleviated. In the face of uncertainties in the macro environment, the Group will not increase its investment in health parks in China for the time being. Instead, the Group will actively identify suitable partners to dispose of certain projects in a timely manner. As for the Group's investment projects in Canada, despite the interest rate hike environment in recent years, the Ovation project was still able to be successfully completed in 2024 and the units were delivered to buyers in batches in early 2024. The hard-won results were all due to the professionalism, efforts and experience of the staff team, laying a solid foundation for the Group to expand overseas business. In the future, the Group will speed up the government approval process for the Royal Tower project and expand its real estate business in Canada.

In respect of the business of medical and geriatric products, we will continue to focus on medical and geriatric products, intensify the development of the segmental market with client of the education industry as the first priority of development focus, strengthen the online promotion of brands, and further improve existing stock projects as well as open up new business orders. Meanwhile, the Group is actively exploring the development of overseas markets and plans to increase sales channels in North America market.

In respect of the Group's overall strategy, we will exercise stringent cost control and optimize cost efficiency by putting resources to good use. We will manage our own capital prudently and enhance our financial position by increasing free cash income through appropriate investments in wealth management products, equity and bonds. At the same time, we will also seek investment opportunities in the sports industry from time to time to add new growth drivers to our investment target of the "greater healthcare industry".

## **MATERIAL INVESTMENTS**

The Group had no additional material investment for the year ended 31 December 2024.

The Group is actively identifying and exploring suitable investments with potential and synergy effect to its existing businesses. The Group will only consider any potential investments which are in the interests of the Company and the shareholders as a whole. No agreement for material investment has been entered into as of the date of this announcement.

## **MAJOR ACQUISITIONS AND DISPOSALS**

The Group did not have any major acquisitions and disposals for the year ended 31 December 2024.

## **FINANCIAL REVIEW**

### **Operating revenue**

As of 31 December 2024, the revenue of the Group was approximately HK\$149,945,000 (2023: HK\$140,346,000), representing an increase of 6.8% as compared to 2023, mainly due to the increase in revenue from the sales of medical and geriatric products by 5.7% to HK\$135,907,000. The increase in revenue from the medical and geriatric products segment was mainly attributable to the Group's development of a new product line of educational furniture in the early years. While the sales of medical and geriatric products have gradually stabilized, the Group has started to launch educational furniture products, and the related sales have continued to increase year after year. The customers of education furniture are all major tertiary institutions in the PRC, which has strong cash flow and low risk of bad debts.

### **Cost of sales**

Cost of sales was approximately HK\$114,265,000, representing a year-on-year increase of 12.2%. Cost of sales mainly includes cost of purchases, freight, installation fees and wage expenses.

### **Gross profit margin**

During the year, the overall gross profit margin of the Group was 23.8%, compared to 27.4% for the corresponding period last year. The decrease in gross profit margin was mainly due to the change in product mix. During the year, the medical and healthcare products segment increased the sales of education products, which have lower gross profit margins but more stable paybacks.

### **Other income and gains/(losses), net**

As of 31 December 2024, other income and gains/(losses), net amounted to a loss of approximately HK\$15,678,000 as compared to a gain of HK\$36,084,000 for the same period last year. The decrease in other income and gains/(losses), net was mainly due to (i) the decrease in related interest income of HK\$10,373,000 recognised for the year in relation to the Group's investment in the debenture of the Ovation real estate project in Canada which was completed at the beginning of the year; and (ii) an exchange difference loss of HK\$29,290,000 was incurred in 2024 as a result of the decrease of approximately 7.9% in the Canadian dollar against the Hong Kong dollar in 2024, as compared to an exchange difference gain of HK\$9,237,000 for the same period last year.

In addition to the above gains/(losses), other income and gains/(losses), net were mainly fair value losses on investment properties of HK\$13,892,000 (2023: HK\$12,153,000) and rental income of HK\$9,483,000 (2023: HK\$13,500,000).

## **Selling and distribution expenses**

As of 31 December 2024, the selling and distribution expenses of the Group were approximately HK\$14,331,000 (2023: HK\$13,904,000), representing 9.6% of the total sales amount (2023: 9.9%).

