

INTERIM REPORT 中期報告



Definitions

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

"Audit Committee" the audit committee of the Board

"Board of Directors" or "Board" our board of Directors

"BVI" British Virgin Islands

"CG Code" the "Corporate Governance Code" as contained in Appendix C1 to the Listing

Rules

"Chelsea Grace" Chelsea Grace Holdings Limited (翠慈控股有限公司), a company incorporated in

the BVI with limited liability on July 11, 2014, which is wholly owned by Dr. Mei

"China" or "PRC" the People's Republic of China, which, for the purpose of this interim report and

for geographical reference only, excludes Hong Kong, Macau and Taiwan

"Class III Hospital" the largest and best regional hospitals in China designated as Class III hospitals

by the NHC's hospital classification system, typically having more than 500 beds, providing high-quality professional healthcare services covering a wide geographic area and undertaking more sophisticated academic and scientific

research initiatives

"Company", "our Company", "Rici",

"Group", "we", "our" or "us"

Rici Healthcare Holdings Limited (瑞慈醫療服務控股有限公司), a company incorporated under the laws of the Cayman Islands with limited liability on July 11, 2014 and except where the context indicated otherwise, (i) our subsidiaries and (ii) with respect to the period before our Company became the holding company of our present subsidiaries, the businesses operated by such

subsidiaries or their predecessors (as the case may be)

"Company Secretary" the secretary of the Company

"Controlling Shareholder(s)" Dr. Mei and Chelsea Grace or any one of them

"Director(s)" the director(s) of our Company or any one of them

"Dr. Fang Yixin, our chairman, chief executive officer, executive Director, the

spouse of Dr. Mei and the father of Mr. Fang Haoze

"Dr. Mei Hong, our executive Director, a Controlling Shareholder, the spouse of

Dr. Fang and the mother of Mr. Fang Haoze

"Grade A, Grade B and Grade C" hospitals in China can be categorized into Class I, II and III in terms of service

quality, management level, medical equipment, hospital size and medical technology. Each class can be further divided into Grade A, Grade B and Grade

C. Class III Grade A hospitals are the top level hospitals in China

"HK\$" or "Hong Kong dollars" Hong Kong dollars and cents, each being the lawful currency of Hong Kong

"HKFRSs" Hong Kong Financial Reporting Standards

"Hong Kong" the Hong Kong Special Administrative Region of the PRC

"IPO" the initial public offering of the Company, having become unconditional in all

aspects on October 6, 2016

"Listing" the listing of the Shares on the Main Board of the Stock Exchange

"Listing Date" October 6, 2016, on which the Shares were listed and from which dealings

therein were permitted to take place on the Stock Exchange

"Listing Rules" the Rules Governing the Listing of Securities on The Stock Exchange of Hong

Kong Limited (as amended from time to time)

"Model Code" the "Model Code for Securities Transactions by Directors of Listed Issuers" set

out in Appendix C3 to the Listing Rules

"Nantong Rich Hospital" Nantong Rich Hospital Co., Ltd. (南通瑞慈醫院有限公司), a company

incorporated in the PRC with limited liability on August 14, 2000, which is an

indirectly wholly-owned subsidiary of our Company

"Nantong Rich Meidi Elderly

Care Centre"

Nantong Rich Meidi Elderly Care Centre Co., Ltd. (南通瑞慈美邸護理院有限公司), a company incorporated in the PRC with limited liability on August 19, 2014,

which is a subsidiary of a joint venture of our Group

"NHC" National Health Commission (國家衛生健康委員會) of the PRC

"Nomination Committee" the nomination committee of the Board

"Pre-IPO Share Option Scheme" the pre-IPO share option scheme adopted by the Company on September 19,

2016

"Prospectus" the prospectus of the Company dated September 26, 2016

"Remuneration Committee" the remuneration committee of the Board

"Reporting Period" the six months ended June 30, 2025

Definitions

"RMB" Renminbi, the lawful currency of the PRC

"SFO" the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong),

as amended, supplemented or otherwise modified from time to time

"Share(s)" ordinary share(s) of US\$0.0001 each in the issued share capital of the Company

"Shareholder(s)" holder(s) of Shares

"Share Option Scheme" the share option scheme conditionally adopted by the Company on September

19, 2016

"Stock Exchange" The Stock Exchange of Hong Kong Limited

"%" per cent

Corporate Information

BOARD OF DIRECTORS

Executive Directors

Dr. Fang Yixin (Chairman and Chief Executive Officer)

Dr. Mei Hong Mr. Fang Haoze

Ms. Lin Xiaoying

Independent Non-executive Directors

Dr. Wang Yong Ms. Wong Sze Wing Mr. Jiang Peixing

COMPANY SECRETARY

Mr. Chen Kun (Solicitor of HKSAR)

AUTHORISED REPRESENTATIVES

Dr. Fang Yixin Mr. Chen Kun

AUDIT COMMITTEE

Ms. Wong Sze Wing (Chairlady)

Mr. Jiang Peixing Dr. Wang Yong

REMUNERATION COMMITTEE

Mr. Jiang Peixing (Chairman)

Ms. Wong Sze Wing

Dr. Mei Hong

NOMINATION COMMITTEE

Dr. Fang Yixin (Chairman)

Mr. Jiang Peixing

Ms. Wong Sze Wing (since March 28, 2025)

Dr. Wang Yong

(ceased to be a member on March 28, 2025)

AUDITOR

BDO Limited

Certified Public Accountants

Registered Public Interest Entity Auditor

25th Floor, Wing On Centre

111 Connaught Road Central

REGISTERED OFFICE

4th Floor, Harbour Place 103 South Church Street P.O. Box 10240 Grand Cayman KY1-1002 Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

17/F
Qiantan International Plaza
No. 90 Qirong Road
Pudong New District
Shanghai
PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 1908, 19/F, Lippo Centre Tower One, 89 Queensway, Admiralty, Hong Kong

Corporate Information

PRINCIPAL BANKERS

Standard Chartered Bank (Hong Kong) Limited 4–4A Des Voeux Road Central Hong Kong

Shanghai Pudong Development Bank Zhangjiang Innovation Sub-branch Building D, No. 56, Boyun Road Pudong New District Shanghai PRC

China Merchants Bank Jinshajiang Road Branch 1759 Jinshajiang Road Putuo District Shanghai PRC

Bank of Communications Zhang Jiang Sub-branch 560 Songtao Road Pudong New District Shanghai PRC

Bank of Shanghai
Zhangjiang Sub-Branch
Room 301, Tower G2,
Zhangjiang National Innovation Center Phase 1,
NO.999, Dangui Road,
Pudong New District
Shanghai
PRC

HONG KONG LEGAL ADVISER

Wilson Sonsini Goodrich & Rosati Suite 1509, 15/F, Jardine House 1 Connaught Place, Central Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Harneys Services (Cayman) Limited 4th Floor, Harbour Place 103 South Church Street P.O. Box 10240 Grand Cayman KY1-1002 Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited Shops 1712–1716, 17th Floor Hopewell Centre 183 Queen's Road East Wanchai Hong Kong

STOCK CODE AND BOARD LOT

Stock Code: 1526 Board Lot: 1,000

WEBSITE

www.rich-healthcare.com

BUSINESS OVERVIEW AND STRATEGIC OUTLOOK

Industry Overview

The year 2025 is a critical stage for the transformation and upgrading of China's healthcare industry. Driven by the synergy of policy boost and technological revolution, the sector exhibits three key trends: multi-level development, competitiveness enhancement and service model innovation. At the policy level, the government has focused on two priorities namely, people's health needs and technological innovation, by deepening reforms in medical service pricing, promoting equitable primary healthcare, and upgrading public health services. Initiatives such as the expansion of the medical insurance catalog and centralized procurement of medical devices have improved the accessibility of advanced medical technologies. At the technology level, artificial intelligence (AI) has been deeply integrated into healthcare scenarios, with AI-assisted diagnostics achieving breakthroughs in medical imaging and cutting-edge technologies like surgical robots flourishing across multiple fields. According to statistics from the National Health Commission, the coverage rate of AI technology application in the China's tertiary hospitals has reached 92.6% in 2024. At the demand level, with the increase in residents' health awareness and the prominent trend of an aging population, the demand of the community for high-quality healthcare services is continuously growing, bringing vast market for industry development.

Driven by both policy guidance and technological empowerment, the hospital sector has continued to optimize its revenue structure and accelerated the innovation of its service model. Meanwhile, with the normalization of special anti-corruption campaigns in healthcare, the industry ecosystem has been effectively purified, the pace of in-hospital operations and the order of medical activities have gradually resumed, and the rigid and consumption demands in hospital settings are recovering continuously. According to data from the National Health Commission, from January to November 2024, the total number of patient visits to medical institutions nationwide reached 6.88 billion, representing a year-on-year increase of 7.3%. Hospitals accounted for 4.10 billion visits, a year-on-year increase of 6.2%, including 3.43 billion at public hospitals, a year-on-year increase of 6.2%, and 670 million at private hospitals, representing a year-on-year increase of 4.7%.

For the medical examination industry, the market size has been expanding year after year with the increasing health awareness among the populace. Meanwhile, the increase in income per capita in China has driven up healthcare spending per capita, leading to a continuous rise in the demand for high-end health examination services. According to Caitong Securities Research, from 2020 to 2023, the annual compound growth rate of the market size of China's physical examination industry is 8.5%, with the market size projected to approach RMB380 billion by 2025, primarily driven by higher average spending per customer. Moreover, the application of digital technology and Al has significantly improved the detection efficiency and accuracy of health examinations. This not only supports the development of more innovative products and personalized health management services, but also promotes the in-depth integration of medical examinations with healthcare, rehabilitation, insurance and other industry chains, thereby contributing to the industry's continued growth.

General Hospital Business

Nantong Rich Hospital is a large-scale general hospital integrating medical education and research. As one of the regional medical centers in Nantong, it is currently a Class III Grade B general hospital, a designated hospital for medical insurance reimbursement and a national standardized medical residency training coordination base.

On June 14, 2025, Shanghai East Hospital (the East Hospital Affiliated to Tongji University) formally entered into a strategic cooperation agreement with Nantong Economic and Technological Development Zone and Nantong Rich Hospital, jointly embarking on a new journey of integrated healthcare development in the Yangtze River Delta. Shanghai East Hospital and Nantong Rich Hospital have started close collaboration in hospital management, medical services, discipline development, talent cultivation, and scientific research. On the same day, "Shanghai East Hospital Nantong Rich Hospital" was officially

inaugurated. Shanghai East Hospital will assume comprehensive management of Nantong Rich Hospital, introducing its top-tier medical expertise, management models, and brand influence. Core departments of Shanghai East Hospital, including cardiology, oncology, endoscopy, hepatobiliary surgery, and orthopedics, will station senior specialists at Nantong Rich Hospital to provide high-quality outpatient services, complex surgeries, rigorous teaching rounds, and systematic discipline-building guidance.

During the Reporting Period, Nantong Rich Hospital provided services for 142,777 outpatient visits (same period in 2024: 161,604) and 12,456 inpatient visits (same period in 2024: 15,760), representing a year-on-year decrease of 11.65% and 20.96%, respectively. Nantong Rich Hospital's share of pharmaceutical sales in the total revenue has shown an overall downward trend over the past six years.

Located in Nantong Rich Hospital, Nantong Rich Meidi Elderly Care Centre is a joint venture formed by Nantong Rich Hospital and Medical Care Service Company Inc., which is a senior care institution combined with medical and wellness services integrating professional senior care, nursing care, and rehabilitation and physical therapy. As of June 30, 2025, Nantong Meidi served 89 elderly people (as of June 30, 2024: 89) with an occupancy rate of 84% (as of June 30, 2024: 84.0%).

Medical Examination Business

The revenue of the medical examination business accounts for the largest share of the Group's total revenue. During the Reporting Period, the Group initiated a multi-brand strategy by launching the premium health examination brand "RICI PREMIER", targeting corporate executives, elite white-collar workers and other high-net-worth families. The brand combines in-depth testing and efficient services to satisfy the demand of Chinese consumers for more segmented and personalized health examination services. In view of Rici Medical Examination Business, the Group implemented the strategy of development of key markets, focusing on major markets, including the Yangtze River Delta, Beijing, the Greater Bay Area and Zhejiang, and marching into new first-tier cities and second-tier cities. As of June 30, 2025, the Group had 86 medical examination centers in China, among which 76 centers were in operation, covering 29 cities.

During the Reporting Period, "RICI HEALTH CHECKUP" became the official strategic partner and designated medical service provider of the Nantong team of the "2025 Jiangsu Football City League". Through pre- and post-match rehabilitation therapy support, fast-track medical services for fans, health awareness campaigns for spectators, and other initiatives, it provided comprehensive health protection for players and fans, contributing to the development of football in Nantong and China.

