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Human Health Holdings Limited

盈健醫療集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1419)

**ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 30 JUNE 2025;
FINAL DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS;
CHANGE OF COMPOSITION OF THE NOMINATION COMMITTEE;
AND
EXPIRY AND PROPOSED TERMINATION OF
2016 SHARE OPTION SCHEME AND PROPOSED RENEWAL
AND ADOPTION OF SHARE OPTION SCHEME**

FINANCIAL HIGHLIGHTS

- The Group's revenue for FY2025 was approximately HK\$644.4 million, representing an increase of approximately 9.1% as compared with that for FY2024.
- The Group's profit attributable to owners of the Company for FY2025 was approximately HK\$26.3 million, representing an increase of approximately HK\$2.1 million or approximately 8.9% as compared to approximately HK\$24.2 million for FY2024.
- Basic earnings per share for FY2025 amounted to approximately HK6.9 cents (FY2024: approximately HK6.4 cents).
- The Board proposed declaration of final dividend of HK3.0 cents for FY2025 (FY2024: HK2.8 cents).

The board (the “**Board**”) of directors (the “**Directors**”) of Human Health Holdings Limited (the “**Company**”) is pleased to announce the consolidated results of the Company and its subsidiaries (collectively, the “**Group**”, “**we**” or “**our**”) for the year ended 30 June 2025 (“**FY2025**”) together with comparative figures for the year ended 30 June 2024 (“**FY2024**”) as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 30 June 2025

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
REVENUE	4	644,431	590,819
Cost of services rendered		<u>(348,974)</u>	<u>(320,968)</u>
Gross profit		295,457	269,851
Other income and gains, net	4	12,939	30,222
Administrative and other expenses		(271,666)	(264,018)
Finance costs	6	(6,550)	(8,220)
Share of losses of associates		<u>(238)</u>	<u>(1,271)</u>
PROFIT BEFORE TAX	5	29,942	26,564
Income tax expense	7	<u>(3,310)</u>	<u>(2,375)</u>
PROFIT FOR THE YEAR		<u>26,632</u>	<u>24,189</u>
OTHER COMPREHENSIVE INCOME/(LOSS)			
Other comprehensive loss that will not be reclassified to profit or loss:			
Changes in fair value of financial assets at fair value through other comprehensive income, net		(1,770)	(4,851)
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		<u>328</u>	<u>(161)</u>
OTHER COMPREHENSIVE LOSS FOR THE YEAR		<u>(1,442)</u>	<u>(5,012)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>25,190</u>	<u>19,177</u>
Profit attributable to:			
Owners of the Company		26,336	24,189
Non-controlling interests		<u>296</u>	<u>–</u>
		<u>26,632</u>	<u>24,189</u>

	<i>Note</i>	2025 HK\$'000	2024 <i>HK\$'000</i>
Total comprehensive income attributable to:			
Owners of the Company		24,894	19,177
Non-controlling interests		296	–
		<u>25,190</u>	<u>19,177</u>
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY			
Basic	8	<u>HK6.9 cents</u>	<u>HK6.4 cents</u>
Diluted		<u>HK6.9 cents</u>	<u>HK6.4 cents</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2025

		2025	2024
	Notes	HK\$'000	HK\$'000
NON-CURRENT ASSETS			
Property, plant and equipment		222,373	206,424
Investment properties		–	21,100
Goodwill		54,645	31,964
Other intangible assets		25,862	2,156
Investments in associates		9,649	9,887
Loan to an associate		–	11,235
Financial assets at fair value through other comprehensive income		5,283	7,053
Financial assets at fair value through profit or loss		114,101	100,120
Prepayments, deposits and other receivables		46,068	49,978
Deferred tax assets		6,341	2,842
Total non-current assets		484,322	442,759
CURRENT ASSETS			
Inventories		25,075	32,284
Trade receivables	9	62,450	43,699
Prepayments, deposits and other receivables		27,642	23,729
Loan to an associate		11,445	–
Tax recoverable		20,106	23,298
Pledged deposits		1,028	1,021
Cash and cash equivalents		439,903	489,583
Total current assets		587,649	613,614
CURRENT LIABILITIES			
Trade payables	10	71,194	51,641
Other payables and accruals		46,522	52,165
Lease liabilities		49,010	49,022
Contract liabilities		17,148	20,765
Interest-bearing bank borrowings		16,825	31,542
Tax payable		3,022	10,685
Total current liabilities		203,721	215,820
NET CURRENT ASSETS		383,928	397,794
TOTAL ASSETS LESS CURRENT LIABILITIES		868,250	840,553

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
NON-CURRENT LIABILITIES		
Other long-term payables	12,464	7,562
Lease liabilities	68,706	65,896
Deferred tax liabilities	5,331	429
	<hr/>	<hr/>
Total non-current liabilities	86,501	73,887
	<hr/>	<hr/>
NET ASSETS	781,749	766,666
	<hr/>	<hr/>
EQUITY		
Equity attributable to owners of the Company		
Share capital	3,796	3,796
Reserves	777,953	762,870
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Total equity	781,749	766,666
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE AND GROUP INFORMATION

Human Health Holdings Limited is a limited liability company incorporated in the Cayman Islands. The registered address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business of the Company is located at 12th Floor, Enterprise Square Two, 3 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong.

The Company is an investment holding company. During the year, the Group is principally engaged in the provision of comprehensive, one-stop and quality healthcare services.

In the opinion of the directors, the immediate holding company and the ultimate holding company of the Company is Treasure Group Global Limited, a company incorporated in the British Virgin Islands (“BVI”).

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

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

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 30 June 2025. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

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

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

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

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

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

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

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

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

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

The nature and the impact of the revised HKFRS Accounting Standards are described below:

- (a) Amendments to HKFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of HKFRS 16, the amendments did not have any impact on the financial position or performance of the Group.
- (b) The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

The Group has reassessed the terms and conditions of its liabilities as at 1 July 2023 and 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

- (c) Amendments to HKAS 7 and HKFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. As the Group does not have supplier finance arrangements, the amendments did not have any impact on the Group's financial statements.

3. SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has three reportable operating segments as follows:

- (a) General practice services segment engages in the provision of general medical consultation and related services;
- (b) Specialties services segment engages in the provision of specialist services and related medical services; and
- (c) Dental services segment which comprises the provision of dental services and related treatments.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit/loss before tax except that interest income, share of losses of associates, as well as head office and corporate income and expenses are excluded from such measurement.

Segment assets exclude other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

	General practice services		Specialties services		Dental services		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment revenue								
Revenue from external customers	410,825	398,388	165,849	133,962	67,757	58,469	644,431	590,819
Intersegment sales	704	1,150	6,372	6,270	37	20	7,113	7,440
Total segment revenue							651,544	598,259
<i>Reconciliation:</i>								
Elimination of intersegment sales							(7,113)	(7,440)
Total revenue							644,431	590,819
Segment results	96,248	95,267	(13,114)	(39,270)	7,621	4,706	90,755	60,703
<i>Reconciliation:</i>								
Interest income							12,464	16,924
Corporate and unallocated income							3,612	17,701
Corporate and unallocated expenses							(75,435)	(65,409)
Finance costs							(1,216)	(2,084)
Share of losses of associates							(238)	(1,271)
Profit before tax							29,942	26,564
Income tax credit/(expense)	(5,648)	(3,436)	2,939	537	(601)	524	(3,310)	(2,375)
Profit for the year							26,632	24,189
Segment assets	571,510	592,078	143,701	175,087	126,419	64,642	841,630	831,807
<i>Reconciliation:</i>								
Elimination of intersegment receivables							(127,020)	(152,464)
Corporate and other unallocated assets							357,361	377,030
Total assets							1,071,971	1,056,373

	General practice services		Specialties services		Dental services		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment liabilities	168,082	163,157	179,580	214,749	44,680	19,398	392,342	397,304
<i>Reconciliation:</i>								
Elimination of intersegment payables							(127,020)	(152,464)
Corporate and other unallocated liabilities							<u>24,900</u>	<u>44,867</u>
Total liabilities							<u>290,222</u>	<u>289,707</u>
Other segment information								
Depreciation	38,019	34,403	13,985	18,446	6,374	5,791	58,378	58,640
Unallocated depreciation							<u>7,834</u>	<u>7,758</u>
Total							<u>66,212</u>	<u>66,398</u>
Amortisation of other intangible assets	533	737	250	346	711	528	1,494	1,611
(Reversal of impairment)/impairment of trade receivables, net	(99)	(252)	(222)	(517)	88	(4)	(233)	(773)
Impairment of property, plant and equipment	2,537	2,242	3,851	8,077	108	1,995	6,496	12,314
Impairment of other non-financial assets	–	–	1,113	1,562	–	–	1,113	1,562
(Gain)/loss on disposal of items of property, plant and equipment, net	28	(16)	7	5	3	–	38	(11)
Unallocated loss on disposal of items of property, plant and equipment, net							<u>43</u>	<u>–</u>
							<u>81</u>	<u>(11)</u>
Finance costs	2,782	2,561	1,955	3,224	355	351	5,092	6,136
Unallocated finance costs							<u>1,458</u>	<u>2,084</u>
							<u>6,550</u>	<u>8,220</u>
Capital expenditures [#]	2,406	20,302	1,121	14,132	87	1,071	3,614	35,505
Unallocated capital expenditures [#]							<u>6,431</u>	<u>7,789</u>
							<u>10,045</u>	<u>43,294</u>

[#] Capital expenditures consist of additions to property, plant and equipment, other than right-of-use assets of properties.

Geographical information

In determining the Group's geographical segments, revenues and results are attributed to the segments based on the location of the customers, and assets are attributed to the segments based on the location of the assets. As the Group's major operations and markets are principally located in Hong Kong, no further geographical segment information is provided.

Information about major customers

No single customer contributed for 10% or more of the Group's total revenue during the year ended 30 June 2025 and year ended 30 June 2024.

4. REVENUE, OTHER INCOME AND GAINS, NET

An analysis of the Group's revenue is as follows:

	2025 HK\$'000	2024 HK\$'000
Revenue from contracts with customers		
Integrated healthcare services income	644,431	590,819

(i) Disaggregated revenue information

	2025 HK\$'000	2024 HK\$'000
Types of services		
General practice services	410,825	398,388
Specialties services	165,849	133,962
Dental services	67,757	58,469
Total	644,431	590,819

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period and recognised from performance obligations satisfied in previous periods:

	2025 HK\$'000	2024 HK\$'000
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:		
Integrated healthcare services income	12,601	15,357

Location of services

The Group's revenue are all derived from Hong Kong based on the location of services delivered.

(ii) Performance obligations

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

Provision of integrated healthcare services

The performance obligation is satisfied when the services are rendered and payment is due immediately, except for patients using medical cards or corporate customers, where the terms are generally due within 1 to 6 months.

The following table shows the unsatisfied performance obligation resulting from the provision of integrated healthcare services.

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
At end of year		
Amounts expected to be recognised as revenue:		
Within one year	16,077	14,975
After one year	1,071	5,790
	<u>17,148</u>	<u>20,765</u>
Total	<u><u>17,148</u></u>	<u><u>20,765</u></u>

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

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Other income and gains, net		
Bank interest income	12,464	16,383
Interest in discounted amounts of rental deposits arising from the passage of time	238	228
Fair value gain of financial assets at fair value through profit or loss, net	2,281	16,581
Fair value loss of investment properties	(4,000)	(4,850)
Government subsidies (<i>note</i>)	226	456
Rental income from investment properties	559	537
Others	1,171	887
	<u>12,939</u>	<u>30,222</u>
Total	<u><u>12,939</u></u>	<u><u>30,222</u></u>

Note: The Group recognised government subsidies during the year ended 30 June 2025 and 2024 in respect of the Reimbursement of Maternity Leave Pay Scheme and other government subsidies received. As at the end of the reporting period, there were no unfulfilled conditions or other contingencies attaching to the government subsidies that had been recognised by the Group.

