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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 INTERIM RESULTS
FOR THE PERIOD ENDED 30 JUNE 2025**

The board of directors (the “Board”) of Beijing Health (Holdings) Limited (the “Company”) presents the unaudited interim condensed consolidated financial information of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30 June 2025, together with the comparative figures for the corresponding period in 2024. The interim condensed consolidated financial information has not been audited, but have been reviewed by the Company’s audit committee.

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

For the six months ended 30 June 2025

		For the six months ended 30 June	
		2025	2024
	<i>Notes</i>	HK\$'000	HK\$'000
		(Unaudited)	(Unaudited)
Revenue	4	76,587	73,307
Cost of sales		(56,192)	(56,925)
Gross profit		20,395	16,382
Other income and gains, net	5	26,133	(10,922)
Selling and distribution expenses		(8,450)	(7,226)
Administrative expenses		(40,745)	(40,709)
Impairment losses on financial assets, net		(1,250)	(2,801)
Other expenses and losses		(18,265)	(4,737)
Finance costs	6	(139)	(96)
Share of profits and losses of:			
Joint ventures		(4,055)	(5,187)
Associates		(3,936)	(5,046)
LOSS BEFORE TAX	7	(30,312)	(60,342)
Income tax credit	8	1,000	2,763
LOSS FOR THE PERIOD		(29,312)	(57,579)

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
LOSS FOR THE PERIOD	(29,312)	(57,579)
OTHER COMPREHENSIVE INCOME/ (LOSS)		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Debt investments at fair value through other comprehensive income:		
Changes in fair value	(6)	77
Exchange differences:		
Exchange differences on translation of foreign operations	15,781	(8,442)
Reclassification adjustments for a foreign operation disposed of during the period	(1,751)	–
Share of other comprehensive (loss)/income of a joint venture	(2,435)	1,156
Share of other comprehensive income/(loss) of an associate	205	(143)
Net other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods	11,794	(7,352)
Other comprehensive income/(loss) that will not to be reclassified to profit or loss in subsequent periods:		
Change in fair value of equity instruments designated at fair value through other comprehensive income	(5,498)	(4,508)
OTHER COMPREHENSIVE INCOME/ (LOSS) FOR THE PERIOD	6,296	(11,860)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	(23,016)	(69,439)

		For the six months ended 30 June	
		2025	2024
<i>Note</i>		HK\$'000	HK\$'000
		(Unaudited)	(Unaudited)
Loss attributable to:			
	Owners of the parent	(29,236)	(56,411)
	Non-controlling interests	(76)	(1,168)
		<u>(29,312)</u>	<u>(57,579)</u>
Total comprehensive income/(loss)			
attributable to:			
	Owners of the parent	(23,740)	(68,085)
	Non-controlling interests	724	(1,354)
		<u>(23,016)</u>	<u>(69,439)</u>
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
	10		
	Basic and diluted	<u>HK(0.48) cent</u>	<u>HK(0.93) cent</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2025

		30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
	<i>Note</i>		
NON-CURRENT ASSETS			
Property, plant and equipment		62,548	58,759
Investment properties		117,155	120,397
Right-of-use assets		368,650	369,834
Property under development		418,915	412,578
Goodwill		79,979	79,979
Investments in a joint venture		50,186	51,666
Investments in associates		65,927	105,944
Equity investments designated at fair value through other comprehensive income		165,886	171,013
Debt investments at fair value through other comprehensive income		–	14,199
Prepayments and other receivables		11,479	11,900
Deferred tax assets		2,124	1,781
		<hr/>	<hr/>
Total non-current assets		1,342,849	1,398,050
CURRENT ASSETS			
Inventories		22,604	40,053
Trade and bills receivables	11	36,403	23,398
Prepayments, other receivables and other assets		258,457	277,581
Financial assets at fair value through profit or loss		141,641	133,219
Cash and cash equivalents		117,168	77,865
		<hr/>	<hr/>
Total current assets		576,273	552,116