Rici Medical Examination Business has always adhered to the pursuit of medical quality and high-quality services, and has been continuously committed to improving customer experience. During the Reporting Period, we deepened the closed-loop satisfaction management mechanism and implemented improvements by extracting service issues based on customers' messages. A total of 340 service improvement items were collected and monitored, with an improvement rate of 93.13% ("RICI HEALTH CHECKUP" brand)/95.00% ("XMEDIC" brand). A series of training sessions were conducted for customer service teams, alongside targeted spot checks, leading to notable improvements: the on-time response rate for customer service tickets under the XMEDIC brand increased by 4.60%, the secondary follow-up rate for critical anomalies rose by 13.05%, the report interpretation rate improved by 9.48% (VIP customers) and 14.39% (CEO customers), and the tumor reporting rate increased by 1.66%. For the "RICI HEALTH CHECKUP" brand, proactive report interpretation services were implemented for customers with specific abnormal indicators. In terms of medical quality control, we have launched the professional capacity building projects "Operation Leader" and "Operation Assisting Training", by integrating multidisciplinary expert resources from nationwide medical examination centers and Nantong Rich Hospital, we established

key disciplinary professional committees, developed a quality management and control system with standardized service protocols, and conducted training and assessments for professional teams across all facilities. Innovations in health management technologies and product training were pursued, alongside multidisciplinary consultations for complex cases, internal reviews of medical disputes, and medical evaluations. These efforts ensured the standardization and homogenization of medical quality and processes, as well as the accessibility and cutting-edge advancement of medical technologies.

Outlook

As the aging population reaches a tipping point, the demand for full-course and full-life-cycle medical management is constantly rising, while the incidence rate of various diseases continues to rise, with the types of diseases increasingly affecting younger populations and becoming more complex. As an important supplement to the public medical system, private healthcare meets the growing medical needs of the people. In the face of deepening hospital performance reform and intensifying competition from sinking public hospitals, Nantong Rich Hospital will pay more attention to lean, intelligent and synergistic development in order to adapt to the evolving healthcare industry and the upgrading demands of patients. Nantong Rich Hospital aims to become a Class III Grade A general hospital and strives to be one of the three major medical centers in Nantong. Specifically, in the next five years, we plan to develop two provincial clinical key specialties and 10 municipal clinical key specialties and will enhance the core competitiveness of the hospital by creating specialties and technologies. It will focus on reforming its operational management system and strengthening institutional mechanisms, establishing a supervision mechanism for major initiatives and improving the financial performance evaluation system to elevate operational efficiency. Leveraging the strategic partnership with Shanghai East Hospital, the hospital will continuously enhance its specialty capabilities, management expertise, and brand influence, promoting high-quality sustainable development.

The year 2025 marks the conclusion of the 14th Five-Year Plan and a critical milestone in advancing the "Healthy China 2030" strategy. At the policy level, more emphasis will be placed on "prevention over treatment," strengthening the prevention and control of chronic diseases, and promoting health examinations and early screening and diagnosis. In this context, the physical examination industry is ushering in broader development opportunities. Looking ahead to the second half of the year, the industry as a whole will enter a peak business season and move into high-speed phase of development. The medical examination business of the Group will continue to implement a multi-brand synergy strategy encompassing "RICI HEALTH CHECKUP", "RICI PREMIER", and "XMEDIC", to meet consumers' diverse health management needs. Adhering to the concept of "in-depth screening and scientific health examination", the Company will focus on product iteration and upgrades and the development of post-examination medical services and derivative products. We will further optimize operational management processes, rationally plan customer appointment capacity, and improve production efficiency. Efforts will also be made to enhance the conversion rate of online channel traffic, increase the proportion of individual customer revenue, and expand brand value. Additionally, we will strengthen our efforts to identify and develop talents, cultivate a pool of young managers, and build a robust talent pipeline.

FINANCIAL REVIEW

Revenue

The Group's revenue was mainly generated from general hospital business and medical examination business. The following table sets forth the components of our revenue by operating segments for the periods indicated:

	Six months ended June 30,				
	2025 RMB'000	2024 RMB'000	Percentage change		
General hospital business	234,004	323,966	(27.8%)		
Medical examination business	925,129	922,936	0.2%		
Inter-segment	(14,284)	(15,697)	(9.0%)		
Total	1,144,849	1,231,205	(7.0%)		

The Group's revenue for the Reporting Period amounted to RMB1,144.8 million, representing a decrease of 7.0% as compared to that of RMB1,231.2 million for the corresponding period in 2024. The year-on-year decrease in revenue during the Reporting Period was mainly attributable to the impact of external competitive pressure on the general hospital business, resulting in a decline in revenue.

Revenue from the general hospital business for the Reporting Period amounted to RMB219.7 million, representing a decrease of 28.7% from that of RMB308.3 million for the corresponding period in 2024, excluding inter-segment revenue of RMB14.3 million and RMB15.7 million for the six months ended June 30, 2025 and 2024, respectively. The decrease in revenue from the general hospital business was mainly due to the impact of external competition, as major public hospitals in the region continued to expand, diverting a portion of patients and resulting in a year-on-year decline in revenue.

Revenue from the medical examination business for the Reporting Period amounted to RMB925.1 million, representing an increase of 0.2% from that of RMB922.9 million for the corresponding period in 2024. The growth was mainly attributable to the increase in revenue from the "XMEDIC" brand, a high-end medical examination business line, as compared to the corresponding period of last year.

Cost of Sales

The Group's cost of sales primarily consists of pharmaceuticals and medical consumables costs, staff costs and depreciation and amortization expenses. The following table sets forth an analysis of cost of sales by operating segments for the periods indicated:

	Six months ended June 30,				
	2025 RMB'000	2024 RMB'000	Percentage change		
General hospital business	201,037	250,714	(19.8%)		
Medical examination business	550,506	599,901	(8.2%)		
Inter-segment	(14,284)	(15,697)	(9.0%)		
Total	737,259	834,918	(11.7%)		

The Group's cost of sales for the Reporting Period amounted to RMB737.3 million, representing a decrease of 11.7% from that of RMB834.9 million for the corresponding period in 2024.

Cost of sales from the general hospital business for the Reporting Period amounted to RMB201.0 million, representing a decrease of 19.8% from that of RMB250.7 million for the corresponding period in 2024. The decrease in cost of sales of the general hospital business during the Reporting Period was mainly due to the decrease in revenue of the general hospital business during the Reporting Period.

Cost of sales from the medical examination business for the Reporting Period amounted to RMB550.5 million, representing a decrease of 8.2% from that of RMB599.9 million for the corresponding period in 2024. The decrease in cost of sales from the medical examination business during the Reporting Period was mainly due to the Group's vigorous implementation of its strategy to improve efficiency and reduce costs, effectively controlling the cost of sales through multi-faceted refined management and efficiency enhancement measures.

Gross Profit

The Group's gross profit increased from RMB396.3 million for the six months ended June 30, 2024 to RMB407.6 million for the Reporting Period. Gross profit margin increased by 3.4 percentage points from 32.2% for the six months ended June 30, 2024 to 35.6% for the Reporting Period. This was due to the positive results achieved from the Group's persistent promotion of measures to improve efficiency and reduce costs during the Reporting Period.

Distribution Costs and Selling Expenses

The Group's distribution costs and selling expenses for the Reporting Period amounted to RMB134.5 million, as compared to RMB108.6 million for the corresponding period in 2024. The increase was mainly because the Company built up its sales talent pool for the medical examination business, leading to a corresponding increase in staff costs and an increase in promotional expenses.

Administrative Expenses

The Group's administrative expenses for the Reporting Period amounted to RMB116.7 million, representing a slight increase as compared to that of RMB111.8 million for the corresponding period in 2024, mainly due to the increase in the administrative expenses as a result of a year-on-year increase in the number of medical examination centers of the Group in the first half of 2025.

Other Income

The Group's other income, which is mainly comprised of government subsidies, amounted to RMB21.0 million during the Reporting Period (corresponding period in 2024: RMB9.9 million).

Other Losses

The Group's other losses for the Reporting Period amounted to RMB5.9 million, as compared to that of RMB1.9 million for the corresponding period in 2024. Other losses during the Reporting Period were mainly attributable to contract penalties and other miscellaneous losses resulting from the early termination of a lease agreement by one of the Group's medical examination centers for relocation purposes.

Finance Costs - Net

Our finance costs — net amounted to RMB50.1 million during the Reporting Period, as compared to that of RMB61.0 million for the corresponding period in 2024. This was primarily due to interest expenses of approximately RMB53.2 million and interest income of RMB3.2 million incurred during the Reporting Period.

Share of Results of Investments Accounted for Using Equity Method

For the Reporting Period, the Group recognised a share of profit of RMB0.6 million from investments accounted for using equity method (corresponding period in 2024: RMB0.4 million) in its consolidated results, mainly due to the operating profit generated by Nantong Meidi, a subsidiary of a joint venture of the Group.

Income Tax Expense

For the Reporting Period, income tax expense amounted to RMB39.7 million (corresponding period in 2024: income tax expense of RMB38.0 million).

Profit for the Period

As a result of the above, the Group reported a net profit of RMB79.7 million for the Reporting Period (corresponding period in 2024: a net profit of RMB87.1 million).

Adjusted EBITDA

To supplement our interim condensed consolidated financial information which are presented in accordance with HKAS 34 Interim Financial Reporting, we use adjusted EBITDA as an additional financial measure. We define adjusted EBITDA as profit for the period before certain expenses and depreciation and amortization as set out in the table below. Adjusted EBITDA is not an alternative to (i) profit before income tax or profit for the period (as determined in accordance with HKFRSs) as a measure of our operating performance; (ii) cash flows from operating, investing and financing activities as a measure of our ability to meet our cash needs; or (iii) any other measures of performance or liquidity. The following table reconciles our profit for the periods under HKFRSs to our definition of adjusted EBITDA for the periods indicated.

	Six months en	ded June 30,
	2025	2024
	RMB'000	RMB'000
Calculation of adjusted EBITDA		
Profit for the Period	79,745	87,121
Adjustments to the following items:		
Income tax expense	39,696	38,027
Finance costs — net	50,086	60,966
Depreciation and amortization	211,436	216,506
Pre-opening expenses and EBITDA loss of soft-opening ⁽¹⁾	5,636	6,164
Adjusted EBITDA	386,599	408,784
Adjusted EBITDA margin ⁽²⁾	33.8%	33.2%

Notes:

- (1) Primarily represents (a) the pre-opening expenses, such as staff costs and rental expenses, incurred in the applicable period in connection with the construction of medical examination centers; and (b) the EBITDA loss incurred during the period when the newly opened medical examination centers commenced their operations.
- (2) The calculation of adjusted EBITDA margin is based on adjusted EBITDA divided by revenue and multiplied by 100%.

The adjusted EBITDA amounted to RMB386.6 million during the Reporting Period, representing a decrease of 5.4% as compared to that of RMB408.8 million for the corresponding period in 2024, mainly due to the decrease in revenue from the general hospital business, resulting in a slight decrease in profit.

FINANCIAL POSITION

Property and Equipment

Property and equipment primarily consist of buildings, medical equipment, general equipment, leasehold improvements and construction in progress. As at June 30, 2025, the property and equipment of the Group amounted to RMB1,435.8 million, representing a decrease of RMB56.1 million as compared to that of RMB1,491.9 million as at December 31, 2024.

Trade Receivables

As at June 30, 2025, the trade receivables of the Group amounted to RMB244.8 million, representing a decrease of RMB79.3 million as compared to RMB324.1 million as at December 31, 2024.

Net Current Liabilities

As at June 30, 2025, the Group's current liabilities exceeded its current assets by RMB266.2 million (as at December 31, 2024: RMB323.3 million). The decrease in the Group's net current liabilities was mainly due to the decrease in the borrowings at the end of Reporting Period.

Liquidity and Capital Resources

As at June 30, 2025, the Group had cash and cash equivalents of RMB1,028.8 million (as at December 31, 2024: RMB1,109.8 million), with available unused bank facilities of RMB382.2 million (as at December 31, 2024: RMB163.0 million). As at June 30, 2025, the Group had outstanding borrowings of RMB770.8 million (as at December 31, 2024: RMB797.0 million), with non-current portion of long-term borrowings of RMB240.4 million (as at December 31, 2024: RMB254.6 million). Based on the Group's past experience and good credit standing, the Directors are confident that such bank facilities could be renewed or extended for at least 12 months upon maturity. We adopt prudent treasury policies in cash and financial management to achieve better risk control, manage financial resources efficiently and minimize the cost of funds. For the currency in which cash and cash equivalents are denominated, please refer to Note 15 to the interim condensed consolidated financial information. As of June 30, 2025, the Group had not used any financial instruments for hedging purposes.