5. PROFIT BEFORE TAX

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

	2025 HK\$'000	2024 HK\$'000
Cost of pharmaceutical supplies	92,704	97,902
Fees payable to doctors and dentists	233,828	206,142
Laboratory expenses	4,139	4,685
Other direct cost (<i>note iii</i>)	16,656	10,220
Impairment of other non-financial assets	1,113	1,562
Write-down of inventories to net realisable value	534	457
	<hr/>	<hr/>
Total cost of services rendered	348,974	320,968
	<hr/>	<hr/>
Depreciation charge (<i>note i</i>)	66,212	66,398
Amortisation of other intangible assets (<i>note i</i>)	1,494	1,611
Loss/(gain) on disposal of items of property, plant and equipment, net	81	(11)
Gain on early termination of leases	(582)	–
Auditor's remuneration	2,454	2,146
Employee benefit expense (excluding directors' remuneration):		
Wages and salaries	130,668	123,192
Pension scheme contributions (defined contribution scheme) (<i>note ii</i>)	5,074	4,959
	<hr/>	<hr/>
Total	135,742	128,151
	<hr/>	<hr/>
Reversal of impairment of trade receivables, net (<i>note i</i>)	(233)	(773)
Impairment of property, plant and equipment (<i>note i</i>)	6,496	12,314
	<hr/>	<hr/>

Notes:

- (i) The depreciation charge, amortisation of other intangible assets, reversal of impairment of trade receivables, net, and impairment of property, plant and equipment for the year are included in "administrative and other expenses" in the consolidated statement of profit or loss and other comprehensive income.
- (ii) As at 30 June 2025 and 2024, there are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contribution.
- (iii) Other direct cost includes HK\$7,463,000 (2024: HK\$4,040,000) of other employee benefit expenses for the year ended 30 June 2025.

6. FINANCE COSTS

	2025 HK\$'000	2024 HK\$'000
Interest on bank borrowings	1,294	2,025
Interest on lease liabilities	5,043	5,991
Interest in discounted amounts of provision for reinstatement costs arising from the passage of time	213	204
	<hr/>	<hr/>
Total	6,550	8,220
	<hr/>	<hr/>

7. INCOME TAX

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands and the British Virgin Islands.

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the year, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 (2024: HK\$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2024: 8.25%) and the remaining assessable profits are taxed at 16.5% (2024: 16.5%). No provision for PRC corporate income tax has been made as the Group's PRC subsidiary had no estimated assessable profits for the year (2024: Nil).

	2025 HK\$'000	2024 HK\$'000
Current		
Charge for the year	6,131	4,291
Overprovision in prior years	(66)	(1,295)
Deferred	(2,755)	(621)
	<u>3,310</u>	<u>2,375</u>
Total tax charge for the year	<u>3,310</u>	<u>2,375</u>

8. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the Company of HK\$26,336,000 (2024: HK\$24,189,000), and the weighted average number of ordinary shares of 379,552,233 (2024: 379,552,233) outstanding during the year.

No adjustment has been made to the basic earnings per share amounts presented for the years ended 30 June 2025 and 2024 in respect of a dilution as the impact of the share options and share awards outstanding had an anti-dilutive effect on the basic earnings per share amounts presented.

9. TRADE RECEIVABLES

	2025 HK\$'000	2024 HK\$'000
Trade receivables	73,387	54,869
Impairment	(10,937)	(11,170)
	<u>62,450</u>	<u>43,699</u>
Net carrying amount	<u>62,450</u>	<u>43,699</u>

Most of the patients of the medical and dental practices settle in cash and credit cards. Payments by patients using medical cards or corporate customers will normally be settled within 1 to 6 months. The Group allows an average credit period of 90 days to its trade customers under other business activities. The Group seeks to maintain strict control over its outstanding receivables and has personnel to monitor the implementation of measures to minimise the credit risk.

There is a certain concentration of credit risk. The total trade receivables due from the Group's largest debtor as at 30 June 2025 and 2024 accounted for 16% and 15% of the Group's total trade receivable, respectively, while 57% and 55% of the total trade receivables were due from the five largest debtors as at 30 June 2025 and 2024, respectively.

The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

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

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within 2 months	46,844	33,209
2 to 4 months	10,141	6,384
4 to 6 months	2,730	1,674
Over 6 months	2,735	2,432
	<u>62,450</u>	<u>43,699</u>
Total	<u><u>62,450</u></u>	<u><u>43,699</u></u>

The movements in the loss allowance for impairment of trade receivables are as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
At beginning of year	11,170	11,943
Reversal of impairment losses, net (<i>note 5</i>)	(233)	(773)
	<u>10,937</u>	<u>11,170</u>
At end of year	<u><u>10,937</u></u>	<u><u>11,170</u></u>

10. TRADE PAYABLES

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

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within 1 month	62,573	46,987
1 to 3 months	4,523	4,642
Over 3 months	4,098	12
	<u>71,194</u>	<u>51,641</u>
Total	<u><u>71,194</u></u>	<u><u>51,641</u></u>

The trade payables are non-interest-bearing and are normally settled on terms of 60 days.

The trade payables of the Group included fees payable to doctors and dentists who are related parties of the Group for the amount of HK\$2,683,000 (2024: HK\$1,851,000).

11. DIVIDENDS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Proposed final dividend – HK3.0 cents (2024: HK2.8 cents) per ordinary share	<u>11,387</u>	<u>10,627</u>

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

FINANCIAL REVIEW

Financial Performance for FY2025

Revenue

The Group's revenue represents the value of healthcare services and comprises revenue from general practice services, specialties services and dental services. The following table sets forth the breakdown of the Group's revenue by service type:

	FY2025 HK\$'000	FY2024 HK\$'000	% of change
General practice services	410,825	398,388	3.1%
Specialties services	165,849	133,962	23.8%
Dental services	67,757	58,469	15.9%
	<u>644,431</u>	<u>590,819</u>	9.1%

In FY2025, the Group recorded revenue amounted to approximately HK\$644.4 million, representing an increase of approximately 9.1% as compared with that for FY2024.