		30 June 2025	31 December 2024
	<i>Notes</i>	HK\$'000	HK\$'000
		(Unaudited)	(Audited)
CURRENT LIABILITIES			
Trade payables	12	30,194	32,152
Other payables and accruals		93,971	102,742
Lease liabilities		2,916	2,278
Tax payable		546	839
		<hr/>	<hr/>
Total current liabilities		127,627	138,011
		<hr/>	<hr/>
NET CURRENT ASSETS		448,646	414,105
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,791,495	1,812,155
		<hr/>	<hr/>
NON-CURRENT LIABILITIES			
Other payables		10,478	10,320
Lease liabilities		3,318	3,375
Deferred tax liabilities		58,011	58,034
		<hr/>	<hr/>
Total non-current liabilities		71,807	71,729
		<hr/>	<hr/>
NET ASSETS		1,719,688	1,740,426
		<hr/> <hr/>	<hr/> <hr/>
EQUITY			
Equity attributable to the owners of the parent			
Share capital	13	1,211,754	1,211,754
Reserves		480,617	504,357
		<hr/>	<hr/>
		1,692,371	1,716,111
		<hr/>	<hr/>
Non-controlling interests		27,317	24,315
		<hr/>	<hr/>
TOTAL EQUITY		1,719,688	1,740,426
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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2025

1. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the disclosure requirements of Appendix D2 to The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2024.

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the following amended HKFRS Accounting Standard for the first time for the current period’s financial information.

Amendments to HKAS 21

Lack of Exchangeability

The adoption of the above amended HKFRS Accounting Standard had no significant effect on the results and financial position for the current or prior accounting periods which have been prepared and presented.

The Group has not early adopted any standard or amendment that has been issued but is not yet effective.

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 period, 100% (six months ended 30 June 2024: 100%) of the Group’s revenue was generated from customers in Chinese Mainland, and over 92% (as at 31 December 2024: over 92%) of the Group’s non-current assets, excluding financial instruments and deferred tax assets, were located in Chinese Mainland.

Revenue of approximately HK\$19,606,000 (six months ended 30 June 2024: HK\$10,629,000) was derived from sale 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

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Revenue from contracts with customers	76,587	73,307

Disaggregated revenue information for revenue from contracts with customers:

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Type of goods or services		
Sale of goods	69,608	68,078
Rendering of services	6,979	5,229
Total revenue from contracts with customers	76,587	73,307

The Group's revenue arising from sale of goods is recognised when transferred at a point in time, while revenue arising from rendering of services is recognised when transferred over time.

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Geographical markets		
Chinese Mainland	76,587	73,307
Total	76,587	73,307

5. OTHER INCOME AND GAINS, NET

An analysis of the Group's other income and gains, net are as follows:

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Other income		
Bank interest income	720	396
Other interest income	2,863	346
Investment income of debt investments at fair value through other comprehensive income	104	248
Investment income of equity investments designated at fair value through other comprehensive income	1,475	1,561
Investment income of financial assets at fair value through profit or loss	5,102	2,207
Gross rental income from investment property under operating lease	4,912	5,081
Dividend income	2,573	11
Sundry income	724	2,752
	<u>18,473</u>	<u>12,602</u>
Gains/(losses), net		
Loss on disposal of property, plant and equipment, net	(4)	(4)
Fair value losses on investment properties, net	(4,863)	(7,128)
Fair value losses on financial assets at fair value through profit or loss, net	(6,613)	(3,794)
Foreign exchange differences, net	19,140	(12,598)
	<u>7,660</u>	<u>(23,524)</u>
Total other income and gains, net	<u><u>26,133</u></u>	<u><u>(10,922)</u></u>

6. FINANCE COSTS

An analysis of finance costs is as follows:

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Interest on lease liabilities	<u><u>139</u></u>	<u><u>96</u></u>

7. LOSS BEFORE TAX

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

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Cost of inventories sold	52,455	52,313
Cost of services provided	3,737	4,612
Depreciation of property, plant and equipment	1,872	1,982
Depreciation of right-of-use assets	8,682	8,989
Foreign exchange differences, net	(19,140)	12,598
Impairment of financial assets:		
Impairment of trade receivables, net	1,250	2,801
(Reversal of impairment)/impairment of investment in an associate [#]	(3,104)	4,660
Loss on disposal of subsidiaries [#]	21,369	–
	<u>21,369</u>	<u>–</u>

[#] These items are included in “Other expenses and losses” on the face of the condensed consolidated statement of profit or loss and other comprehensive income.