The selling and distribution expenses mainly comprise of remuneration of HK\$4,720,000 (2023: HK\$5,250,000), travelling expenses of HK\$726,000 (2023: HK\$852,000), promotion fee of HK\$3,739,000 (2023: HK\$2,752,000), office costs of approximately HK\$2,948,000 (2023: HK\$3,618,000) and license fees of HK\$1,218,000 (2023: HK\$790,000).

## **Administrative expenses**

As of 31 December 2024, the administrative expenses were HK\$80,716,000, representing a decrease of 9.8% in expenses as compared to HK\$89,476,000 in 2023.

The administrative expenses mainly included staff costs (including directors' remuneration) of HK\$36,216,000 (2023: HK\$36,920,000), professional advisory fees of HK\$7,324,000 (2023: HK\$8,702,000), office expenses of HK\$4,001,000 (2023: HK\$6,124,000), depreciation and amortization costs of HK\$19,545,000 (2023: HK\$22,450,000), business entertainment expenses of HK\$2,709,000 (2023: HK\$3,809,000), travelling expenses of HK\$3,881,000 (2023: HK\$3,943,000) and audit expenses of HK\$1,954,000 (2023: HK\$1,640,000).

The decrease in administrative expenses was mainly due to the implementation of the Group's tightening expense policy which resulted in an effective reduction of various administrative expenses.

## **Impairment losses of financial assets, net**

Impairment losses of financial assets, net, were mainly attributable to the provision for impairment of the Group's trade receivables and other receivables. During the year, some trade receivables and other receivables were expected not to be repaid on time due to the continued impact of the pandemic. Taking into account the repayment ability of the defaulters, the Group has made a provision for impairment of the affected balances.

## **Other expenses and losses**

Other expenses and losses were mainly attributable to the one-off expenses without cash outflow. As of 31 December 2024, the other expenses and losses of the Group was HK\$7,963,000 (2023: HK\$1,397,000). Other expenses and losses mainly represent a provision for impairment of investment in an associate of approximately HK\$7,912,000 (2023: reversal of impairment of HK\$1,211,000).

## **Finance cost**

As of 31 December 2024, the total finance cost of the Group was approximately HK\$228,000 (2023: HK\$376,000), representing a decrease of 39.4% as compared to the corresponding period last year, which was mainly due to the decrease in the Group's weighted average lease liabilities. During the year, the Group had no interest-bearing bank or other borrowings.

## **Share of losses of joint ventures**

Share of losses of joint ventures were mainly the share of 47.47% of loss attributable to shareholders of 1121695 B.C. Ltd. of approximately HK\$13,446,000 (2023: HK\$5,728,000). The increase in share of losses of the joint venture was mainly due to the increase in interest expenses of the joint venture as a result of the increase in interest rates on borrowings in Canada.

## **Share of losses of associates**

Share of losses of associates mainly included the share of 25.07% of loss attributable to shareholders of Beijing Sports and Entertainment Industry Group Limited of approximately HK\$5,727,000 (2023: HK\$13,796,000) and the share of 20% of loss attributable to shareholders of Shanghai Junbo Textiles Limited\* of approximately HK\$10,277,000 (2023: HK\$2,025,000).

## **Net assets**

As at 31 December 2024, the net assets of the Group was approximately HK\$1,740,426,000, representing a decrease of approximately HK\$214,122,000 from approximately HK\$1,954,548,000 as at 31 December 2023. Excluding the generation of loss of approximately HK\$115,575,000 during the year, the net assets decreased by HK\$98,547,000 as compared to 31 December 2023, which was mainly due to the depreciated exchange rate of RMB against Hong Kong dollar of approximately 5.3% during 2023, the Group recognized exchange losses of HK\$24,746,000 in other comprehensive income and losses, fair value loss of equity investments designated at fair value through other comprehensive income of HK\$21,016,000 and the Group acquired 12.7637% equity interest in Beijing Lugang International Logistic Co., Ltd., a non-wholly owned subsidiary of the Company, at an aggregate consideration of RMB48,000,000 (approximately HK\$54,535,000) at the beginning of the year, which resulted in a corresponding decrease in non-controlling interests.