The Group's revenue from general practice services increased by approximately HK\$12.4 million or 3.1% from FY2024 to approximately HK\$410.8 million for FY2025. The increase was mainly attributed to the increase in patient visits and the average spending per visit of the general practice services.

The Group's revenue from specialties services increased by approximately HK\$31.9 million or 23.8% from FY2024 to approximately HK\$165.8 million for FY2025. The increase was mainly attributable to the increase in patient visits and the average spending per visit of the specialties services.

The Group's revenue from dental services increased by approximately HK\$9.3 million or 15.9% from FY2024 to approximately HK\$67.8 million for FY2025. The increase was mainly attributable to the increase in patient visits after the acquisition of Monarch Dental Clinic Limited ("**Monarch Dental**", previously known as Monarch Medical Services Limited). Details of the acquisition are set out in the section headed "Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures" of this announcement.

Cost of services rendered

The Group's cost of services rendered represents cost in relation to our healthcare services provided including fees payable to doctors and dentists, other direct cost, cost of pharmaceutical supplies and laboratory expenses. The following table sets forth the breakdown of our cost of services rendered:

	FY2025 HK\$'000	FY2024 HK\$'000	% of change
Fees payable to doctors and dentists	233,828	206,142	13.4%
Other direct cost	16,656	10,220	63.0%
Cost of pharmaceutical supplies	92,704	97,902	-5.3%
Laboratory expenses	4,139	4,685	-11.7%
Write-down of inventories to net realisable value	534	457	16.8%
Impairment of other non-financial assets	1,113	1,562	-28.7%
	<u>348,974</u>	<u>320,968</u>	8.7%

The Group's cost of services rendered increased by approximately HK\$28.0 million or 8.7% from FY2024 to approximately HK\$349.0 million for FY2025. The increase was mainly due to the increase in fees payable to doctors and dentists resulted from increase in revenue.

Gross profit and gross profit margin

The Group's gross profit increased by approximately HK\$25.6 million or 9.5% from FY2024 to approximately HK\$295.5 million for FY2025 as a result of the increase in revenue. The Group's gross profit margin increased from approximately 45.7% for FY2024 to approximately 45.8% for FY2025.

The following table sets forth breakdown of our gross profit and gross profit margin by service types:

	Year ended 30 June			
	2025		2024	
	HK\$'000	Gross profit margin %	HK\$'000	Gross profit margin %
General practice services	217,347	52.9%	212,275	53.3%
Specialities services	49,053	29.6%	33,341	24.9%
Dental services	29,057	42.9%	24,235	41.4%
	<u>295,457</u>	45.8%	<u>269,851</u>	45.7%

The Group's gross profit margin for general practice services slightly decreased from approximately 53.3% for FY2024 to approximately 52.9% for FY2025 mainly as a result of the percentage increase in revenue being lower than the percentage increase in cost of services rendered of general practice services.

The Group's gross profit margin for specialties services increased from approximately 24.9% for FY2024 to approximately 29.6% for FY2025 mainly as a result of the percentage increase in revenue being higher than the percentage increase in cost of services rendered of specialties services.

The Group's gross profit margin for dental services increased from approximately 41.4% for FY2024 to approximately 42.9% for FY2025 mainly result of the the percentage increase in revenue being higher than the percentage increase in cost of services rendered of dental services.

Other income and gains, net

The Group's other income and gains, net decreased by approximately HK\$17.3 million from FY2024 of approximately HK\$30.2 million to approximately HK\$12.9 million for FY2025 mainly due to the decrease in net gain in the fair value change of financial assets at fair value through profit or loss of approximately HK\$14.3 million and the decrease in bank interest income of approximately HK\$3.9 million.

Administrative and other expenses

The Group's administrative and other expenses increased by approximately HK\$7.7 million or 2.9% to approximately HK\$271.7 million for FY2025 from approximately HK\$264.0 million for FY2024 mainly due to the increase in staff cost of approximately HK\$14.8 million and offset by (i) the decrease of impairment of property, plant and equipment of approximately HK\$5.8 million and (ii) the decrease in donation of approximately HK\$2.4 million.

Finance costs

The Group's finance costs were approximately HK\$6.6 million for FY2025 (FY2024: approximately HK\$8.2 million).

Share of losses of associates

The Group's share of losses of associates was approximately HK\$0.2 million for FY2025 (FY2024: approximately HK\$1.3 million).

Income tax expense

The Group's income tax expense increased by approximately HK\$0.9 million from approximately HK\$2.4 million for FY2024 to approximately HK\$3.3 million for FY2025. The increase was mainly due to the increase in assessable income. The Group's effective tax rate increased from approximately 8.9% for FY2024 to approximately 11.1% for FY2025.

Profit for the year

As a result of the foregoing, profit for the year increased by approximately HK\$2.4 million from approximately HK\$24.2 million for FY2024 to approximately HK\$26.6 million for FY2025. The Group's net profit margin was approximately 4.1% and 4.1% for FY2025 and FY2024 respectively.

Profit attributable to owners of the Company

The Group's profit attributable to owners of the Company was approximately HK\$26.3 million for FY2025, representing the increase of approximately HK\$2.1 million or 8.9% from FY2024. The increase was primary due to (i) the increase in revenue of general practice services, specialties services and dental services; and (ii) the increase in gross profit due to the increase in revenue.

BUSINESS REVIEW AND OUTLOOK

Business Review for FY2025

FY2025 was a challenging but yet fruitful year for the Group, reflecting its resilience and steadfast focus on operational excellence amidst a backdrop of global economic uncertainty and evolving consumer sentiment. While the Hong Kong economy continued to face headwinds, the Group navigated these challenges with agility, achieving solid revenue growth for FY2025 as compared to FY2024 and delivering a year-over-year increase of approximately 8.9% in profit attributable to owners of the Company.

During FY2025, the Group maintained its balanced growth across key business segments. The general practice segment sustained steady performance, driven by network expansion and a robust patient base. The specialties segment posted solid revenue growth, benefiting from enhanced services and the engagement of additional specialists, particularly in ophthalmology, pediatric surgery, cardiology, psychiatry and orthopaedics. Meanwhile, despite the dental segment faced competitive pressures, with the completion of the acquisition of Monarch Dental during FY2025, resulting in an overall revenue growth in this segment.