8. INCOME TAX CREDIT

	For the six months ended 30 June	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Current – PRC corporate income tax		
Charge for the period	218	426
Deferred	(1,218)	(3,189)
	<u>(1,000)</u>	<u>(2,763)</u>
Total tax credit for the period	<u>(1,000)</u>	<u>(2,763)</u>

Hong Kong profits tax

No provision for Hong Kong profits tax had been made as the Group did not generate any assessable profits in Hong Kong during the period (six months ended 30 June 2024: 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 period based on prevailing legislation, interpretations and practices in respect thereof.

9. DIVIDEND

The directors of the Company do not recommend any payment of interim dividend to shareholders for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

10. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of the basic loss per share amount is based on the unaudited loss for the period attributable to ordinary equity holders of the parent of HK\$29,236,000 (six months ended 30 June 2024: HK\$56,411,000), and the weighted average number of ordinary shares of 6,058,772,027 (six months ended 30 June 2024: 6,058,772,027) in issue during the period.

No adjustment has been made to the basic loss per share amounts presented for the six months ended 30 June 2025 and 30 June 2024 in respect of a dilution as the share options outstanding had no diluting effect on the basic loss per share amounts presented.

11. TRADE AND BILLS RECEIVABLES

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

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Trade receivables:		
Within 3 months	15,126	14,497
4 to 6 months	5,473	3,684
7 to 12 months	8,280	2,452
Over 1 year	1,863	2,225
	<hr/>	<hr/>
	30,742	22,858
Bills receivables	5,661	540
	<hr/>	<hr/>
	36,403	23,398
	<hr/> <hr/>	<hr/> <hr/>

12. 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:

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Within 3 months	16,470	16,803
Over 3 months	13,724	15,349
	30,194	32,152

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

13. SHARE CAPITAL

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Authorised: 10,000,000,000 (31 December 2024: 10,000,000,000) ordinary shares of HK\$0.2 each	2,000,000	2,000,000
Issued and fully paid: 6,058,772,027 (31 December 2024: 6,058,772,027) ordinary shares of HK\$0.2 each	1,211,754	1,211,754

14. SHARE-BASED COMPENSATION SCHEMES

The Company first adopted a share option scheme effective from 26 April 2002 (the “2002 Scheme”) and which has been expired in April 2012. On 24 May 2013, the Company adopted a new share option scheme (the “2013 Scheme”) to replace the 2002 Scheme. The eligible participants and the terms of the 2013 Scheme is same as the 2002 Scheme. 146,500,000 share options under the 2013 Scheme was lapsed and HK\$51,934,000 was transferred from share option reserve to accumulated losses during the period. The 2013 Scheme has been expired in May 2023 and no new share option scheme was adopted.

The exercise prices and exercise periods of the share options outstanding at 30 June 2025 and 31 December 2024 are as follows:

30 June 2025	31 December 2024	Exercise price per share	Exercise period per share
Number of options '000	Number of options '000	<i>note (c)</i> HK\$	
–	146,500	0.61	<i>note (a)</i>
89,500	89,500	0.53	<i>note (b)</i>
89,500	236,000		

Notes:

- (a) First 30% of the options granted were vested from 2 April 2016, second 30% of the options granted were vested from 2 April 2017 and remaining 40% of the options granted were vested from 2 April 2018. Upon the lapse of the vesting period, the share options are exercisable until 1 April 2025. 146,500,000 share options were lapsed on 1 April 2025.
- (b) First 30% of the options granted were vested from 28 January 2017, second 30% of the options granted were vested from 28 January 2018 and remaining 40% of the options granted were vested from 28 January 2019. Upon the lapse of the vesting period, the share options are exercisable until 27 January 2026.
- (c) The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company’s share capital.

During the period, the Group did not recognise any share option expense in respect of the share option granted (six months ended 30 June 2024: Nil).

At the end of the reporting period, the Company had 89,500,000 share options outstanding. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 89,500,000 additional ordinary shares of the Company, which represented approximately 1.5% of the Company’s shares in issue as at that date, and additional share capital of HK\$17,900,000 and share premium of HK\$29,535,000 (before issue expenses).