Significant Investments, Material Acquisitions and Disposals

During the Reporting Period, the Group did not have any significant investment, material acquisition or material disposal.

Future Plans for Material Investments and Capital Asset

Save as disclosed in this report, as of June 30, 2025, the Group did not have detailed future plans for material investments and capital assets.

Capital Expenditure and Commitments

For the Reporting Period, the Group incurred capital expenditures of RMB175.1 million (corresponding period in 2024: RMB321.8 million), primarily for (i) purchases of medical equipment as well as renovation for our medical examination centers; and (ii) the lease of business premises for new medical examination centers.

As at June 30, 2025, the Group had a total capital commitment of RMB13.4 million (as at December 31, 2024: RMB16.9 million), mainly comprising leasehold improvement.

Borrowings

As at June 30, 2025, the Group had total bank and other borrowings of RMB770.8 million (as at December 31, 2024: RMB797.0 million). All the borrowings are denominated in RMB. Please refer to Note 19 to the interim condensed consolidated financial information for more details.

Contingent Liabilities

The Group had no material contingent liability as at June 30, 2025 (as at December 31, 2024: Nil).

Gearing Ratio

As at June 30, 2025, on the basis of net debt divided by total capital, the Group's gearing ratio was 46.2% (as at December 31, 2024: 46.4%).

Cash Flow and Fair Value Interest Rate Risk

Our exposure to changes in interest rates is mainly attributable to our bank borrowings and lease liabilities.

Borrowings obtained at variable rates expose us to cash flow interest rate risk. Borrowings obtained at fixed rates expose us to fair value interest rate risk. As at June 30, 2025, borrowings of RMB388,800,000 were with floating interest rates (as at December 31, 2024: RMB239,000,000). We did not hedge our cash flow and fair value interest rate risk during the Reporting Period.

Foreign Exchange Risk

For the Reporting Period, the Group was not exposed to significant foreign currency risk, except for bank deposits denominated in Hong Kong dollar and United States dollar. The Group currently does not have a foreign currency hedging policy. However, the management closely monitors foreign exchange exposure and will consider hedging significant foreign exchange exposure should the need arise.

Credit Risk

We have no significant concentration of credit risk. The carrying amount of cash and cash equivalents, trade and other receivables and deposits from long-term leases represent our maximum exposure to credit risk in relation to our financial assets. The objective of our measures to manage credit risk is to control potential exposure to recoverability problem.

Cash and cash equivalents were deposited in the major financial institutions, which the directors believe are of high credit quality.

The Group has policies in place to ensure that receivables with credit terms are made to counterparties with an appropriate credit history and the management performs ongoing credit evaluations of the counterparties. The credit period granted to the customers and the credit quality of these customers are assessed, with reference to their financial position, past experience and available forward-looking information. The Group considers the probability of default upon initial recognition of a financial asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. The Group also considers available reasonable and supportive forward-looking information.

The credit risk of hospital business is related to the recoverability of trade receivables and other receivables. The credit risk of medical examination business is related to the length of the overdue period of trade receivables from corporate customers and other receivables.

Liquidity Risk

Our finance department monitors rolling forecasts of our liquidity requirements to ensure that we have sufficient cash to meet operational needs while maintaining sufficient headroom on our undrawn borrowing facilities at all times so that we do not breach borrowing limits or covenants (where applicable) on any of our borrowing facilities. We expect to fund the future cash flow needs through cash flows generated from operations, borrowings from financial institutions and issuing debt instruments or capital contribution from the shareholders of the Company (the "Shareholders"), as necessary. Based on contractual undiscounted payments, our financial liabilities were RMB2,943.8 million as at June 30, 2025 (as at December 31, 2024: RMB3,201.8 million).

Pledge of Assets

As at June 30, 2025, the Group had assets with a total carrying amount of RMB191,378,000 (as at December 31, 2024: assets of RMB60,788,000) pledged for the Group's borrowings.

HUMAN RESOURCES

The Group had a total of 8,363 (December 31, 2024: 8,908) employees as of June 30, 2025. The employee benefits expenses were approximately RMB469 million for the Reporting Period and RMB502 million for the corresponding period in 2024. The Group enters into employment contracts with its employees to cover matters such as position, term of employment, wage, employee benefits and liabilities for breaches and grounds for termination. Remuneration of the Group's employees includes basic salaries, allowances, bonus, share option scheme and other employee benefits, and is determined with reference to their experience, qualifications and general market conditions. The emolument policy for the employees of the Group is set up by the Board on the basis of their merit, qualification and competence. We provide regular training to our employees in order to improve their skills and knowledge. The training courses range from further educational studies to skill training to professional development courses for management personnel, including a management trainee program.

INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the Reporting Period (for the six months ended June 30, 2024: HK\$0.045 per share).

SUBSEQUENT EVENTS

There has been no other significant event since the end of the Reporting Period and up to the date of this report that is required to be disclosed by the Company.

CORPORATE GOVERNANCE PRACTICES

The Company recognises the importance of good corporate governance for enhancing the management of the Company as well as preserving the interests of the Shareholders as a whole. The Company has adopted the code provisions as set out in the Corporate Governance Code (the "CG Code") as contained in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), as its own code to govern its corporate governance practices.

In the opinion of the Directors, the Company has complied with the relevant code provisions contained in the CG Code during the Reporting Period, save for deviation from code provisions C.1.7 and C.2.1 of the CG Code.

Code provision C.1.7 of the CG Code provides that appropriate insurance cover in respect of legal action against directors should be arranged. For the Reporting Period, the Company did not have insurance cover for legal action against the Directors. However, pursuant to the Company's articles of association, the Directors shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices. In view of the above, the Board considers that the Directors' exposure to litigation risk is manageable even if there is no insurance cover for legal action against the Directors.

Pursuant to code provision C.2.1 of the CG Code, the responsibility between the chairman and the chief executive officer should be segregated and should not be performed by the same individual. However, the Company does not have a separate chairman and the chief executive officer and Dr. Fang Yixin ("Dr. Fang") performs these two roles. The Board considers that vesting the roles of the chairman and the chief executive officer in Dr. Fang is beneficial to the Group for implementing its new business strategies given his abundant experience in the healthcare industry and longtime and substantive involvement in the day to day management and operation of the Group. In addition, the balance of power and authority is ensured by the operation of the Board and the senior management, which comprises experienced and capable individuals independent from Dr. Fang (except his spouse, Dr. Mei Hong, and his son, Mr. Fang Haoze). The Board comprised four executive Directors and three independent non-executive Directors as at the date of this report and has a fairly strong independence element in its composition.

The Board will continue to review and monitor the practices of the Company with an aim of maintaining a high standard of corporate governance.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding dealings in the securities of the Company by the Directors and the Group's senior management who, because of his/her office or employment, is likely to possess inside information in relation to the Company's securities.

Upon specific enquiry, all Directors confirmed that they have complied with the Model Code during the Reporting Period. In addition, the Company is not aware of any non-compliance of the Model Code by the senior management of the Group during the Reporting Period.

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

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

REVIEW OF FINANCIAL INFORMATION

Audit Committee

The audit committee of the Board, comprising Ms. Wong Sze Wing, Mr. Jiang Peixing and Dr. Wang Yong, has discussed with the management and the external auditor and reviewed the unaudited interim condensed consolidated financial information of the Group for the Reporting Period.

Auditor

In addition, the Company's external auditor, BDO Limited, has performed an independent review of the Group's interim condensed consolidated financial information for the Reporting Period in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information performed by the Independent Auditor of the Entity".

CHANGES OF MEMBERS OF THE BOARD AND UPDATE ON THE DIRECTORS' INFORMATION PURSUANT TO RULE 13.51B(1) OF THE LISTING RULES

There is no change in information on the Directors since the date of the annual report 2024 of the Company which is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

CONTINUING DISCLOSURE OBLIGATION PURSUANT TO THE LISTING RULES

The Company does not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

INTERESTS OF DIRECTORS AND CHIEF EXECUTIVE IN SECURITIES

As at June 30, 2025, the interests or short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she was taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein; or (c) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

(A) Long/Short position in ordinary shares of the Company

Name of Director	Long position	Capacity	Number of ordinary shares interested ⁽¹⁾	Approximate percentage* of the Company's issued share capital
Dr. Mei ⁽²⁾ Dr. Fang ⁽³⁾	Long position Long position	Interest in controlled corporation Interest of spouse	971,389,200 (L) 971,389,200 (L)	61.08% 61.08%

(B) Long position in underlying shares of the Company — physically settled unlisted equity derivatives

Name of Director	Capacity	Number of underlying shares in respect of the share options granted(1)(2)	Approximate percentage+ of the Company's issued share capital
Dr. Mei ⁽²⁾	Beneficial owner; Interest of spouse	31,807,000 (L)	2.00%
Dr. Fang ⁽³⁾	Beneficial owner; Interest of spouse	31,807,000 (L)	2.00%

Notes:

- (1) The letter "L" denotes the person's long position in the Shares and the letter "S" denotes the person's short position in the Shares.
- (2) Chelsea Grace was beneficially interested in the 971,389,200 Shares as at June 30, 2025. Under the SFO, Dr. Mei is deemed to be interested in all the Shares held by Chelsea Grace by reason of her 100% interest in its issued share capital. She is also deemed to be interested in all the interests held by Dr. Fang as she is the wife of Dr. Fang who is granted an option to subscribe for 15,903,500 Shares under the Pre-IPO Share Option Scheme. Dr. Mei is granted an option to subscribe for 15,903,500 Shares under the Pre-IPO Share Option Scheme. Therefore, Dr. Mei is deemed to be interested in a total of 1,003,196,200 Shares, which represents 63.08 % of the issued share capital of the Company as of June 30, 2025.
- (3) Dr. Fang is the husband of Dr. Mei. Therefore, Dr. Fang is deemed to be interested in Dr. Mei's interests in our Company who is granted an option to subscribe for 15,903,500 Shares under the Pre-IPO Share Option Scheme. Dr. Fang is granted an option to subscribe for 15,903,500 Shares under the Pre-IPO Share Option Scheme. Therefore, Dr. Fang is deemed to be interested in a total of 1,003,196,200 Shares, which represents 63.08 % of the issued share capital of the Company as of June 30, 2025.
- + The percentage represents the number of ordinary shares/underlying shares interested divided by the number of the Company's issued shares as at June 30, 2025.

(C) Interest in associated corporation

Name of Director	Associated corporation	Capacity/ nature of interest	Number of shares	Percentage of shareholding interest
Dr. Mei ⁽¹⁾	Chelsea Grace ⁽²⁾	Beneficial owner	1	100%
Dr. Fang ⁽¹⁾	Chelsea Grace ⁽²⁾	Interest of spouse	1	100%

Notes:

- (1) Dr. Fang is the husband of Dr. Mei. Therefore, under the SFO, Dr. Fang is deemed to be interested in Dr. Mei's interests in Chelsea Grace.
- (2) Under the SFO, a holding company of the listed corporation is regarded as an "associated corporation". As at June 30, 2025, Chelsea Grace held 61.08 % of our issued share capital and thus was our associated corporation.

Save as disclosed in this interim report and to the best knowledge of the Directors, as at June 30, 2025, none of the Directors or the chief executive of the Company has any interests and/or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES

So far as is known to any Director or chief executive of the Company, as at June 30, 2025, the following corporations/ persons (other than Directors or the chief executive of the Company) had interests of 5% or more in the issued shares of the Company according to the register of interests required to be kept by the Company under section 336 of the SFO:

Long/Short position in ordinary shares of the Company

Name	Capacity	Number of ordinary shares interested ⁽¹⁾	Approximate percentage* of the Company's issued share capital
Chelsea Grace	Beneficial owner	971,389,200 (L)	61.08%

Notes:

- (1) The letter "L" denotes the person's long position in the Shares and the letter "S" denotes the person's short position in the Shares.
- * The percentage represents the number of ordinary Shares interested divided by the number of the issued Shares as at June 30, 2025.

Save as disclosed above and to the best knowledge of the Directors, as at June 30, 2025, no person (other than the Directors or chief executives of the Company) had registered an interest or a short position in the Shares or underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO.

PRE-IPO SHARE OPTION SCHEME AND SHARE OPTION SCHEME

Pre-IPO Share Option Scheme

The Company conditionally approved and adopted the Pre-IPO Share Option Scheme pursuant to the resolutions of the Shareholders passed on September 19, 2016.