## **Liquidity and financial resources**

As at 31 December 2024, cash and cash equivalents held by the Group was approximately HK\$77,865,000 (31 December 2023: HK\$153,324,000), and balance of wealth management products from banks was approximately HK\$118,441,000 (31 December 2023: HK\$160,047,000). Cash and cash equivalents and balance of wealth management products from banks decreased by approximately HK\$117,065,000, mainly due to Group's acquisition of 12.7637% equity interest in Beijing Lugang International Logistic Co., Ltd., a non-wholly owned subsidiary of the Company, at a total consideration of RMB48,000,000 (approximately HK\$54,535,000) at the beginning of the year and provided a loan of CAD8,600,000 (approximately HK\$48,160,000) to a joint venture of the Company.

As at 31 December 2024, the Group did not have any interest-bearing bank borrowings (31 December 2023: HK\$nil).

As at 31 December 2024, the net current assets of the Group amounted to HK\$414,105,000 and the current ratio was 4 times. The Group maintained sufficient bank credit facilities to meet working capital needs and had sufficient cash resources to finance its capital expenditure in the foreseeable future.

The Group agreed that meticulous management on cash flow is the key to success. To ensure that there is sufficient capital to satisfy the need of the Group's rapid growth, the Group remains good relationships with each of the banks from time to time, so that the Group gains easy access to application for loans.

## **Capital structure**

The Group took full advantage of the financing platform as a listed company by striving for a constant optimisation of the capital and financing structure, so as to obtain sufficient funds to finance the future projects of health and geriatric care. During the period, the Group's operations were mainly financed by internal resources and bank loans.

As at 31 December 2024, the number of issued share of the Company was 6,058,772,027 shares. Equity attributable to shareholders of the Company amounted to approximately HK\$1,716,111,000 (31 December 2023: approximately HK\$1,885,485,000) and net assets per share attributable to shareholders amounted to approximately HK\$0.283.

## **Capital Expenditure**

As of 31 December 2024, the Group's capital expenditure was approximately HK\$6,638,000 (2023: HK\$1,372,000), which was mainly due to the purchase of properties, plants and equipment.

## **Pledge of assets**

As at 31 December 2024 and 31 December 2023, the Group had no pledged assets.

## **Contingent liabilities**

The Group has contingent liabilities up to RMB28,000,000 (equivalent to approximately HK\$30,238,000) as a guarantor for the bank facility granted to an associate of the Company (31 December 2023: RMB28,000,000 (equivalent to approximately HK\$30,898,000)).

As at 31 December 2024, the associate has utilized bank loans of approximately RMB24,235,000 (equivalent to approximately HK\$26,172,000) which is guaranteed by the Group (31 December 2023: approximately RMB25,003,000 (equivalent to approximately HK\$27,591,000)).

## **Foreign exchange risk**

Majority of the subsidiaries of the Group operate in the PRC with most of the transactions denominated and settled in RMB. Fluctuations of RMB exchange rates would impact the Group's net asset value in the preparation of the Group's consolidated accounts. If RMB appreciates/depreciates against HK\$, the Group would record a(n) increase/decrease in the Group's net asset value. Also, the Group has exposure to foreign exchange risks in relation to other receivables and investments and borrowings in a joint venture denominated in CAD. As of 31 December 2024, in respect of the Group's exposure to potential foreign exchange risks arising from the currency exchange rate fluctuations, it did not make any arrangement or use any financial instruments to hedge against potential foreign exchange risks. However, the management will continue to monitor foreign exchange risks and adopt hedging measures where necessary.

## **Relationships with employees, suppliers and customers**

The Group endeavours to maintain sustainable development in the long term, continuously create value for its employees and customers, and foster good relationships with its suppliers. The Group understands that employees are its valuable assets, and the realisation and enhancement of employees' values will facilitate the achievement of the Group's overall goals. For the year ended 31 December 2024, the Group provided generous social security benefits to its employees to motivate their proactivity at work while heightening their sense of belonging. The Group also understands the importance of maintaining good relationships with its suppliers and customers to the overall development of the Group. The Group places emphasis on supplier selection and encourages fair and open competition to foster long-term relationships with quality suppliers on the basis of mutual trust. To maintain the competitiveness of its brand and products, the Group abides by the principles of honesty and trustworthiness and commits itself to consistently providing quality products to establish a reliable service environment for its customers. For the year ended 31 December 2024, there was no significant and material dispute between the Group and its suppliers and/or customers.