15. COMMITMENTS

The Group had the following capital commitments at 30 June 2025 and 31 December 2024:

	30 June 2025 HK\$'000 (Unaudited)	31 December 2024 HK\$'000 (Audited)
Contracted, but not provided for:		
Land and buildings	5,865	53,175
Properties under development	9,291	22,647
	<u>15,156</u>	<u>75,822</u>

16. RELATED PARTY DISCLOSURES

Compensation of key management personnel of the Group:

	For the six months ended 30 June 2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Salaries, allowances and benefits in kind	2,330	2,183
Performance related bonuses	2,100	–
Pension scheme contributions	83	84
	<u>4,513</u>	<u>2,267</u>

17. DISPOSAL OF SUBSIDIARIES

	For the six months ended 30 June 2025 HK\$'000 (Unaudited)
Net assets disposed of:	
Investment in an associate	40,032
Cash and cash equivalents	12
	<hr/>
	40,044
Exchange fluctuation reserve	(1,751)
	<hr/>
	38,293
Loss on disposal of subsidiaries	(21,369)
	<hr/>
	16,924
	<hr/> <hr/>
Satisfied by:	
Cash	16,924
	<hr/> <hr/>

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of subsidiaries is as follows:

	For the six months ended 30 June 2025 HK\$'000 (Unaudited)
Cash consideration and net inflow of cash and cash equivalents in respect of the disposal of subsidiaries	16,924
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The cash and cash equivalents of the disposed subsidiaries of HK\$12,000 were not included in the calculation of the net inflow of cash and cash equivalents in respect of the disposal of subsidiaries.

18. CONTINGENT LIABILITIES

As of 30 June 2025, the Group has no significant contingent liabilities.

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

19. EVENTS AFTER THE REPORTING PERIOD

There was no significant events occurring after the reporting period.

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. In 2024, the General Office of the State Council issued the "Opinions on Developing the Silver-haired Economy to Enhance the Well-Being of the Elderly", which is the first dedicated document from the national government supporting the development of the silver-haired economy. In December 2024, the Central Committee of the Communist Party of China and the State Council of the People's Republic of China published the "Opinions on Deepening the Reform and Development of Elderly Care Services". Subsequently, various provinces, cities, and relevant ministries implemented specific policies and measures to carry out the central directives, actively promoting the rapid development of the silver-haired economy. Among these initiatives, the Jiangsu Provincial Government released the "Implementation Plan for Promoting High-Quality Development of the Silver-haired Economy", proposing the acceleration of the development of silver-haired economy in terms of scale, standardization, clustering and branding, cultivating high-tech products and high-quality service models, and striving to create a first-class development hub for the silver-haired economy in the country. It outlined supportive policies in various areas such as key project construction, increased financial support, securing land and housing needs, improving medical insurance payment policies, and enhancing data support.

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 China for the provision of quality geriatric service. The Group has established the "Beijing Health (北京健康)" 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 30 June 2025, 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 955 beds for medical care services in four medical institutions (106 newly added in the first half of the year). The average occupancy rate reached over 70% and operating cash flow was stable. During the period, revenue from beds of geriatric care institutions reached RMB26.42 million (the first half of 2024: RMB21.64 million), representing a year-on-year increase of 22%. The six geriatric care institutions of the Group have all achieved varying degrees of growth in both revenue and profit.

Brief Description of Geriatric Care Project

Project Name	Number of beds	Revenue [^]			Rental portfolio occupancy rate as at the end of the Period	
		First half of 2025 RMB'000	First half of 2024 RMB'000	Changes	First half of 2025	First half of 2024
Wuxi Liangxi District Guangyi Geriatric Care Center and Nursing Home	288	11,430	10,240	12%	93%	87%
Wuxi Liangxi District Wuhe Geriatric Care Center and Nursing Home	160	3,470	2,730	27%	65%	48%
Changzhou Xinbei District Xuejia Aixin Geriatric Care Center and Nursing Home	415	6,640	5,710	16%	67%	43%
Wuxi Liangxi District Huifeng Geriatric Care Center	100	1,010	660	53%	60%	40%
Wuhu Jinghu District Golden Sun Geriatric Care Center	120	2,910	2,170	34%	93%	91%
Changzhou Luoxi District Geriatric Care and Nursing Home (newly opened)	160	960	130	638%	54%	27%
Total	1,243	26,420	21,640	22%	73%	56%
		HK\$'000	HK\$'000			

Presented in accordance with Hong
Kong Generally Accepted Accounting
Principles

6,979	5,229	33%
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[^] 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 the first half of the year, Guangyi Geriatric Care Center and Nursing Home achieved operating revenue of RMB11.43 million, representing a year-on-year increase of 12%, with an occupancy rate of 93%. Both revenue and occupancy rate increased. Value-added services such as integrated medical and geriatric care promoted the growth in 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, and rehabilitation room.