In addition, throughout FY2025, the Group supported a broader range of industries under the "Pilot Rehabilitation Programme for Employees Injured at Work" (the "**Pilot Rehabilitation Programme**") which has been launched in September 2022. This three-year Pilot Rehabilitation Programme has been concluded on 22 September 2025 as originally scheduled. The Work Injury Rehabilitation Office will cease accepting applications from 23 September 2025, but will continue to operate for a period to provide services to the cases admitted before such date that still require rehabilitation treatment and follow up under the Pilot Rehabilitation Programme. The Group will continue its dedication to setting high standards in occupational rehabilitation services and underline its broader mission to uplift the well-being of the communities it serves.

All these outcomes underscore the Group's disciplined approach to resource optimisation, continuous service development, and commitment to delivering high-quality, person-centric healthcare solutions.

Steady Advancement in General Practice Segment

The general practice segment continued to serve as a stable cornerstone of the Group's diversified healthcare portfolio. In FY2025, the general practice segment sustained stable performance with an increase of approximately 3.1% in revenue as compared to FY2024. Despite the market uncertainty, the Group continued to cautiously expand its network with the opening of new medical centres in Tsuen Wan, Tsim Sha Tsui and Causeway Bay, further improving accessibility and consolidating its presence across key districts. Such strategic footprint expansion ensures that comprehensive and reliable primary care services remain within reach for a broader population, aligning with the Group's mission of fostering community health.

The Group remains committed to prudent, demand-driven growth in its general practice operations, continuously raising service quality and operational efficiencies to meet evolving patient expectations.

Strengthened Position in Specialties Segment

The specialties segment delivered notable growth during FY2025, fuelled by the ongoing engagement of specialists across multiple disciplines and the expansion of advanced service offerings. The revenue generated from specialties services during FY2025 amounted to approximately HK\$165.8 million (FY2024: approximately HK\$134.0 million), reflecting a year-on-year growth of approximately 23.8%. Of particular highlight was the sustained development of the Group's eye care services under the POLYEYE brand at the mega health hub located at Star House in Tsim Sha Tsui, which enhanced its service capacities and coverage by engaging more ophthalmologists and optometrists, and strengthened its portfolio with sophisticated treatments such as LipiFlow for meibomian gland dysfunction.

In addition, POLYEYE eye care centre continued its commitment to social responsibility through initiatives such as launching the 'Eye Caring for the Elderly' campaign by donating cataract surgery quotas which worth over HK\$2 million during FY2025 and has actively participated various Public-Private Partnership Programmes such as "Cataract Surgeries Programme" by providing options to cataract patients who have been on Hospital Authority clusters' routine cataract surgery waiting lists for a specified period and "Glaucoma Public-Private Partnership Programme" by providing the choice to patients who are receiving glaucoma treatment in Hospital Authority for receiving private specialist services, further consolidating its reputation as a trusted leader in specialised eye health.

The Group also extended its integrated clinical operating system to all of its specialties centres during FY2025, streamlining clinical processes, facilitating more seamless multi-disciplinary care, and refining the overall patient journey.

Navigating Challenges and Strategic Developments in Dental Segment

The Group's dental segment faced intensified competition throughout FY2025 due to the challenges from the convergence in the Greater Bay Area, leading to a slight decline in revenue excluding acquisitions. Nevertheless, the Group adopted a forward-looking strategy to solidify its presence and long-term prospects in this market.

During FY2025, the Group successfully completed the acquisition of Monarch Dental, a reputable dental group with established dental centres in Hong Kong. Details are set out in the announcements of the Company dated 3 January 2025, 25 February 2025 and 28 February 2025. The revenue generated from dental services during FY2025, including revenue from Monarch Dental after completion of acquisition amounted to approximately HK\$67.8 million, reflecting a year-on-year growth of approximately 15.9%. This strategic acquisition is expected to expand the Group's market share by broadening the Group's customer base and reaching out to more new patients by expanding its dental service network and coverage. Monarch Dental's experienced dental practitioners and strong local brand recognition complement the Group's existing operations, enriching its service mix and enhancing capacity to meet diverse patient needs.

As a result of the acquisition, the service points of dental services of the Group had expanded from 15 to 35, an increase of 133% as compared with that of FY2024. In addition to expanding patient reach and strengthening the Group's footprint in the dental healthcare market, this acquisition provides opportunities for cross-referral and collaboration across the Group's platforms. Looking forward, the Group will focus on leveraging these synergies to improve operational efficiency, capture new market opportunities, and deliver a more comprehensive range of high-quality dental and oral health solutions to the community.

Sustained Development of Healthy Square H2

During FY2025, Healthy Square H2, located at Star House in Tsim Sha Tsui, continued to develop as an integrated health hub, offering a comprehensive suite of medical and wellness services. Meanwhile, the multifunctional spaces within Healthy Square H2 sustained their role in advancing community health literacy through ongoing health talks and workshops.

Healthy Square H2 is equipped with a community pharmacy, supplying pharmaceutical products and medication consultancy services. During FY2025, H2 pharmacy has offered various services including pharmacist medication counselling service for the use of medication and other pharmaceutical enquires, "stand-by medications" and prescription dispensing services as well as nutrition advice and health screening services, aim to enhance patients' choices and experience.

Additionally, the Day Procedure Centre under the WeHealth brand improved its operational efficiency and utilisation rates, reflecting the Group's strategy to shift appropriate medical procedures from hospital settings to cost-effective and patient-friendly day care environments.

Preventive care remained a key focus of the Group. The Group continued to actively promote check-up packages featuring advanced diagnostics such as FibroScan and DEXA and variety of vaccination services through its Impact Health at Healthy Square H2 and e-shop platforms. Regular daily consultations and educational seminars were also organised to encourage proactive health management, reinforcing the Group's commitment to fostering long-term wellness.

By fostering long-lasting customer relationships and cultivating an environment built on trust and consistent care, Healthy Square H2 further elevated the customer experience, fully aligning with the Group's mission to provide highly personalised and outstanding healthcare and wellness services.