The purpose of the Pre-IPO Share Option Scheme is to attract, retain and motivate employees and Directors, and to provide a means of compensating them through the grant of options for their contribution to the growth and profits of the Group, and to allow such employees and Directors to participate in the growth and profitability of the Group.

Participants of the Pre-IPO Share Option Scheme include (a) any employee (whether full time or part time) of the Company or its subsidiaries, including any executive Director, (b) any non-executive Director or independent non-executive Director of the Company appointed or proposed to be appointed prior to the Listing Date, or any director of any of the subsidiaries, and (c) any other person who in the sole opinion of the Board, will contribute or have contributed to the Group.

A remittance of HK\$1.00 by way of consideration for the grant shall be payable at the acceptance of the offer of the grant of options.

The Pre-IPO Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any option granted prior thereto. Options granted thereunder shall be exercisable for a period not be longer than ten years from the date of the grant of the option. The remaining life of the Pre-IPO Share Option Scheme is approximately 1 year.

On September 19, 2016, options (exercisable for 10 years from the date of grant subject to vesting schedule as set out below) to subscribe for an aggregate of 47,710,500 Shares were conditionally granted by the Company under the Pre-IPO Share Option Scheme to a total of three grantees, including two executive Directors. Such options were granted based on the performance of the grantees that have made important contributions or are important to the long term growth and profitability of the Group. The exercise price is HK\$1.60 per Share as determined by the Board taking into account of the grantees' contribution to the development and growth of the Group. Apart from the above share options, no options were granted under the Pre-IPO Share Option Scheme. In addition, no further options can be granted under the Pre-IPO Share Option Scheme is 47,710,500 Shares, representing approximately 3.0% of the issued share capital of the Company as at the date of this interim report.

Subject to the terms of the Pre-IPO Share Option Scheme, each option shall be vested in the following manner:

Tranche	Vesting Date
five percent (5%) of the Shares subject to an option so granted	third (3rd) anniversary of the offer date for an option
ten percent (10%) of the Shares subject to an option so granted	fourth (4th) anniversary of the offer date for an option
fifteen percent (15%) of the Shares subject to an option so granted	fifth (5th) anniversary of the offer date for an option
seventy percent (70%) of the Shares subject to an option so granted	sixth (6th) anniversary of the offer date for an option

No options were exercised, cancelled or lapsed by the Company under the Pre-IPO Share Options Scheme during the Reporting Period.

Details of movement of the share options granted under the Pre-IPO Share Option Scheme for Reporting Period are set out below:

					Number	of options			
Name of option holder	Outstanding as at January 1, 2025	Date of grant	Vesting Period	Exercise Period	Exercised during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Outstanding as at June 30, 2025	Exercise Price
Directors of the Company									
Dr. Fang	15,903,500	September 19, 2016	See above vesting schedule	Exercisable for 10 years from date of grant	-	_	_	15,903,500	HK\$1.60
Dr. Mei	15,903,500	September 19, 2016	See above vesting schedule	Exercisable for 10 years from date of grant	-	-	-	15,903,500	HK\$1.60
Senior management and oth employees of the Group	er								
Cao Ying	15,903,500	September 19, 2016	See above vesting schedule	Exercisable for 10 years from date of grant	-	_	_	15,903,500	HK\$1.60
Total	47,710,500				_	_	_	47,710,500	

The Directors who have been granted options under the Pre-IPO Share Option Scheme, have undertaken that they will not exercise the options granted to them under the Pre-IPO Share Option Scheme if as a result of which the Company would not be able to comply with the public float requirements of the Listing Rules.

A summary of the terms (including the terms of the scheme, the calculation method of the exercise price and vesting periods and conditions) of the Pre-IPO Share Option Scheme has been set out in the section headed "E. Pre-IPO Share Option Scheme" in Appendix IV of the Prospectus.

The Pre-IPO Share Option Scheme does not fall within the ambit of, and is not subject to, the regulations under Chapter 17 of the Listing Rules. Details of the impact of options granted under the Pre-IPO Share Option Scheme on the consolidated financial statements since the date of grant of such options and the subsequent financial periods are set out under Note 18 to the interim consolidated financial statements in this interim report.

Share Option Scheme

On September 19, 2016, the Company adopted the Share Option Scheme, which falls within the ambit of, and is subject to, the regulations under Chapter 17 of the Listing Rules. The purpose of the Share Option Scheme is to attract, retain and motivate employees, Directors and other participants, and to provide a means of compensating them through the grant of options for their contribution to the growth and profits of the Group, and to allow such employees, Directors and other persons to participate in the growth and profitability of the Group.

The participants of the Share Option Scheme include any non-executive Director or independent non-executive Director appointed or proposed to be appointed prior to the Listing Date, or any director of any of the subsidiaries, or any employee (whether full time or part time) of the Company or its subsidiaries, including any executive Director as the Board may in its absolute discretion select.

The Shares which may be issued upon exercise of all Options to be granted under the Share Option Scheme and other share option schemes of our Company (and to which the provisions of the Listing Rules are applicable) shall not exceed 79,517,500 Shares (i.e. 5% of the aggregate of the Shares in issue on the Listing Date) ("Scheme Mandate Limit"), representing approximately 5% of the total issued shares as at the date of this interim report. Options lapsed in accordance with the terms of the Share Option Scheme shall not be counted for the purpose of calculating this Scheme Mandate Limit.

The total number of Shares issued and to be issued upon the exercise of the options granted to or to be granted to each eligible person under the Share Option Scheme (including exercised, cancelled and outstanding options) in any 12-month period shall not exceed 1% of the Shares in issue.

The Share Option Scheme will remain in force for a period of 10 years from September 19, 2016 and the options granted have a 10-year exercise period. The Share Option Scheme has a remaining life of approximately 1 year. Options may be vested over such period(s) as determined by the Board in its absolute discretion subject to compliance with the requirements under any applicable laws, regulations or rules.

A remittance of HK\$1.00 by way of consideration for the grant shall be payable at the acceptance of the offer of the grant of options. The exercise price of the option shall be such price as determined by the Board in its absolute discretion at the time of the grant of the relevant option (and shall be stated in the letter containing the offer of the grant of the option), but in any case the exercise price shall not be less than the higher of (a) the closing price of the Shares as stated in the daily quotation sheet of the Stock Exchange on the date of grant, which must be a business day, (b) the average closing price of the Shares as stated in the daily quotation sheets of the Stock Exchange for the five (5) business days immediately preceding the date of grant, and (c) the nominal value of a Share.

On November 24, 2017, the Company granted share options to certain then Directors and employees of the Company and its subsidiaries to subscribe for a total of 79,517,500 ordinary shares in the share capital of the Company, at the price of HK\$2.42 per Share. The closing price of the Shares before the date of grant of such options was HK\$2.35 per Share. No further options are available for grant as at January 1, 2025 and June 30, 2025 respectively. As of June 30, 2025, among the Options granted as described above, options in respect of a total of 700,000 Shares were granted to an associate (as defined under the Listing Rules) of a Director and the acceptance letter was signed. Details of such options granted to the associate of a Director are set out as follows:

Director's associate	Position	Number of options granted
Mr. Mei Ye ⁽¹⁾	Deputy General Manager of Medical Examination Business Department	700,000
Total		700,000

Note:

(1) Mr. Mei Ye is an associate of Dr. Mei.

Details of the options granted under the Share Option Scheme and those remained outstanding as of June 30, 2025 are as follows:

				Nı	umber of Option	S				
Name and Class of Grantees	Date of Grant	Vesting Period	Exercise Period	Outstanding as at January 1, 2025	Granted during the Reporting Period	Exercised during the Reporting Period	Cancelled during the Reporting Period	Lapsed during the Reporting Period	Outstanding as at June 30, 2025	Exercise Price
(1) Associate of Director										
Mr. Mei Ye	November 24, 2017	See below vesting schedule	10-year exercise period	700,000	-	-	-	-	700,000	HK\$2.42
(2) Other Employees	November 24, 2017	See below vesting schedule	10-year exercise period	45,500,000	-	_	10,440,000	-	35,060,000	HK\$2.42
Total				46,200,000	_	-	10,440,000	-	35,760,000	

Note:

(1) Mr. Mei Ye is an associate of Dr. Mei.

20% of the options granted will be exercisable from the date falling on the 3rd anniversary of the date of grant of such options; 20% of the options granted will be exercisable from the date falling on the 4th anniversary of the date of grant of such options; 20% of the options granted will be exercisable from the date falling on the 5th anniversary of the date of grant of such options; and the remaining 40% of the options granted will be exercisable from the date falling on the 6th anniversary of the date of grant of such options.

Details of the impact of the options granted under the Share Option Scheme on the consolidated financial statements since the date of grant of such options and the subsequent financial periods are set out under Note 18 to the consolidated financial statements in this annual report.

A summary of the terms of the Share Option Scheme has been set out in the section headed "F. Share Option Scheme" in Appendix IV of the Prospectus.

The number of Shares that may be issued in respect of the options granted under all share schemes of the Company during the Reporting Period divided by the weighted average number of Shares of the relevant class in issue for the Reporting Period was 5.25%.

Report on Review of Interim Financial Information

TO THE BOARD OF DIRECTORS OF RICI HEALTHCARE HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

Introduction

We have reviewed the interim financial information set out on pages 29 to 68, which comprises the interim condensed consolidated balance sheet of Rici Healthcare Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") as at 30 June 2025 and the interim condensed consolidated statement of profit or loss, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-month period then ended, and notes to the interim condensed consolidated financial statements, including material accounting policy information (the "interim financial information"). The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" ("HKSRE 2410") issued by the HKICPA. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information of the Group is not prepared, in all material respects, in accordance with HKAS 34.

BDO Limited

Certified Public Accountants

Lui Chi Kin

Practising Certificate no. P06162

Hong Kong, 28 August 2025

Interim Condensed Consolidated Balance Sheet

As at 30 June 2025

	Notes	Unaudited 30 June 2025	Audited 31 December 2024
		RMB'000	RMB'000
ASSETS			
Non-current assets			
Property and equipment	7	1,435,849	1,491,855
Right-of-use assets	8	1,260,818	1,297,547
Intangible assets	9	14,351	15,636
Investments accounted for using equity method	10	11,053	10,485
Financial assets at fair value through profit or loss		1,500	1,500
Financial assets at fair value through other			
comprehensive income		168,000	169,000
Deposits for long-term leases	11	68,684	62,047
Deferred tax assets	12	143,635	118,236
Prepayments	16	35,637	25,030
		3,139,527	3,191,336
Current assets			
Inventories		27,272	35,962
Trade receivables	13	244,816	324,064
Other receivables	14	241,799	162,779
Prepayments	16	30,721	30,049
Financial assets at fair value through profit or loss		100	_
Amounts due from related parties	32(d)	1,668	2,772
Restricted cash	15(b)	2,037	1,722
Cash and cash equivalents	15(a)	1,028,844	1,109,817
		1,577,257	1,667,165
Total assets		4,716,784	4,858,501
EQUITY			
Equity attributable to owners of the Company			
Share capital	17	1,065	1,065
Reserves	18	1,399,719	1,344,778
		4 400 704	1.045.040
Non-controlling interests		1,400,784 16,109	1,345,843
Non-controlling interests		10,109	29,300
Total equity		1,416,893	1,375,143
. oran oquity		1,410,000	1,070,140

Interim Condensed Consolidated Balance Sheet

As at 30 June 2025

	Notes	Unaudited 30 June 2025 RMB'000	Audited 31 December 2024 RMB'000	
LIABILITIES				
LIABILITIES Non-current liabilities				
	19	240,400	254,600	
Borrowings Lease liabilities	21	· · · · · · · · · · · · · · · · · · ·		
Deferred income	20	1,210,428 5,591	1,230,970 7,276	
Deletred income	20	5,591	1,210	
		4 450 440	4 400 040	
		1,456,419	1,492,846	
Current liabilities				
Borrowings	19	530,400	542,400	
Lease liabilities	21	264,433	272,308	
Contract liabilities	22	630,522	630,615	
Trade and other payables	23	385,868	495,179	
Amount due to a related party	32(d)	7	_	
Income tax payables		28,817	46,456	
Deferred income	20	3,425	3,554	
		1,843,472	1,990,512	
	,			
Total liabilities		3,299,891	3,483,358	
Takal and the little		4.740.704	4.050.504	
Total equity and liabilities		4,716,784	4,858,501	