In the first half of the year, Wuhe Geriatric Care Center and Nursing Home achieved operating revenue of RMB3.47 million, representing a year-on-year increase of 27%, with an occupancy rate of 65%. The renovation commenced last year has been completed and the occupancy rate gradually increased.

Changzhou Xinbei District Xuejia Aixin Geriatric Care Center and Nursing Home

The institution is situated at the center of Xuejia Town, 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 the first half of the year, Xuejia Aixin Geriatric Care Center and Nursing Home achieved operating revenue of RMB6.64 million, representing a year-on-year increase of 16%, with an occupancy rate of 67%. Xuejia Aixin Geriatric Care Center and Nursing Home recorded a significant growth in results due to its good operation. In the first half of the year, 106 new medical beds were approved, bringing the total number of medical beds to 205.

Wuxi Liangxi District Huifeng Geriatric Care Center

The institution was built in April 2005. The Group took over its operation in 2017 and carried out renovations and alterations. It has a gross floor area of 2,400 sq.m. with a green coverage rate of 60%. The residential institution has set up function rooms such as chess room, reading room, studio and gym room. The outdoor garden provides ample space for the elderly.

In the first half of the year, Huifeng Geriatric Care Center achieved operating revenue of RMB1.01 million, representing a year-on-year increase of 53%, with an occupancy rate of 60%. The upgrading of the integration of medical and geriatric care of Huifeng Geriatric Care Center was completed, resulting in significant increases in occupancy rate and revenue.

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 University for the Elderly with a gross floor 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 healthcare social services to the nearby areas.

In the first half of the year, Wuhu Golden Sun Geriatric Care Center achieved operating revenue of RMB2.91 million, representing a year-on-year increase of 34%, with an occupancy rate of 93%. Wuhu Golden Sun Geriatric Care Center has undergone internal renovation work in response to market demand. It opened a new catering center, which is open to the public, thereby increasing its value-added service revenue.

Changzhou Luoxi District Geriatric Care 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 rights 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.

In the first half of the year, Luoxi District Geriatric Care and Nursing Home achieved operating revenue of RMB0.96 million, with an occupancy rate of 54%. The project has maintained rapid growth in both occupancy rates and revenue since its operations.

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 high-end 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 155 beds, actively building an integrated medical and geriatric care nursing service institution with complete functions, excellent services, and standardized management.

Guangde Elderly Care Service Center Project in Anhui Province

On 30 July 2025, Wuxi Beikang Hongtai Geriatric Services Limited* (無錫北康宏泰養老服務有限公司), a subsidiary of the Group, successfully won the bid for the Guangde Elderly Care Service Center project in Anhui Province through an open tender. The project has a total gross floor area of approximately 10,000 square meters and is planned to provide approximately 290 beds in total with investment for construction to be provided by the Guangde Municipal Government of Anhui Province, the Group will provide professional healthcare furniture and equipment, as well as subsequent operations and management. The project is expected to take approximately 16 months to complete construction. It is expected to meet the healthcare needs of the elderly from surrounding major cities such as Shanghai and Nanjing in the future.

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 30 June 2025, the Group participated in five 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 30 June 2025, 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	Chaoyang Logistics 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 enterprises to operate the industrial logistics park through upgrading and transforming the project, to create a new industrial park project with the theme of smart warehousing, digital technology and new energy.	<ol style="list-style-type: none"> 1. We applied to the Chaoyang District Development and Reform Commission for the extension of key projects. 2. We have already steadily increased the revenue through the new operational management system and the introduction of quality partners.
Shanghai	Sanlu Road Project (sold)	20,480	20%	This project has been completed as a new industrial park and is recruiting tenants.	This project was sold in March 2025.
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 as a landmark for leasing projects in the region.	Due to the downturn in the domestic real estate market, the planned commercial and office complex is temporarily suspended. The project is currently leased out, with an annual rental yield of approximately 4%.

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	Ovation	2,425	N/A ⁽¹⁾	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. It is expected that with further sales of the remaining unsold units, the Project Company will continue to make repayment arrangements to the Group.
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.

Note⁽¹⁾: This project is engaged in the form of debt investment.