Expanded Digital Platforms and Customer Engagement

The Group made substantial progress in digital transformation during FY2025. In addition to the implementation of integrated clinical operating system, an omnichannel messaging platform was also launched, thereby optimising appointment bookings and real-time engagement. A queuing system with a dedicated lane for elderly patients was rolled out in most medical centres, streamlining service flow and enhancing customer satisfaction. Additionally, a medical concierge service was introduced to coordinate specialty and check-up appointments, delivering more personalised support. As a whole, these initiatives exemplify the Group's commitment to embedding technology across operations to enhance care quality and efficiency.

Underpinned Partnerships and Public-Private Collaboration

During FY2025, the Group sustained its close collaboration with the Hong Kong Government by actively participating in public health initiatives, including the Seasonal Influenza Vaccination Scheme, Pneumococcal Vaccination Programme, Chronic Disease Co-care Programme (“**CDCC Programme**”), and the Colorectal Cancer Screening Programme (“**CRC Programme**”). In addition, the Group is actively cooperating with the Hong Kong Government for the connection with the comprehensive healthcare information infrastructure that integrates healthcare data sharing, service delivery and care journey management. This enhancement of the infrastructure will help to build up a comprehensive personal electronic health record for the public and better support the healthcare system reform, including promoting primary healthcare, enhancing process efficiency and facilitating cross-boundary services, so that members of the public can receive more coherent and quality healthcare services. The continuous partnerships with the Hong Kong government underscore the Group's vital role in supporting the broader community healthcare ecosystem and advancing public health objectives.

Resilient Operations in the PRC Market

The Group's operations in the People's Republic of China (“**PRC**”) remained stable throughout FY2025, with services primarily delivered through the Shanghai Human Health Integrated Medical Centre (上海盈健門診部), managed by Pingan Yingjian Medical Management (Shanghai) Limited* (平安盈健醫療管理(上海)有限公司), an associate of the Group. Despite macroeconomic pressures, the demand for high-quality medical aesthetic services exhibited resilience, reinforcing the Group's reputation for service excellence in the PRC market.

Motivating Brand Recognitions and Industry Accolades

The Group's unwavering commitment to service quality, patient focus, and community impact was recognised through multiple industry awards during FY2025, including:

- The **Happy Company Award** (開心工作間) presented by the Promoting Happiness Index Foundation and the Hong Kong Productivity Council for over ten consecutive years, affirming the Group's commitment to cultivating a supportive and fulfilling work environment.

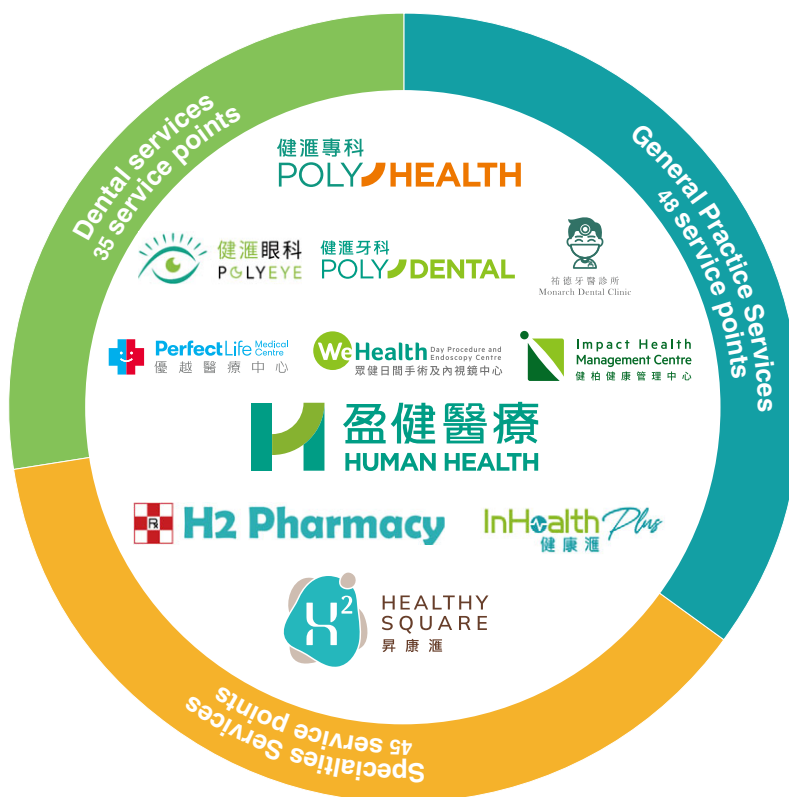
* For identification purpose only

- The **Health Partnership Award 2024 – Outstanding Integrated Medical and Health Service Award (2024健康同行夥伴大獎：傑出綜合醫健服務獎)** from ETNet, recognising the Group’s outstanding delivery of holistic medical and health services to the community.
- The **Hong Kong Power Brand 2023/2024** accolade awarded by the Hong Kong Institute of Marketing (HKIM), which highlights the Group’s robust brand presence and reputation for quality.
- The highest distinction of “**Super MD**” under the **ERB Manpower Developer Award Scheme (ERB人才企業嘉許計劃「Super MD」殊榮)** by the Employees Retraining Board, underlining the Group’s exceptional achievements in workforce development and investment in human capital.

The accolades collectively accentuate the Group’s industry leadership and enduring commitment to service excellence, innovation, and community care.

Professional Services Provided by the Group

As at 30 June 2025, the Group operated 62 medical centres, 1 day procedure centre, 3 retail centres, and 1 community pharmacy across Hong Kong, comprising a total of 128 service points under its flagship brands.



As a leading and comprehensive healthcare service provider in Hong Kong, the Group sustained its prominent market position during FY2025 by delivering an extensive array of healthcare services which encompass, but are not limited to, general practice services, specialties services, dental services, eye care services, Chinese medicine, physiotherapy, outreach, rehabilitation and case management, diagnostics and imaging, day procedure and endoscopy, medical aesthetic and wellness services, as well as the sale of healthcare products and services. This broad portfolio is designed to meet the diverse medical and wellness needs of customers, ensuring a holistic approach to their healthcare requirements.