Interim Condensed Consolidated Statement of Profit or Loss

For the six months ended 30 June 2025

		Unaudited Six months en	Unaudited
	Notes	2025	2024
	Notes	RMB'000	RMB'000
Revenue	24	1 144 940	1,231,205
Cost of sales	26	1,144,849 (737,259)	(834,918)
Gross profit		407,590	396,287
Distribution costs and selling expenses	26	(134,471)	(108,614)
Administrative expenses	26	(116,740)	(111,793)
(Impairment losses)/reversal of impairment losses on financial			
assets	26	(2,543)	1,871
Other income	25	20,978	9,885
Other losses		(5,855)	(1,939)
Operating profit		169.050	105 607
Operating profit Finance costs	27	168,959	185,697
		(53,300)	(64,055)
Finance income	27	3,214	3,089
Finance costs — net		(50,086)	(60,966)
Share of results of investments accounted for using equity method	10	568	417
Profit before income tax		119,441	125,148
Income tax expense	28	(39,696)	(38,027)
Profit for the period		79,745	87,121
Profit attributable to:			
Owners of the Company		55,941	84,991
Non-controlling interests		23,804	2,130
		79,745	87,121
Earnings per share for profit attributable to owners			
of the Company — Basic and diluted	29	RMB0.04	RMB0.05

Interim Condensed Consolidated Statement of Other Comprehensive Income

For the six months ended 30 June 2025

	Unaudited	Unaudited
	Six months en 2025	2024
	RMB'000	RMB'000
Profit for the period	79,745	87,121
Other community income or less		
Other comprehensive income or loss		
Item will not be subsequently reclassified to profit or loss		
Change in fair value of financial assets at fair value through		
other comprehensive income	(1,000)	600
Total comprehensive income for the period	78,745	87,721
Total comprehensive income for the period is attributable to:	54.044	05.504
Owners of the Company	54,941	85,591
Non-controlling interests	23,804	2,130
	78,745	87,721

Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Attributable to Owners of the Company				
	Share capital RMB'000	Reserves RMB'000 (Note 18)	Sub-total RMB'000	Non- controlling interests RMB'000	Total equity RMB'000
Balance at 1 January 2025 (audited)	1,065	1,344,778	1,345,843	29,300	1,375,143
Profit for the period	_	55,941	55,941	23,804	79,745
Other comprehensive income	_	(1,000)	(1,000)		(1,000)
Total comprehensive income	_	54,941	54,941	23,804	78,745
Capital contributions by non-controlling					
interests of a subsidiary	_	_	_	8,700	8,700
Dividend paid to non-controlling					
interests	_	_	_	(45,695)	(45,695)
Balance at 30 June 2025 (unaudited)	1,065	1,399,719	1,400,784	16,109	1,416,893
Balance at 1 January 2024 (audited)	1,065	1,125,880	1,126,945	(12,900)	1,114,045
Profit for the period Other comprehensive income	_	84,991 600	84,991 600	2,130	87,121 600
Other comprehensive meeting					
Total comprehensive income	_	85,591	85,591	2,130	87,721
Capital contributions by non-controlling interests of a subsidiary Dividend paid to non-controlling	_	_	_	4,550	4,550
interests	_	_	_	(19,684)	(19,684)
Balance at 30 June 2024 (unaudited)	1,065	1,211,471	1,212,536	(25,904)	1,186,632

Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	Unaudited Unaudited Six months ended 30 June 2025 2024	
	RMB'000	RMB'000
Cash flow from operating activities	007.004	001 400
Cash generated from operations	337,384	261,492
Interest paid Income tax paid	(53,239) (82,734)	(63,533) (124,165)
income tax paid	(02,7 34)	(124,100)
Net cash generated from operating activities	201,411	73,794
Cash flow from investing activities	(50.004)	(440,400)
Purchases of property and equipment	(52,894)	(112,123)
Purchases of intangible assets Purchases of financial assets at fair value through profit or loss	(141)	_
Proceeds from disposal of property and equipment	(100)	13
Interest received	3,214	3,089
Loans to non-controlling interests of subsidiaries	(70,000)	- 0,000
Loans to third parties	_	(100,000)
Repayment of loans from third parties	_	100,000
Placement of restricted bank deposits	(315)	_
Net cash used in investing activities	(120,227)	(109,021)
One by flavore for one financial and addition		
Cash flows from financing activities	9 700	4.550
Capital contributions from non-controlling interests of a subsidiary Proceeds from bank borrowings	8,700 231,000	4,550 260,000
Repayments of bank borrowings	(257,200)	(296,500)
Repayments of other borrowings	(201,200)	(16,606)
Principal elements of lease payments	(98,901)	(109,270)
Dividend paid to shareholders	_	(10,833)
Dividend paid to non-controlling interests	(45,695)	(19,684)
Net cash used in financing activities	(162,096)	(188,343)
Net decrease in cash and cash equivalents	(80,912)	(223,570)
Cash and cash equivalents at beginning of the period	1,109,817	811,210
Exchange loss on cash and cash equivalents	(61)	(522)
Cash and cash equivalents at end of the period	1,028,844	587,118

Notes to the Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

1 General information

Rici Healthcare Holdings Limited (the "Company") was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law (2013 Revision) of the Cayman Islands on 11 July 2014. The address of the Company's registered office is 4th Floor, Harbour Place, 103 South Church Street, P.O. Box 10240, Grand Cayman KY1-1002, Cayman Islands.

The Company, an investment holding company and its subsidiaries (collectively, the "Group") are principally engaged in the provision of general hospital services and medical examination services in the People's Republic of China ("PRC").

The Company's shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited since 6 October 2016.

The interim condensed consolidated financial information is presented in thousands of Renminbi ("RMB'000"), unless otherwise stated, and was approved and authorised for issue by the board of directors (the "Board") of the Company on 28 August 2025.

2 Basis of preparation

This interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with HKAS 34 "Interim Financial Reporting", and does not include all the notes of the type normally included in an annual financial statements. The interim condensed consolidated financial information should be read in conjunction with the annual financial statements of the Group for the year ended 31 December 2024, which have been prepared in accordance with HKFRS Accounting Standards and together with any public announcements made by the Company.

Going concern

As at 30 June 2025, the Group's current liabilities exceeded its current assets by RMB266,215,000. Contract liabilities and deferred income included in current liabilities of the Group as at 30 June 2025 amounting to RMB633,947,000 in aggregate are not expected to create cash outflow for the Group. The Group meets its day-to-day working capital requirements depending on cash flows generated from operating activities, bank borrowings and unutilised banking facilities provided by banks in the PRC. Based on the Group's past experience and good credit standing, the directors are confident on future operating cash flows and that the Group's bank financing could be renewed and/or extended for at least another twelve months upon maturity, as and when necessary. The directors therefore are of the opinion that it is appropriate to adopt the going concern basis in preparing the interim condensed consolidated financial information.

For the six months ended 30 June 2025

3 Accounting policies

The accounting policies applied in the preparation of the interim condensed consolidated financial information are consistent with those of the annual financial statements of the Group for the year ended 31 December 2024, as described in those annual financial statements, except for the adoption of amended standards, as set out below.

(a) Amended standards adopted by the Group

Amendments to HKAS 21 — Lack of Exchangeability

The amended standards listed above did not have any impact on the amounts recognised in prior years and are not expected to materially affect the current or future reporting period.

(b) New and revised standards and interpretations not yet adopted

Certain new and amendments of HKFRS Accounting Standards have been published but are not mandatory for the financial year beginning 1 January 2025 and have not been early adopted by the Group.

		Effective for annual periods beginning on or after
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

For the six months ended 30 June 2025

4 Critical accounting estimates and judgements

The preparation of interim condensed consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing the interim condensed consolidated financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements of the Group for the year ended 31 December 2024.

5 Financial risk management

5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, cash flow and fair value interest rate risk), credit risk and liquidity risk.

The interim condensed consolidated financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2024.

There have been no changes in the risk management policies since year end.

5.2 Foreign exchange risk

The Group is engaged in the provision of general hospital services and medical examination services in the PRC with almost all transactions denominated in RMB. In addition, the majority of the Group's assets and liabilities are denominated in RMB. Accordingly, the Group is not exposed to significant foreign currency risk, except for the bank deposits denominated in Hong Kong Dollar ("**HKD**") and United States Dollar ("**USD**").

The Group currently does not have a foreign currency hedging policy. However, management closely monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

At 30 June 2025, if RMB had weakened/strengthened by 5% against the HKD with all other variables held constant, post-tax profit for the period would have been RMB24,000 (31 December 2024: RMB27,000) higher/lower, mainly as a result of foreign exchange gains/losses on translation of cash in bank.

At 30 June 2025, if RMB had weakened/strengthened by 5% against USD with all other variables held constant, post-tax profit for the period would have been RMB349,000 (31 December 2024: RMB457,000) higher/lower, mainly as a result of foreign exchange gains/losses on translation of cash in bank.

For the six months ended 30 June 2025

5 Financial risk management (continued)

5.3 Cash flow and fair value interest rate risk

The Group's exposure to changes in interest rates is mainly attributable to its borrowings from banks.

Borrowings obtained at variable rates expose the Group to cash flow interest rate risk. Borrowings obtained at fixed rates expose the Group to fair value interest rate risk. The Group does not hedge its cash flow and fair value interest rate risk. The interest rates and terms of repayments of borrowings are disclosed in Note 19.

As at 30 June 2025 and 31 December 2024, if interest rates had risen/fallen by 50 basis points with all other variables held constant, the Group's net results for the period/year would have changed mainly as a result of higher/lower interest expenses on floating rate borrowings. Details of changes are as follows:

	Unaudited Period ended 30 June 2025	Audited Year ended 31 December 2024
	RMB'000	RMB'000
Net results (decrease)/increase — risen 50 basis points — fallen 50 basis points	(1,944) 1,944	(1,195) 1,195

5.4 Credit risk

The Group's credit risk arises from restricted cash, cash and cash equivalents, trade receivables, other receivables, amounts due from related parties and deposits for long-term leases. The credit risk of hospital segment is from the recoverability of trade receivables and other receivables. The credit risk of medical examination segment is from the length of the overdue period of trade receivables and other receivables by corporate customers. The objective of the Group's measures to manage credit risk is to control potential exposure to recoverability problem.

Cash and cash equivalents and restricted cash were deposited in the major financial institutions, which the directors believe are of high credit quality.

The Group established policies in place to ensure that the Group assesses the credit worthiness and financial strength of its customers as well as considering prior dealing history with the customers and volume of sales. Management makes periodic assessment on the recoverability of trade receivables, other receivables, amounts due from related parties and deposits for long-term leases based on historical payment records, the length of the overdue period, the financial strength of the debtors and whether there are any trade disputes with the debtors.

For the six months ended 30 June 2025

5 Financial risk management (continued)

5.5 Liquidity risk

Group finance monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. The Group expected to fund the future cash flow needs through internally generated cash flows from operations, borrowings from financial institutions and issuing debt instruments and capital injection from shareholders, as necessary.

The table below analyses the Group's financial liabilities that will be settled on a net basis into relevant maturity grouping based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Less than 1 year RMB'000	Between 1 and 2 years RMB'000	Between 2 and 5 years RMB'000	More than 5 years RMB'000	Total RMB'000
As at 30 June 2025 (Unaudited) Borrowings, including interest Lease liabilities Amount due to a related part Trade and other payables	536,160 261,534 7 385,868	36,236 257,515 — —	226,070 616,601 — —	– 623,791 – –	798,466 1,759,441 7 385,868
	1,183,569	293,751	842,671	623,791	2,943,782
As at 31 December 2024 (Audited)					
Borrowings, including interest	560,411	92,750	184,258	_	837,419
Lease liabilities	284,719	278,103	667,956	638,473	1,869,251
Trade and other payables	495,179	_		_	495,179
	1,340,309	370,853	852,214	638,473	3,201,849

The interest on borrowings is calculated based on borrowings held as at 30 June 2025 and 31 December 2024, respectively. Floating-rate interests are estimated using the current interest rate as at 30 June 2025 and 31 December 2024, respectively.