Sale of Medical and Geriatric Products

During the period, Beijing Vissam Prosperity Furniture Limited* (北京偉森盛業傢俱有限公司) (“Vissam Prosperity”), a company under the Group engaging in medical and geriatric product business, continued to penetrate into the specialised furniture industry in areas such as education, geriatric care and medical. In the first half of the year, market development primarily focused on the education industry. Vissam Prosperity participated in the project tenders and successfully signed “Teaching Building Project of China University of Petroleum (Eastern China) Guzhengkou Campus”, “Classroom Desks and Chairs Project for Zhengzhou University Logistics Support Center”, “North Sichuan Medical College Project”, “Sichuan University Pittsburgh Project”, “Sichuan Tourism College Project”, “Student Dormitory Project for Rizhao Health Vocational College”, “Hebei University Project”, “Furniture Procurement Project of Chang’an University South Campus” and other key projects.

With the government's increased investment in educational infrastructures, such as building new schools and renovating existing facilities, furniture manufacturers have begun transitioning to the education market over the past two years, leading to increased market competition. Regional suppliers, in particular, are gaining market share by offering cost-effective solutions, while some international brands are entering major universities and international schools by providing smart classroom solutions, which has added pressure to our market expansion efforts. In the first half of the year, Vissam Prosperity participated in 5 exhibitions, serving approximately 500 clients, with around 270 direct clients. It secured 63 valid projects and signed contracts for 1 project. 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), with a total of 148 content releases and an exposure rate of 1.5 million.

Meanwhile, Vissam Prosperity completed the China Environmental Labeling Product Certification, Furniture Hazardous Substance Limit Certification, Ergonomic Product Certification, Commodity After-sales Service System Maturity Certification and Product Safety Certification. In the first half of the year, Vissam Prosperity was consistently awarded important and honorable certificates in the industry such as "2025 Top 10 Brands of School Furniture", "2025 Top 10 Brands of Office Furniture", "2025 Top 10 Brands of Furniture for the Elderly" and "2025 Top 10 Brands of Hospital Furniture", etc., which were awarded by China Procurement and Bidding Network.

FUTURE PROSPECT

In respect of the geriatric care industry, the Group will continue to increase its investment and expansion efforts in the geriatric care industry, continuously adding new beds. The Group's newly contracted Wuxi Ancient Canal Nursing Home project is expected to commence operation in the second half of 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. The newly contracted renovation project for Rizhao Beikang Yiyue Health Industry Development Co., Ltd. is nearing completion and is expected to officially commence operation in the third quarter of the year. The project will increase the number of operating beds by 155. At the same time, the Group has launched online value-added service platform 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 the future, the Group will focus on building the "Beijing Health" 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. At the same time, the Group will extend its business to the areas

of geriatric care related products and digitalized home care services, forming a “point and area integration” layout of urban geriatric care business, centered around beds for geriatric care as the core business, radiating towards product offerings and family services.

The Group’s short-term goal is to reach a total of 5,000 beds for geriatric care, with a mid-term target of exceeding 10,000 beds, and a long-term goal of achieving 100,000 beds. At the same time, significant breakthroughs are expected in the extension of business into the areas of geriatric care related products and digitalized home care services, aiming to become a leading group in the domestic comprehensive geriatric care industry.

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, the Group will speed up the government approval process for the Royal Tower project and prepare the preliminary work for the project’s pre-sale. Meanwhile, the Group will actively explore other development opportunities in Canada.

In respect of the business of medical and geriatric products, Vissam Prosperity will continue to invest in product development, policy response, and market segmentation to seize market opportunities. It will continue to maintain an active stance, leveraging the support of Beijing Health Group and the advantages of its distributor brand (KI Furniture) in the market. It will actively deepen its focus on niche areas and expand into lower-tier markets, achieving breakthroughs in brand value and market share.

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 from banks, 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”.

FINANCIAL REVIEW

Operating Revenue

For the first half of 2025, the operating revenue of the Group was HK\$76,587,000, representing an increase of 4.5% as compared to the corresponding period last year, which was mainly due to the moderate growth in revenue from the sales of medical and geriatric products and revenue from geriatric care business. The increase in revenue of the medical and geriatric products segment was mainly attributed to the success of the new educational furniture product line developed by the Group in previous years, with continued year-on-year increase in related sales, offsetting declines in sales of hospital and geriatric furniture. Customers for the educational furniture were mainly domestic colleges and universities, resulting in strong cash flow and lower risk of bad debts. The increase in revenue from geriatric care business was mainly due to an increase in occupancy rate.