During FY2025, the Group provided the following comprehensive healthcare services:

General Practice Services	Specialties Services	Dental Services
<ul style="list-style-type: none"> • General consultation • Diagnostic and preventive healthcare services • Minor procedures • Vaccinations • Physical check-ups • Health education activities • Occupational health advices • Work injury assessment • Chinese medicine • Telemedicine • COVID-19 related services • Outreach services • Sale of healthcare related products and services • Rehabilitation and case management services 	<p>Specialties</p> <ul style="list-style-type: none"> • General surgery • Orthopaedics and traumatology • Ophthalmology • Otorhinolaryngology • Paediatrics • Obstetrics and gynaecology • Gastroenterology & hepatology • Cardiology • Paediatric surgery • Dermatology and venereology • Psychiatry • Urology • Nephrology • Clinical Oncology • Neurosurgery • Anaesthesiology • Radiology • Public Health Medicine <p>Other Services</p> <ul style="list-style-type: none"> • Physiotherapy • Medical aesthetics • Medical diagnostic • Day Procedure and Endoscopy • Nutritionist services • Health and wellness services • Trading of wellness related products 	<p>General Dentistry</p> <ul style="list-style-type: none"> • Dental Implant • Root Canal Therapy • Microscopic Endodontics • Crown, Bridge & Denture • Minor Oral Surgery • Root Planing • Orthodontic Treatment (Brace, Clear Aligner) • 3D Guided Implant Surgery • 3D Intraoral Scanning • Intraoral Digital Impression • MADs for obstructive sleep apnea • CAD/CAM Dentistry • Laser Dentistry • Cone-beam Computed Tomography • Cephalometric Imaging • Panoramic Radiography • Filling and Extraction • Dental Scaling <p>Cosmetics Dentistry</p> <ul style="list-style-type: none"> • Teeth Whitening • Laser Gum Bleaching • Graphite Tattoo Removal • Gingival Margin Recontouring • Upper Lip Repositioning • Veneer <p>Specialist Dentistry</p> <ul style="list-style-type: none"> • Endodontics • Orthodontics • Prosthodontics • Periodontics • Oral and Maxillofacial Surgery <p>Other Services</p> <ul style="list-style-type: none"> • Same-day Dental Service • Emergency Dental Treatment • Complex Dental Surgery • Dental Treatment under Monitored Anesthesia Care

The Group's market standing is driven by its highly proficient and seasoned team of healthcare professionals. Its dedicated workforce encompasses general practitioners, specialists, dentists, alongside a comprehensive range of specialised experts including clinical psychologist, physiotherapist, radiographer, optometrist, registered nurse, pharmacist, dental hygienist, case manager, and rehabilitation manager. With 431 members in total, this diverse and capable team is instrumental in consistently delivering comprehensive, professional, and person-centred care to the community.

Business Outlook

Looking ahead, the Board remains cautiously optimistic about the healthcare sector's outlook. Despite persistent global economic headwinds, the Group anticipates sustained demand driven by growing health awareness, an ageing population, and the community's growing expectations for personalised and high-quality care. Building on the foundations laid in FY2025, the Group is well positioned to advance its objectives and capture emerging opportunities.

Strategic Business Development

In FY2025, the Group expanded its general practice footprint by launching new medical centres in various locations of Hong Kong, which improved its service accessibility and outreach. Moving forward, the Group will maintain its strategy of expanding the general practice network through carefully selected locations that meet emerging patient demand.

In parallel, within the specialties segment, particularly eye care under the POLYEYE brand, the Group deepened service offerings through the introduction of new procedures and engagement of additional professionals. The Group intends to continue to extend its specialties capacities by expanding the scope of services in key areas.

In the dental segment, following the acquisition of Monarch Dental which was a strategic move that could enhance the Group's presence and offerings in the dental services market, the Group will continue to navigate market challenges with resilience and foresight.

Additionally, the Day Procedure Centre at Healthy Square H2 has demonstrated enhanced efficiency and utilisation throughout FY2025. In the coming year, the Group will further utilise its Day Procedure Centre to further migrate appropriate procedures from traditional hospital environments, driving greater operational efficiencies and elevating patient convenience.

Deepening Digitalisation and Driving Operational Efficiencies

Following the full implementation of integrated clinical operating system and an omnichannel messaging platform across most medical centres in FY2025, the Group has significantly improved clinical workflow coordination, appointment handling and enquiry response. Building on this momentum, the Group plans to further advance its digital capabilities by exploring innovative technologies for data management, patient engagement, and telehealth services with an aim to create even more seamless, person-centric experiences. The digital advancements will support smarter resource utilisation, improve clinical coordination, and enhance the delivery of consistent, high-quality care.

Talent Engagement and Multi-Segment Collaboration

Attracting and nurturing professional talent remains integral to the Group's growth blueprint. By continuing to invest in a diverse and talented team, the Group ensures patients receive comprehensive, coordinated care across all touchpoints. During FY2025, the Group expanded its workforce to support new centres and specialised service lines. Looking forward, it will continue to attract, develop, and retain skilled professionals across disciplines to strengthen its multi-segment model and meet growing patient demand.

Ongoing Public-Private Partnerships and Community Engagement

The Group will uphold its partnerships with the Hong Kong Government by remaining actively involved in vaccination programmes, the CDCC Programme, the CRC Programme, other Public-Private Partnership Programmes and community health initiatives. In addition, the Group will continue to cooperate with the Hong Kong Government for the connection with the comprehensive healthcare information infrastructure, aims to build up lifelong and more comprehensive health records for individual healthcare, as such, enable more timely and accurate diagnosis and treatment for the public. With these efforts, the Group reinforces its position as a key contributor to public health infrastructure and societal wellness.

At the heart of its operations, the Group will continue to champion strong corporate governance and responsible business practices. Environmental stewardship, ethical conduct, and active community involvement are deeply embedded in the Group's mission to foster human health and broader societal well-being. Through initiatives that promote inclusivity, diversity, and sustainable practices, the Group aspires to create positive, enduring impacts on the communities it serves.