For the six months ended 30 June 2025

5 Financial risk management (continued)

5.6 Fair value estimation

5.6.1 Fair value hierarchy

To provide an indication about the reliability of the inputs used in determining fair value, the Group classifies its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

The following table presents the Group's financial assets measured and recognised at fair value at 30 June 2025 and 31 December 2024 on a recurring basis:

At 30 June 2025	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Assets (unaudited) Financial assets at fair value through profit or loss				
Unlisted equity securitiesWealth management products		_	1,500 100	1,500 100
	_	_	1,600	1,600
Financial assets at fair value through other comprehensive income — Unlisted equity securities	_	_	168,000	168,000
Total	_	_	169,600	169,600

At 31 December 2024	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Assets (Audited) Financial assets at fair value through profit or loss — Unlisted equity securities	_	_	1,500	1,500
Financial assets at fair value through other comprehensive income — Unlisted equity securities	_	_	169,000	169,000
Total	_	_	170,500	170,500

As at 30 June 2025, the fair value of financial assets at fair value through profit or loss is approximately equal to their carrying amount. There's no change in level 3 instruments for the six months ended 30 June 2025.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted marked price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

For the six months ended 30 June 2025

5 Financial risk management (continued)

5.6 Fair value estimation (continued)

5.6.1 Fair value hierarchy (continued)

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

The fair value of unlisted equity securities classified as financial assets at fair value through other comprehensive income is determined by the directors of the Company based on the valuation report prepared by the independent valuer with market approach using price to revenue ratio. It is a Level 3 recurring fair value measurement. A reconciliation of the opening and closing fair value balances are provided as below:

	Unaudited	Audited
	As at	As at
	30 June 2025	31 December 2024
	RMB'000	RMB'000
Opening balance	169,000	182,100
Fair value change during the period/year	(1,000)	(13,100)
Closing balance	168,000	169,000

One of the key significant unobservable inputs to determine the fair value of unlisted equity securities classified as financial assets at fair value through other comprehensive income is price to revenue ratio.

A higher price to revenue ratio would result in an increase in the fair value of unlisted equity securities classified as financial assets at fair value through other comprehensive income, and vice versa.

5.6.2 Fair values of other financial instruments

The Group also has a number of financial instruments which are not measured at fair value in the balance sheet. For the majority of these instruments, the fair values are not materially different to their carrying amounts, since the interest receivable/payable is either close to current market rates or the instruments are short-term in nature. Fair value of trade receivables, other receivables, amounts due from related parties, trade and other payables, borrowings, lease liabilities and amount due to a related party approximates to their carrying amount.

For the six months ended 30 June 2025

6 Segment information

Management has determined the operating segments based on the information reviewed by the chief operating decision-maker ("CODM") for the purpose of corporate planning, allocating resources and assessing performance.

Management considers the business from a business perspective, and assesses the performance of the business segment based on segment profit without allocation of administrative expenses, reversal of impairment losses on financial assets, impairment losses on financial assets, interest income, interest expenses, net exchange losses, net exchange gains, other income, other losses, share of result of investments accounted for using equity method and income tax expense.

The amounts provided to management with respect to total assets and total liabilities are measured consistent with that of the financial information. These assets are allocated based on the operations of segments. Certain assets and liabilities related to some subsidiaries with corporate function are not allocated into segments. Elimination of revenue are mainly inter-segment service charges related to general hospital business.

The Group manages its business by two operating segments based on their services, which is consistent with the way in which information is reported internally to the Group's CODM for the purpose of resources allocation and performance assessment. The principal assets employed by the Group are located in the PRC, and accordingly, no geographical segment analysis has been prepared.

(a) General hospital

The business of this segment is in Nantong, a city of Jiangsu Province. Revenue from this segment is derived from general hospital services provided by Nantong Rich Hospital Co., Ltd. ("Nantong Rich Hospital") and maternity care services provided by Nantong Advanced Hejia Maternity and Child Nursing Service Co., Ltd.

(b) Medical examination centers

The business of this segment is in Shanghai city, Jiangsu Province and other provinces in the PRC. Revenue from this segment is derived from medical examination services.

The following table presents revenue and profit information regarding the Group's operation segments for the six months ended 30 June 2025 and 2024, and the segment assets and liabilities as at 30 June 2025 and 31 December 2024.

Revenue between segments are carried out at arm's length and are eliminated on consolidation. The revenue from external parties is measured in the same way as in the interim condensed consolidated statement of profit or loss.

For the six months ended 30 June 2025

6 Segment information (continued)

	General Hospital RMB'000	Medical Examination Centers RMB'000	Unallocated RMB'000	Elimination RMB'000	Total RMB'000
For the six months ended					
30 June 2025 (unaudited) Revenue	234,004	925,129	_	(14,284)	1,144,849
Segment profit/(loss)	33,258	241,539	(1,678)	_	273,119
	,	,	() /		,
Administrative expenses					(116,740)
Net impairment losses on financial assets					(2,543)
Interest income					3,214
Interest expenses					(53,239)
Net exchange losses Other income					(61) 20,978
Other Income Other losses					(5,855)
Share of result of investments accounted for					(3,033)
using equity method					568
Profit before income tax					119,441
Income tax expense					(39,696)
Duefit for the province					70.745
Profit for the period					79,745

	General Hospital RMB'000	Medical Examination Centers RMB'000	Unallocated RMB'000	Elimination RMB'000	Total RMB'000
As at 30 June 2025 (unaudited) Segment assets	1,285,877	4,168,976	1,026,903	(1,764,972)	4,716,784
Segment liabilities	590,167	3,065,492	411,629	(767,397)	3,299,891
For the six months ended 30 June 2025 (unaudited) Other information Additions to property and equipment, right- of-use assets and intangible assets	13,969	161,118	_		175,087
Depreciation and amortisation	24,740	186,646	50	_	211,436

For the six months ended 30 June 2025

6 Segment information (continued)

	General Hospital RMB'000	Medical Examination Centers RMB'000	Unallocated RMB'000	Elimination RMB'000	Total RMB'000
For the six months ended 30 June 2024 (unaudited) Revenue	323,966	922,936	_	(15,697)	1,231,205
Segment profit/(loss)	72,356	215,616	(299)	_	287,673
Administrative expenses Reversal of impairment losses on financial assets Interest income Interest expenses Net exchange losses Other income Other losses Share of result of investments accounted for using equity method Profit before income tax Income tax expense					(111,793) 1,871 3,089 (63,533) (522) 9,885 (1,939) 417 125,148 (38,027)
Profit for the period					87,121
As at 30 June 2024 (unaudited)	General Hospital RMB'000	Medical Examination Centers RMB'000	Unallocated RMB'000	Elimination RMB'000	Total RMB'000
Segment assets	1,334,284	3,810,376	1,005,625	(1,607,470)	4,542,815
Segment liabilities	654,175	2,837,686	488,735	(624,413)	3,356,183
For the six months ended 30 June 2024 (unaudited) Other information Additions to property and equipment, right- of-use assets and intangible assets	37,419	284,359	_	-	321,778
Depreciation and amortisation	24,255	192,251	_		216,506

For the six months ended 30 June 2025

7 Property and equipment

	Buildings RMB'000	Medical equipments RMB'000	General equipments RMB'000	Leasehold improvements RMB'000	Others RMB'000	Construction in progress RMB'000	Total RMB'000
As at 1 January 2025 (Audited) Cost Accumulated depreciation Accumulated impairment loss	939,066 (122,434) —	896,730 (611,213) —	102,146 (78,769)	820,840 (466,857) (23,413)	14,535 (9,763) —	30,987 - -	2,804,304 (1,289,036) (23,413)
Net book amount	816,632	285,517	23,377	330,570	4,772	30,987	1,491,855
Six months ended 30 June 2025 (Unaudited) Opening net book amount Additions Transfers Disposal Depreciation	816,632 132 — (5,140) (10,937)	285,517 7 17,079 (224) (45,271)	23,377 - 2,412 (11) (3,924)	330,570 2,636 15,691 (553) (42,260)	4,772 - - - (375)	30,987 50,119 (35,212) (175)	1,491,855 52,894 (30) (6,103) (102,767)
Closing net book amount	800,687	257,108	21,854	306,084	4,397	45,719	1,435,849
As at 30 June 2025 (Unaudited) Cost Accumulated depreciation Accumulated impairment loss	934,058 (133,371) —	901,509 (644,401) —	103,716 (81,862) —	838,662 (509,165) (23,413)	14,151 (9,754) —	45,719 - -	2,837,815 (1,378,553) (23,413)
Net book amount	800,687	257,108	21,854	306,084	4,397	45,719	1,435,849
As at 1 January 2024 (Audited) Cost Accumulated depreciation Accumulated impairment loss	908,791 (91,046) —	811,992 (516,627) —	101,541 (75,752) —	694,164 (391,954) (18,076)	12,685 (9,212) —	69,695 — —	2,598,868 (1,084,591) (18,076)
Net book amount	817,745	295,365	25,789	284,134	3,473	69,695	1,496,201
Six months ended 30 June 2024 (Unaudited) Opening net book amount Additions Transfers Disposal Depreciation	817,745 2,558 4,190 — (10,702)	295,365 622 43,301 (164) (45,131)	25,789 — 3,612 (53) (4,247)	284,134 2,283 37,367 (5) (35,297)	3,473 — 574 — (315)	69,695 106,660 (82,177) (40)	1,496,201 112,123 6,867 (262) (95,692)
Closing net book amount	813,791	293,993	25,101	288,482	3,732	94,138	1,519,237
As at 30 June 2024 (Unaudited) Cost Accumulated depreciation Accumulated impairment loss	915,539 (101,748) —	861,965 (567,972) —	101,681 (76,580)	733,810 (427,252) (18,076)	13,259 (9,527) —	94,138 - -	2,720,392 (1,183,079) (18,076)
Net book amount	813,791	293,993	25,101	288,482	3,732	94,138	1,519,237

For the six months ended 30 June 2025

7 Property and equipment (continued)

Notes:

(a) Depreciation of property and equipment has been charged to the interim condensed consolidated statement of profit or loss as follows:

	Unaudited As at 30 June 2025 RMB'000	Audited As at 31 December 2024 RMB'000
Cost of sales Distribution costs and selling expenses Administrative expenses	90,213 62 12,492	175,449 170 22,883
	102,767	198,502

⁽b) As at 30 June 2025, buildings with a total carrying amount of RMB188,730,000 (31 December 2024: RMB58,090,000) were pledged for the Group's borrowings (Note 19).

8 Right-of-use assets

	Unaudited As at 30 June 2025 RMB'000	Audited As at 31 December 2024 RMB'000
Properties Land use rights	1,258,170 2,648	1,294,849 2,698
	1,260,818	1,297,547

For the six months ended 30 June 2025

8 Right-of-use assets (continued)

	Properties RMB'000	Equipment RMB'000	Land use rights RMB'000	Total RMB'000
As at 1 January 2025 (Audited) Cost Accumulated depreciation	1,976,479 (681,630)	=	4,698 (2,000)	1,981,177 (683,630)
Net book amount	1,294,849	_	2,698	1,297,547
Opening net book amount Additions Revaluation Disposals Depreciation	1,294,849 122,052 (22,539) (29,029) (107,163)	- - - -	2,698 - - - (50)	1,297,547 122,052 (22,539) (29,029) (107,213)
Closing net book amount	1,258,170	-	2,648	1,260,818
As at 30 June 2025 (Unaudited) Cost Accumulated depreciation	2,033,489 (775,319)	Ξ	4,698 (2,050)	2,038,187 (777,369)
Net book amount	1,258,170	-	2,648	1,260,818
As at 1 January 2024 (Audited) Cost Accumulated depreciation	1,931,042 (698,183)	32,445 (22,847)	4,698 (1,900)	1,968,185 (722,930)
Net book amount	1,232,859	9,598	2,798	1,245,255
Six months ended 30 June 2024 (Unaudited) Opening net book amount Transfer to property and equipment Additions Depreciation	1,232,859 — 209,655 (116,758)	9,598 (7,090) — (2,508)	2,798 - - (50)	1,245,255 (7,090) 209,655 (119,316)
Closing net book amount	1,325,756	_	2,748	1,328,504
As at 30 June 2024 (Unaudited) Cost Accumulated depreciation	2,033,512 (707,756)	=	4,698 (1,950)	2,038,210 (709,706)
Net book amount	1,325,756	_	2,748	1,328,504

As at 30 June 2025, land with a total carrying amount of RMB2,648,000 (31 December 2024: RMB2,698,000) were pledged for the Group's borrowings (Note 19).