Cost of Sales

Cost of sales was HK\$56,192,000, representing a slight decrease of 1.3%. Cost of sales mainly includes cost of purchases, freight, installation fees and wage expenses.

Gross Profit Margin

During the period, the overall gross profit margin of the Group was 26.6%, representing an increase of 4.3% as compared to 22.3% for the corresponding period last year, which was mainly due to an increase in the proportion of revenue from the geriatric care business with a light asset model.

Other Income and Gains, Net

For the first half of 2025, other income and gains, net was approximately HK\$26,133,000, while recording a loss of HK\$10,922,000 for the corresponding period last year. The increase in other income and gains, net was mainly due to an increase of approximately 5.3% in the exchange rate of CAD against HK\$ in the first half of 2025, resulting in a gain on exchange differences of HK\$19,140,000 for the first half of 2025, compared to a loss on exchange differences of HK\$12,598,000 for the first half of 2024. Excluding the aforesaid gain on exchange differences, other income and gains, net mainly included fair value losses on investment properties of HK\$4,863,000 (corresponding period in 2024: HK\$7,128,000), rental income of HK\$4,912,000 (corresponding period in 2024: HK\$5,081,000) and investment gains of HK\$2,641,000 (corresponding period in 2024: HK\$233,000).

Selling and Distribution Expenses

For the first half of 2025, the selling and distribution expenses were HK\$8,450,000 (corresponding period in 2024: HK\$7,226,000), representing 11.0% of the total sales amount (corresponding period in 2024: 9.9%). Selling and distribution expenses mainly included salaries of approximately HK\$3,050,000 (corresponding period in 2024: HK\$2,465,000), office costs of approximately HK\$1,207,000 (corresponding period in 2024: HK\$1,481,000) and promotional fees of approximately HK\$2,110,000 (corresponding period in 2024: HK\$2,029,000).

The increase in the selling and distribution expenses during the period was mainly attributable to the increase in patent expenses incurred by the Group in relation to the sales of educational furniture products under the “KI” brand in the first half of 2025.

Administrative Expenses

For the first half of 2025, the administrative expenses were HK\$40,745,000, remaining stable compared to HK\$40,709,000 for the corresponding period last year. The administrative expenses mainly included staff costs (including directors’ remuneration) of HK\$18,357,000 (corresponding period in 2024: HK\$15,839,000), professional advisory fees of HK\$4,590,000 (corresponding period in 2024: HK\$3,783,000), depreciation and amortisation charge of HK\$9,397,000 (corresponding period in 2024: HK\$9,951,000), business entertainment expenses of HK\$1,516,000 (corresponding period in 2024: HK\$1,090,000), travelling expenses of HK\$1,607,000 (corresponding period in 2024: HK\$1,773,000) and office costs of HK\$2,157,000 (corresponding period in 2024: HK\$5,243,000).

Impairment Losses of Financial Assets

Impairment losses of financial assets were mainly attributable to the provision for impairment of the Group’s receivables. During the period, some trade receivables were not repaid on time. 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 one-off non-cash charges. For the six months ended 30 June 2025, the Group incurred other expenses and losses of HK\$18,265,000 (corresponding period in 2024: HK\$4,737,000). During the period, other expenses and losses were mainly the loss on disposal of subsidiaries of approximately HK\$21,369,000 (corresponding period in 2024: HK\$nil) and reversal of impairment of investment in an associate of approximately HK\$3,104,000 (corresponding period in 2024: impairment of approximately HK\$4,660,000).

Finance Costs

For the first half of 2025, the total finance costs were HK\$139,000 (corresponding period in 2024: HK\$96,000), representing an increase of 44.8% as compared with that in the corresponding period last year, which was mainly due to the increase in the weighted average lease liabilities of the Group during the period.

Share of Profits and Losses of Joint Ventures

Share of profits and losses of joint ventures mainly included the share of 47.47% of loss attributable to shareholders of 1121695 B.C. Ltd. of approximately HK\$4,055,000 (corresponding period in 2024: HK\$5,187,000).