## **Employees and remuneration policy**

As at 31 December 2024, the Group had approximately 179 employees, of which 80 were males and 99 were females (2023: 170 employees, of which 73 were males and 97 were females). Total staff costs (excluding Directors' remuneration) as of 31 December 2024 amounted to approximately HK\$35,888,000 (2023: HK\$39,994,000). The Group made great efforts to enhance the quality of staff. During the year under review, the Group organised internal training courses for staff at all levels. Topics of the training courses included accounting and finance, risk management and PRC's tax laws.

The Group's overall remuneration system is adhered to the principle of market orientation, offering competitive salary to retain and attract high calibre persons. The salaries of the Group's senior management are determined with reference to market level as well as the Group's overall operating results.

## **INVESTOR RELATIONS**

The Group strives to offer investors access to updated and accurate information on the Group's latest major development. The Group believes that effective communication is built on a twoway basis, and therefore welcomes feedbacks from investors to the Group. To facilitate an easy access to information on the Company's latest major development, a number of measures have been taken to ensure all necessary information and appropriate updates are made available to investors in a timely manner through the Company's website at [www.bjhl.com.hk](http://www.bjhl.com.hk), under the column of the "Investor Relations".

## **COMPLIANCE WITH CORPORATE GOVERNANCE CODE PRACTICES**

The Company is committed to maintaining high standards of corporate governance. Corporate governance requirements keep changing, therefore the Board periodically reviews the corporate governance practices of the Company to meet the rising expectations of the shareholders of the Company and comply with the increasingly stringent regulatory requirements. During the year ended 31 December 2024, the Company has complied with the code provisions as set out in the Corporate Governance Code (the "CG Code") contained in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

## **COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules as the code of conduct regarding Directors' securities transactions. Having made specific enquiry, the Company confirmed that all the Directors have fully complied with the Model Code throughout the year ended 31 December 2024.

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

There was no purchase, sale or redemption by the Company or any of its subsidiaries, of the Company's listed securities during the year ended 31 December 2024.

## **FINAL DIVIDEND**

The Board does not recommend the payment of a final dividend for the year ended 31 December 2024 (2023: nil). The Board believes in balancing returns to shareholders with investment to support future growth and decides that it would be in the Group's best interests to reserve sufficient financial resources for future business developments.

## **AUDIT COMMITTEE**

The Board has established an audit committee with written terms of reference in compliance with the CG Code. As at the date of this announcement, the audit committee of the Company (the "Audit Committee") comprises four independent non-executive directors of the Company, namely Mr. Tse Man Kit, Keith, Mr. Zhang Yun Zhou, Mr. Wu Yong Xin and Ms. Yang Xiao Yan.

The Audit Committee has reviewed the annual results of the Group for the year ended 31 December 2024.

## **SCOPE OF WORK OF THE COMPANY'S AUDITOR**

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in the preliminary announcement have been agreed by the Company's auditor to the amounts set out in the Group's drafted consolidated financial statements for the year. The work performed by the Company's auditor in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by the Company's auditor on the preliminary announcement.

## **THE ANNUAL REPORT**

The annual report of the Company for the year ended 31 December 2024 will be despatched to the shareholders of the Company and published on the websites of Hong Kong Exchange and Clearing Limited and the Company in due course.

## **APPRECIATION**

The Board would like to express its sincere appreciation to the shareholders, customers, suppliers and staff for their continued support to the Group.

## **FORWARD-LOOKING STATEMENTS**

This announcement contains certain statements that are forward-looking or which use similar forward-looking terminologies. These forward-looking statements are based on the current beliefs, assumptions and expectations of the Board of the Company regarding the industry and markets in which it operates. These forward-looking statements are subject to risks, uncertainties and other factors beyond the Company's control which may cause actual results or performance to differ materially from those expressed or implied in such forward-looking statements.

By Order of the Board  
**Beijing Health (Holdings) Limited**  
**Zhu Shi Xing**  
*Chairman*

Hong Kong, 28 March 2025

*As at the date of this announcement, the Board comprises five Executive Directors, namely Mr. Zhu Shi Xing, Mr. Liu Xue Heng, Mr. Gu Shan Chao, Mr. Siu Kin Wai and Mr. Wang Zheng Chun and four Independent Non-Executive Directors, namely Mr. Tse Man Kit, Keith, Mr. Wu Yong Xin, Mr. Zhang Yun Zhou and Ms. Yang Xiao Yan.*

\* *For identification purpose only*