For the six months ended 30 June 2025

9 Intangible assets

	Computer software RMB'000	Goodwill RMB'000	Total RMB'000
As at 1 January 2025 (Audited)			
Cost	48,253	7,447	55,700
Accumulated amortisation	(32,617)	_	(32,617)
Accumulated impairment	<u> </u>	(7,447)	(7,447)
Net book amount	15,636	-	15,636
Six months ended 30 June 2025 (Unaudited)			
Opening net book amount	15,636	_	15,636
Addition	141	_	141
Transfer from construction in progress	30	_	30
Amortisation	(1,456)	_	(1,456)
Closing net book amount	14,351	_	14,351
As at 30 June 2025 (Unaudited)			
Cost	48,423	7,447	55,870
Accumulated amortisation	(34,072)	(7.447)	(34,072)
Accumulated impairment	_	(7,447)	(7,447)
Net book amount	14,351	_	14,351
As at 1 January 2024 (Audited)			
Cost	47,329	7,447	54,776
Accumulated amortisation	(29,471)	_	(29,471)
Accumulated impairment	_	(7,447)	(7,447)
Net book amount	17,858		17,858
Six months ended 30 June 2024 (Unaudited)			
Opening net book amount	17,858	_	17,858
Transfer from construction in progress	223	_	223
Amortisation	(1,498)	_	(1,498)
Closing net book amount	16,583		16,583
A - + 00 km - 0004 (H - 111 h)			
As at 30 June 2024 (Unaudited) Cost	47,552	7,447	54,999
Accumulated amortization	(30,969)	1,441 —	(30,969)
Accumulated impairment	(00,009)	(7,447)	(7,447)
Net book amount	16,583	_	16,583

For the six months ended 30 June 2025

10 Investments accounted for using equity method

	Unaudited	Unaudited	
	Six months ended 30 June		
	2025	2024	
	RMB'000	RMB'000	
Opening balance	10,485	10,080	
Share of results	568	417	
Ending balance	11,053	10,497	

The particulars of the joint venture and associate of the Group during the periods, which are unlisted, are set out as follows:

	Equity interests held				
	Country/date of incorporation and		As at 30 June	As at 31 December	Principal
Company name	operation	Paid-in capital	2025	2024	activities
Shanghai Rich Meidi Management Consulting Co., Ltd.	29 October 2013, Shanghai, the PRC	RMB15,000,000	60%	60%	Joint Venture
Neijiang Rich Ruichuan Clinic Co., Ltd.	29 March 2017, Sichuan, the PRC	RMB14,313,000	20%	20%	Associate

11 Deposits for long-term leases

The Group paid deposits for leases of certain medical examination centers, which are due over 1 year from balance sheet date and are recoverable at the end of the lease term.

For the six months ended 30 June 2025

12 Deferred tax assets

	Unaudited As at 30 June 2025 RMB'000	Audited As at 31 December 2024 RMB'000
The balance comprises temporary differences attributable to:		
Tax losses	66,886	37,005
Right-of-use assets and lease liabilities	47,794	45,401
	114,680	82,406
Share option scheme	21,882	24,279
Loss allowances for financial assets	4,885	8,248
Impairment of property and equipment	2,188	3,303
	28,955	35,830
Total deferred tax assets	143,635	118,236

For the six months ended 30 June 2025

12 Deferred tax assets (continued)

Movements in deferred income tax assets for both six months ended 30 June 2025 and 2024, without taking into consideration the offsetting of balance within the same tax jurisdiction, are as follows:

	Tax losses carried forward RMB'000	Right-of- use assets and lease liabilities RMB'000	Share option scheme RMB'000	Assets impairment RMB'000	Total RMB'000
As at 1 January 2025 (audited) Credited/(debited) to condensed consolidated statement of profit or	37,005	45,401	24,279	11,551	118,236
loss	29,881	2,393	(2,397)	(4,478)	25,399
As at 30 June 2025 (unaudited)	66,886	47,794	21,882	7,073	143,635
As at 1 January 2024 (audited) Credited/(debited) to condensed consolidated statement of profit or	41,324	37,476	24,279	6,832	109,911
loss	9,517	5,825	_	(312)	15,030
				<u> </u>	
As at 30 June 2024 (unaudited)	50,841	43,301	24,279	6,520	124,941

Deferred income tax assets are recognised for tax loss carry-forwards to the extent that the realization of the related tax benefit through future taxable profits is probable. The Group did not recognise deferred income tax assets of RMB83,488,000 (31 December 2024: RMB88,746,000) in respect of tax losses amounting to RMB333,952,000 (31 December 2024: RMB354,985,000) as at 30 June 2025. All these tax losses will expire within five years.

For the six months ended 30 June 2025

13 Trade receivables

	Unaudited	Audited
	As at 30 June 2025	As at 31 December 2024
	RMB'000	RMB'000
Trade receivables	262,714	357,264
Less: Loss allowance	(17,898)	(33,200)
	244,816	324,064

As at 30 June 2025 and 31 December 2024, the fair value of trade receivables of the Group approximated to their carrying amount.

The aging analysis of trade receivables based on the date the relevant service was rendered is as follows:

	Unaudited As at 30 June 2025 RMB'000	Audited As at 31 December 2024 RMB'000
Trade receivables		
— Up to 6 months	235,080	341,458
6 months to 1 year	17,694	8,079
- 1 to 2 years	2,984	2,911
- 2 to 3 years	2,669	646
Over 3 years	4,287	4,170
	262,714	357,264

Movements of loss allowance for trade receivables are as follows:

	Unaudited	Audited
	As at	As at
	30 June 2025	31 December 2024
	RMB'000	RMB'000
At the beginning of the period/year	33,200	15,537
Increase in loss allowance	2,543	18,809
Receivables written off as uncollectible	(17,845)	(1,146)
At the end of the period/year	17,898	33,200

For the six months ended 30 June 2025

14 Other receivables

	Unaudited As at 30 June 2025 RMB'000	Audited As at 31 December 2024 RMB'000
		7 III 2 000
Loans to non-controlling interests of subsidiaries (Note (a))	129,000	59,000
Deposits	6,384	6,139
Advances to staff	14,054	10,551
Interest receivable	5,973	4,397
Others (Note (b))	88,138	84,442
	243,549	164,529
Less: Loss allowance	(1,750)	(1,750)
	241,799	162,779

Notes:

The carrying amounts of the Group's other receivables are denominated in RMB.

As at 30 June 2025 and 31 December 2024, the fair value of other receivables approximated to their carrying amount.

⁽a) Balance represents loans to the non-controlling interests of subsidiaries, which are unsecured and bore the interest rate at 1-year loan prime rate plus 1 basis point. They were recoverable within twelve months from the reporting date as at 30 June 2025.

⁽b) Consideration receivable of RMB50,000,000 (31 December 2024: RMB50,000,000) from the disposal of Shanghai Shuixian Obstetrics, Gynecology & Pediatric Hospital Co., Ltd. during the year ended 31 December 2022 is included in Others. The consideration receivable is unsecured and non-interest bearing. RMB50,000,000 has been settled on 31 March 2023 and RMB50,000,000 has been settled in September 2024. The remaining of RMB50,000,000 will be settled in September 2025. The consideration receivable of RMB50,000,000 (31 December 2024: RMB50,000,000) is recoverable within twelve months from the reporting date as at 30 June 2025.

For the six months ended 30 June 2025

15 Cash and bank balances

(a) Cash and cash equivalents

	Unaudited As at 30 June 2025	Audited As at 31 December 2024
	RMB'000	RMB'000
Cash at bank and on hand		
 Denominated in RMB 	1,023,961	1,103,627
 Denominated in USD 	1,724	1,963
 Denominated in HKD 	3,159	4,227
	1,028,844	1,109,817

(b) Restricted cash

As at 30 June 2025, RMB938,000 placed in a bank (31 December 2024: RMB938,000) is a guarantee deposits for gas heating service.

The amount of RMB1,099,000 is a security deposit for the letter of guarantee from the banks (31 December 2024: RMB784,000) for the daily operation of the Group as at 30 June 2025.

16 Prepayments

	Unaudited As at 30 June 2025 RMB'000	Audited As at 31 December 2024 RMB'000
Non-current: Prepayments for property and equipment	35,637	25,030
Current: Prepayments for consumables Others (Note)	13,699 17,022	13,840 16,209
	30,721	30,049
Total prepayments	66,358	55,079

Note:

Others mainly included prepaid advertising expenses and prepaid property management fee.

For the six months ended 30 June 2025

17 Share capital

Ordinary shares, issued and fully paid:

	Number of ordinary shares	Share capital
As at 30 June 2025 and 31 December 2024	1,590,324,000	1,065

18 Reserves

	Share premium RMB'000	Merger and capital reserves RMB'000	Statutory reserves and other reserves RMB'000 (Note a)	FVOCI reserve RMB'000	Share option scheme RMB'000 (Note b)	Retained earnings RMB'000	Total RMB'000
As at 1 January 2025 (audited) Profit for the period Other comprehensive income Appropriation to statutory reserves Share option scheme	462,065 - - - -	(333,180) - - - -	411,040 - - 24,088	(11,000) - (1,000) - -	97,662 - - - - (9,629)	718,191 55,941 — (24,088) 9,629	1,344,778 55,941 (1,000) —
As at 30 June 2025 (unaudited)	462,065	(333,180)	435,128	(12,000)	88,033	759,673	1,399,719
As at 1 January 2024 (audited) Profit for the period Other comprehensive income Appropriation to statutory reserves	527,388 - - -	(333,180) - - -	314,487 - - 43,032	2,100 — 600 —	97,662 - - -	517,423 84,991 — (43,032)	1,125,880 84,991 600 —
As at 30 June 2024 (unaudited)	527,388	(333,180)	357,519	2,700	97,662	559,382	1,211,471

Notes:

(b) Share option scheme

The Group approved and launched a share option scheme on 19 September 2016. Pursuant to the share option scheme, two directors and one employee were granted the share options to subscribe for up to 47,710,500 shares of the Company. The share options will vest in four tranches at the third, the fourth, the fifth and the sixth anniversaries of the offer date and will only become exercisable from the respective vesting dates up to the tenth anniversary of the offer date. The subscription price payable upon the exercise of any share option is fixed at HKD1.60.

⁽a) Statutory reserves and other reserves included the retained earnings of Nantong Rich Hospital as at 30 June 2014 amounted to RMB138,950,000 when Nantong Rich Hospital ceased to be a "non-profit medical institution". It is non-distributable and shall be used for the hospital's future development according to the requirements of local authorities.

For the six months ended 30 June 2025

18 Reserves (continued)

Notes: (continued)

(b) Share option scheme (continued)

As at 30 June 2025, 47,710,500 (31 December 2024: 47,710,500) outstanding options were not exercised, among which all options have been vested. These options with an exercise price of HKD1.60 per share upon vesting will be expired on 19 September 2026.

Another share option scheme was conditionally approved and adopted pursuant to a resolution of the shareholders of the Company passed on 19 September 2016. On and subject to the terms of the share option scheme, the Board shall be entitled at any time within ten years after 19 September 2016 to offer to grant to any non-executive director or independent non-executive director of the Company or any eligible employees of the Company as the Board may in its absolute discretion select, and subject to such conditions as the Board may think fit, an option to subscribe for such number of shares as the Board may determine at the subscription price. One director and ten employees were granted the share options to subscribe for up to 79,517,500 shares of the Company on 24 November 2017. The share options will vest in four tranches at the third, the fourth, the fifth and the sixth anniversaries of the offer date and will only become exercisable from the respective vesting dates up to the tenth anniversary of the offer date. The subscription price payable upon the exercise of the share options is fixed at HKD2.42.

As at 30 June 2025, 35,760,000 (31 December 2024: 46,200,000) outstanding options were not exercised, among which all options have been vested. These options with an exercise price of HKD2.42 per share upon vesting will be expired on 24 November 2027.

The number and weighted average exercise prices of share options are as follows:

	As at 30 June 202 Weighted average exercise price HK\$	25 (Unaudited) Number	As at 31 Decembe Weighted average exercise price HK\$	r 2024 (Audited) Number
Outstanding at beginning of the period/				
year	2.00	93,910,500	2.00	93,910,500
Cancelled during the period/year	2.42	(10,440,000)	_	_
Outstanding at end of the period/year	1.95	83,470,500	2.00	93,910,500
Exercisable at end of the period/year	1.95	83,470,500	2.00	93,910,500

For the six months ended 30 June 2025

19 Borrowings

	Unaudited	Audited
	As at	As at
	30 June 2025	31 December 2024
	RMB'000	RMB'000
Bank borrowings-secured and/or guaranteed	770,800	797,000
Less: Non-current portion of non-current borrowings	(240,400)	(254,600)
	530,400	542,400

The Group's borrowings were repayable as follows:

	Within 1 year RMB'000	Between 1 and 2 years RMB'000	Between 2 and 5 years RMB'000	Total RMB'000
30 June 2025 (Unaudited) Bank borrowings	530,400	34,400	206,000	770,800
31 December 2024 (Audited) Bank borrowings	542,400	67,400	187,200	797,000

As at 30 June 2025, bank borrowings include RMB214,800,000 (31 December 2024: RMB212,200,000) borrowings secured by the Group's land use rights with net book value of RMB2,648,000 (31 December 2024: RMB2,698,000) (Note 8) as at 30 June 2025 and buildings with net book value of RMB188,730,000 (31 December 2024: RMB58,090,000).

All the short-term and long-term bank borrowings are also guaranteed by the Company's subsidiaries for each other.

All the borrowings are denominated in RMB and their fair value approximated to their carrying amounts.