Share of Profits and Losses of Associates

Share of profits and 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\$3,297,000 (corresponding period in 2024: HK\$2,169,000), and the share of 20% of loss attributable to shareholders of Shanghai Junbo Textiles Limited* (上海駿帛紡織品有限公司) of approximately HK\$174,000 (corresponding period in 2024: HK\$2,483,000). Shanghai Junbo Textiles Limited* (上海駿帛紡織品有限公司) was disposed of in March 2025.

Net Assets

As at 30 June 2025, the net assets of the Group were approximately HK\$1,719,688,000, representing a decrease of approximately HK\$20,738,000 from approximately HK\$1,740,426,000 as at 31 December 2024, which was mainly due to the loss of approximately HK\$29,312,000 incurred during the period.

Liquidity and Financial Resources

As at 30 June 2025, the Group held cash and cash equivalents of approximately HK\$117,168,000 (31 December 2024: HK\$77,865,000) and balance of wealth management products from banks of HK\$128,988,000 (31 December 2024: HK\$118,441,000).

As at 30 June 2025, the net current assets of the Group amounted to HK\$448,646,000 and the current ratio was 4.5 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 industry. During the period, the Group's operations were mainly financed by internal resources.

As at 30 June 2025, the number of issued shares of the Company was 6,058,772,027 shares. Equity attributable to shareholders of the Company amounted to approximately HK\$1,692,371,000 (31 December 2024: approximately HK\$1,716,111,000) and total equity was approximately HK\$1,719,688,000 (31 December 2024: approximately HK\$1,740,426,000).

Capital Expenditure

For the six months ended 30 June 2025, the Group's capital expenditure was approximately HK\$4,736,000 (corresponding period in 2024: HK\$2,578,000), which was mainly due to the purchase of properties, plants and equipment.

Pledge of Assets

As at 30 June 2025 and 31 December 2024, none of the Group's assets were pledged.

MATERIAL INVESTMENTS

The Group had no additional material investment for the period ended 30 June 2025.

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 at the date of this announcement.

CONTINGENT LIABILITIES

As of 30 June 2025, the Group has no significant contingent liabilities.

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

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 in a joint venture denominated in CAD. During the six months ended 30 June 2025, 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.

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2025, the Group had approximately 180 (corresponding period in 2024: 164) employees (77 males and 103 females (corresponding period in 2024: 71 males and 93 females)). Total staff costs (including Directors' emoluments) for the six months ended 30 June 2025 amounted to approximately HK\$22,427,000 (corresponding period in 2024: approximately HK\$19,692,000).

The Group's remuneration policy is that all employees are rewarded on the basis of market levels. In addition to salaries, the Group provides staff benefits including medical insurance, contribution to staff's mandatory provident fund and social insurance in the PRC. To motivate and reward staff, the Group has a discretionary performance bonus scheme and a year-end award scheme to drive their performance and growth. The Company has also established a share option scheme and an employee option scheme to recognize the performance of its employees.

CORPORATE GOVERNANCE CODE

The Company has complied with the code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix C1 of the Listing Rules for the six months ended 30 June 2025.

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 six months ended 30 June 2025.

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 (including sale of treasury shares) during the six months ended 30 June 2025. As of 30 June 2025, the Company did not hold any treasury shares.

AUDIT COMMITTEE

The Audit Committee was established on 11 April 2002 with written terms of reference. The Board establishes formal and transparent arrangements for considering how it applies the financial reporting and internal control principles and for maintaining an appropriate relationship with the Company's auditors.

The members of the Audit Committee comprise four members, Mr. Tse Man Kit, Keith (Chairman of the Committee), Mr. Zhang Yun Zhou, Mr. Wu Yong Xin and Ms. Yang Xiao Yan, all of which are independent non-executive directors (including one independent non-executive director who possesses the appropriate professional qualifications or accounting or related financial management expertise). None of the members of the Audit Committee is a former partner of the Company's existing external auditor.

The Company's interim results for the six months ended 30 June 2025 have been reviewed by the Audit Committee of the Company.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

The electronic version of this interim results announcement is published on the websites of the Company (<http://www.bjhl.com.hk>) and the Stock Exchange (www.hkexnews.hk).

The interim report of the Company for the six months ended 30 June 2025 will be despatched to the shareholders of the Company and published on the said websites in due course.

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

Hong Kong, 28 August 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