For the six months ended 30 June 2025

20 Deferred income

	Unaudited As at 30 June 2025	Audited As at 31 December 2024
	30 June 2025 RMB'000	RMB'000
At the beginning of the period/year	10,830	5,653
Additions	_	13,541
Transfer to profit or loss	(1,814)	(8,364)
	9,016	10,830
Current	3,425	3,554
Non-current	5,591	7,276
	9,016	10,830

21 Lease liabilities

	Unaudited	Audited
	As at	As at
	30 June 2025	31 December 2024
	RMB'000	RMB'000
Present value of the minimum lease payments:		
Within 1 year	264,433	272,308
After 1 year but within 2 years	244,247	252,859
After 2 years but within 5 years	523,028	547,076
After 5 years	443,153	431,035
	1,474,861	1,503,278

For the six months ended 30 June 2025

22 Contract liabilities

	Unaudited As at 30 June 2025 RMB'000	Audited As at 31 December 2024 RMB'000
Sales of medical examination cards Advances from medical examination customers Advances from hospital patients	581,547 39,916 9,059	559,060 64,298 7,257
	630,522	630,615

Sales of medical examination cards represent the prepayments received from patients and customers and will be recognised in profit or loss when medical examination services are rendered to the relevant customers.

Revenue will be recognised when the relevant services are rendered to the customers. The amount of revenue recognised for the period ended 30 June 2025 that was included in the contract liabilities as at 31 December 2024 was RMB124,863,000 (31 December 2024: RMB198,204,000).

Contract liabilities as at 30 June 2025 are expected to be recognised as revenue in the following one to two years (31 December 2024: one to two years).

23 Trade and other payables

	Unaudited As at 30 June 2025 RMB'000	Audited As at 31 December 2024 RMB'000
Trade payables due to third parties Payables for purchase of property and equipment Staff salaries and welfare payables Deposits received Accrued taxes other than income tax Accrued professional service fees Interest payables Accrued advertising expenses Others	145,681 81,672 69,287 24,698 4,479 846 552 548 58,105	162,299 111,248 129,427 19,082 6,352 4,277 682 548 61,264
	385,868	495,179

For the six months ended 30 June 2025

23 Trade and other payables (continued)

The aging analysis of the trade payables based on invoice date is as follows:

	Unaudited As at 30 June 2025 RMB'000	Audited As at 31 December 2024 RMB'000
Trade payables — Up to 3 months — 3 to 6 months — 6 months to 1 year — 1 to 2 years — 2 to 3 years — Over 3 years	120,841 5,110 5,957 4,593 1,118 8,062	141,205 3,413 3,953 3,887 979 8,862
	145,681	162,299

The trade payables are usually paid within 30-60 days of recognition.

The fair value of all trade and other payables of the Group approximated to their carrying amounts and the carrying amounts of the Group's trade and other payables are denominated in RMB.

24 Revenue

Revenue of the Group consists of the following:

	Unaudited Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
General hospital		
Outpatient pharmaceutical revenue	21,834	33,035
Outpatient service revenue	27,988	34,607
Inpatient pharmaceutical revenue	62,365	104,406
Inpatient service revenue	107,533	136,221
Medical examination centers		
Examination service revenue	924,923	922,445
Management service revenue and others	206	491
	1,144,849	1,231,205

For the six months ended 30 June 2025

25 Other income

	Unaudited Six months ended 30 June		
	2025 20 RMB'000 RMB'0		
	RIVID 000	RMB'000	
Government grants (Note)	9,459	1,828	
Interest income from loans to third parties	1,487	3,073	
Others	10,032	4,984	
	20,978	9,885	

Note:

Government grants mainly represent (a) RMB1,809,900 (2024: RMB800,000) amortisation of deferred income from the special government grants from Nantong Finance Bureau and Shanghai Qingpu Development and Reform Commission, (b) subsidies from Nantong Economic and Technological Development Zone Finance Bureau of RMB5,000,000 (2024: nil) during the period ended 30 June 2025; (c) subsidies from Management Committee of China (Shanghai) Pilot Free Trade Zone of RMB250,000 (2024: Nil); (d) RMB590,000 (2024: RMB590,000) of other medical subsidy; and (e) the other government grants in total of RMB1,000,000 during the period ended 30 June 2025 (2024: nil).

26 Expenses by nature

	Unaudited Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Employee benefits expenses	469,101	501,699
Depreciation and amortization	211,436	216,506
Pharmaceutical costs	55,549	92,307
Medical consumables costs	51,788	50,827
Outsourcing testing expenses	49,140	61,058
Utility expenses	45,512	44,441
Office expenses	14,867	16,714
Maintenance expenses	18,046	10,032
Short-term or low-value operating lease rentals	5,517	2,405
Platform service charges	29,612	23,846
Professional service charges	5,169	7,500
Entertainment expenses	6,242	7,133
Stamp duty and other taxes	4,500	4,588
Advertising expenses	11,505	4,576
Labour union dues	1,298	1,388
Travel expenses	2,174	1,220
Impairment losses/(reversal of impairment losses) on financial assets	2,543	(1,871)
Auditor's remuneration	570	570
Other expenses	6,444	8,515
	991,013	1,053,454

For the six months ended 30 June 2025

27 Finance costs - net

	Unaudited	
	Six months ended 30 June 2025 2024	
	RMB'000	RMB'000
Interest on lease liabilities	42,168	47,636
Interest on borrowings	11,071	15,897
	53,239	63,533
Net exchange losses	61	522
Finance costs	53,300	64,055
Interest income	(3,214)	(3,089)
Finance income	(3,214)	(3,089)
Finance costs — net	50,086	60,966

28 Income tax expense

The amount of income tax expense recognised in the interim condensed consolidated statement of profit or loss represents:

	Unaudited Six months ended 30 June	
	2025 RMB'000	2024 RMB'000
Current income tax		
Current periodUnder-provision in respect of prior years	46,692 18,403	48,203 4,854
Deferred income tax (Note 12)	(25,399)	(15,030)
Income tax expense	39,696	38,027

For the six months ended 30 June 2025

28 Income tax expense (continued)

The income tax on the Group's profit before income tax differs from the theoretical amount that would arise using the enacted tax rate of the home country of the companies within the Group as follows:

	Unaudited Six months ended 30 June	
	2025 20:	
	RMB'000	RMB'000
Profit before income tax	119,441	125,148
Tax calculated at the applicable income tax rate (25%)	29,860	31,287
Tax effect of:		
Expenses not deductible for tax purpose	1,825	560
Utilization of tax losses and temporary differences		
not recognised as deferred tax assets in prior years	(6,154)	(5,880)
Temporary differences not recognised as deferred tax assets	(5,283)	206
Tax losses not recognised as deferred tax assets	2,037	6,841
Different tax rates of a subsidiary	(992)	159
Under-provision in respect of prior years	18,403	4,854
Income tax expense	39,696	38,027

The corporate income tax rate applicable to the Group's subsidiaries located in mainland China is 25%. During the six months ended 30 June 2025, the corporate income tax rate applicable to some of the subsidiaries in mainland China is 15%.

The Company is registered in the Cayman Islands, and hence is not subject to corporate income tax. Two subsidiaries in the Group registered in the British Virgin Islands are not subject to corporate income tax.

No provision for Hong Kong profits tax has been made as the Group does not have assessable profits subject to Hong Kong profits tax during the six months ended 30 June 2025 and 2024.

The PRC corporate income tax law and its implementation rules impose a withholding tax at 10% for dividends distributed by a PRC-resident enterprise to its immediate holding company outside the PRC for earnings generated beginning 1 January 2008 and undistributed earnings generated prior to 1 January 2008 are exempted from such withholding tax. A lower 5% withholding tax rate may be applied when the immediate holding companies are established in Hong Kong according to the tax treaty arrangement between the PRC and Hong Kong.

For the six months ended 30 June 2025

29 Earnings per share

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to owners of Company by the weighted average number of ordinary shares in issue during the six months ended 30 June 2025 and 2024, respectively.

	Unaudited Six months ended 30 June	
	2025 2024	
Profit attributable to owners of the Company (RMB'000)	55,941	84,991
Weighted average number of ordinary shares in issue	1,590,324,000	1,590,324,000
Basic earnings per share (RMB)	0.04	0.05

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted number of ordinary shares in issue for the potential dilutive effect caused by the share options granted under the share option scheme assuming they were exercised.

For the six months ended 30 June 2025 and 2024, as the average market share price of the Company's share was lower than assumed exercise price including the fair value of any services to be supplied to the Group in the future under the share option arrangement, there would be no dilutive impact.

30 Contingencies

As at 30 June 2025, the Group had eleven (31 December 2024: five) ongoing medical disputes arising from the operation of Nantong Rich Hospital and several disputes arising from medical examination centers which have not been settled. The Group has assessed the individual cases and taken into account of the expenses incurred and recorded, the Group believes the financial exposure in relation to the ongoing disputes shall not be material and thus no additional provision was made in this respect.

For the six months ended 30 June 2025

31 Commitments

Capital commitments

Capital expenditure contracted for but not yet incurred at each balance sheet date, is as follows:

	Unaudited As at 30 June 2025 RMB'000	Audited As at 31 December 2024 RMB'000
Authorized and contracted for: Leasehold improvement Nantong Rich Hospital Renovation Nantong Rich Hospital Expansion I	13,175 208 —	14,818 — 2,045
	13,383	16,863

32 Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party, has joint control over the other party or exercise significant influence over the other party in making financial and operation decisions. Parties are also considered to be related if they are subject to common control.

The ultimate controlling shareholders of the Group are Dr. Fang and Dr. Mei.

The following is a summary of the significant transactions carried out between the Group and its related parties in the ordinary course of business during the six months ended 30 June 2025 and 2024 and balances arising from related party transactions as at 30 June 2025 and 31 December 2024.

(a) Name and relationship with related parties

Name of related party	Relationship with the Group
Dr. Fang Yixin (方宜新)	Controlling shareholder
Dr. Mei Hong (梅紅)	Controlling shareholder
Nantong Rich Real Estate Development Co., Ltd. (南通瑞慈房	Controlled by Dr. Fang
地產開發有限公司) ("Nantong Rici Real Estate")	
Shanghai Rich Healthcare Management Co., Ltd. (上海瑞慈健	Controlled by Dr. Fang
康管理有限公司) (" Shanghai Rich Medical Exam")	
Nantong Rich Meidi Elderly Care Center (南通瑞慈美邸護理院	Subsidiary of the joint venture
有限公司) ("Nantong Meidi")	

For the six months ended 30 June 2025

32 Related party transactions (continued)

(b) Saved as elsewhere disclosed in this financial information, the following transactions were carried out with related parties:

(i) Expenses paid on behalf of related parties by the Group

	Unaudited Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Nantong Meidi	329	322
Nantong Rich Real Estate	_	8
	329	330

(ii) Services provided to related parties

	Unaudited Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Nantong Meidi	786	625

(iii) Services and products provided by related parties

	Unaudited Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
Shanghai Rich Medical Exam	960	_
Nantong Meidi	261	184
Nantong Rici Real Estate	35	_
	1,256	184

For the six months ended 30 June 2025

32 Related party transactions (continued)

(b) Saved as elsewhere disclosed in this financial information, the following transactions were carried out with related parties: (continued)

(iv) Guarantee provided by related parties for borrowings of the Group

	Unaudited	Audited
	As at	As at
	30 June 2025	31 December 2024
	RMB'000	RMB'000
Dr. Fang and Dr. Mei	303,800	326,000

(c) Key management compensation

Key management includes executive directors and non-executive directors. The compensation paid or payable to key management for employee services is shown below:

		Unaudited Six months ended 30 June	
	2025	2024	
	RMB'000	RMB'000	
Salaries and other short-term employee benefits	1,632	1,733	
Pension	125	145	
	1,757	1,878	

For the six months ended 30 June 2025

32 Related party transactions (continued)

(d) Balances with related parties

(i) Amounts due from related parties

	Unaudited As at 30 June 2025 RMB'000	Audited As at 31 December 2024 RMB'000
Nantong Meidi Nantong Rich Real Estate	1,668 —	2,744 28
	1,668	2,772

The amounts due from related parties are mainly for lending money to related parties and expenses paid on behalf of related parties or services provided by the Group, which were unsecured and non-interest bearing.

(ii) Amount due to a related party

	Unaudited	Audited
	As at	As at
	30 June 2025	31 December 2024
	RMB'000	RMB'000
Nantong Rich Real Estate	7	_

33 Dividend

The Board has resolved not to declare any interim dividend for the six months ended 30 June 2025 (2024: HK\$0.045 per share).



股份代號 Stock Code: 1526

於開曼群島註冊成立之有限公司 Incorporated in the Cayman Islands with limited liability