Strengthening Brand Loyalty and Medical and Wellness Ecosystem

Efforts to enhance brand engagement through platforms such as the e-shop membership and H2 Rewards App will remain a strategic priority. These initiatives build deeper connections with customers, drive repeat patronage, and support the Group's vision of delivering integrated, relationship-based healthcare.

In addition, continuous collaboration with strategic partners and the government, along with the establishment of the mega health hub Healthy Square H2, position the Group for sustainable growth and solidify its leading posture in strengthening its medical and wellness ecosystem and to ensure its sustainable development and deliver high quality healthcare services in the face of a complex and unpredictable economic landscape.

Path Forward

Overall, the Group remains well-positioned to strengthen its leadership in the healthcare sector through strategic network expansion, deepened digitalisation, talent engagement, sustained strategic collaborations and stakeholders engagement. By continuously refining its operations and aligning with evolving customer needs, the Group is committed to delivering long-term value to its stakeholders and advancing its mission of providing comprehensive, person-focused healthcare services.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2025, the Group had net current assets of approximately HK\$383.9 million (as at 30 June 2024: approximately HK\$397.8 million) which included cash and cash equivalents and pledged deposits of approximately HK\$440.9 million (as at 30 June 2024: approximately HK\$490.6 million).

As at 30 June 2025, the Group had interest-bearing bank borrowings of approximately HK\$16.8 million which comprise (i) bank mortgage loans of approximately HK\$8.2 million (as at 30 June 2024: approximately HK\$31.0 million) which will be matured in 2036 at an interest of Hong Kong Interbank Offered Rate plus 1.2%; and (ii) interest-bearing bank borrowings of approximately HK\$8.6 million (as at 30 June 2024: nil) which will be matured in 2034 at an interest of Hong Kong Prime rate minus 2.25%. In the prior year, the Group had the interest-bearing bank borrowings of approximately HK\$0.5 million which was matured in 2024 at an interest of Hong Kong Interbank Offered Rate plus 1.75%.

As at 30 June 2025, the Group had unutilised loan facility of approximately HK\$100.0 million (as at 30 June 2024: approximately HK\$20.2 million). All the interest-bearing bank borrowings and unutilised loan facility were held in Hong Kong dollars and the cash and cash equivalents and pledged deposits were held in Hong Kong dollars and Renminbi.

As at 30 June 2025, the Group's gearing ratio, which is net debt (represents interest-bearing bank borrowings) divided by the adjusted capital plus net debt, is approximately 2.1% (as at 30 June 2024: approximately 4.0%).

CAPITAL STRUCTURE

There was no change in the capital structure of the Company during FY2025. The capital of the Company comprises ordinary shares and other reserves.

CHARGES ON GROUP ASSETS

As at 30 June 2025, a fixed deposit of approximately HK\$1.0 million (as at 30 June 2024: approximately HK\$1.0 million) has been pledged to a bank as collateral security for banking facilities granted to the extent of HK\$1.0 million. Properties which were held by the Group have been pledged to banks for the bank mortgage loans of approximately HK\$8.2 million (as at 30 June 2024: approximately HK\$31.0 million).

FOREIGN EXCHANGE EXPOSURE

The Group conducts business primarily in Hong Kong and the PRC with most of the transactions denominated and settled in Hong Kong dollars and Renminbi. Currently, the Group has not entered into any foreign exchange contracts or other financial instruments to hedge against the fluctuations in the exchange rate between Renminbi and Hong Kong dollars. However, the Group monitors foreign exchange exposure regularly and would consider if there is a need to hedge against significant foreign currency exposure when necessary.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

On 3 January 2025, the Company, Rank Best Group Limited (“**Rank Best**”, an indirect wholly-owned subsidiary of the Company), Monarch Medical Holdings Limited (the “**Vendor**”) and Dr. Cheung Yu Lung (“**Dr. Cheung**”), entered into the sale and purchase agreement, pursuant to which Rank Best conditionally agreed to purchase, and the Vendor conditionally agreed to sell, 7,500 ordinary shares of Monarch Dental, representing 75% of the total issued share capital of Monarch Dental for a consideration of HK\$38,850,000 (subject to adjustments and the details are set out in the notes to the financial statements in the annual report for FY2025) (the “**Share and Purchase Agreement**” and the transaction contemplated therein, the “**Acquisition**”).

All the conditions precedent under the Sale and Purchase Agreement have been satisfied or waived and completion took place on 28 February 2025. Upon completion, Monarch Dental has become an indirect non wholly-owned subsidiary of the Company and the financial results of Monarch Dental has consolidated into the consolidated financial statements of the Group. Dr. Cheung, through the Vendor, holds the remaining 25% of the issued share capital of Monarch Dental.

As part of the shareholders’ agreement in relation to Monarch Dental entered into by Monarch Dental, Rank Best and the Vendor on 28 February 2025 (the “**Shareholders’ Agreement**”), the Vendor was granted the put option (the “**Put Option**”) to require Rank Best to purchase all of its shares in Monarch Dental in accordance with the terms and conditions of the Shareholders’ Agreement.

As the highest applicable percentage ratio in respect of the Acquisition is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”).

As the highest applicable percentage ratio in respect of the grant of the Put Option, when aggregated with the Acquisition, is more than 5% but less than 25%, the grant of the Put Option, when aggregated with the Acquisition, constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

Details of the Acquisition and the Put Option are set out in the announcement of the Company dated 3 January 2025, the supplemental announcement of the Company dated 25 February 2025 and the completion announcement of the Company dated 28 February 2025.

Save as disclosed above, there was no material acquisitions or disposals of subsidiaries, associates and joint ventures during FY2025 and up to the date of this announcement.

SIGNIFICANT INVESTMENTS

On 29 May 2019, Actwise Limited (“**Actwise**”), a wholly owned subsidiary of the Company, and Inno Healthcare Limited (“**Inno Healthcare**”), the general partner of New Journey Healthcare LP, a Cayman Islands exempted limited partnership (“**Limited Partnership**”), entered into a subscription agreement (the “**LP Subscription Agreement**”), pursuant to which Actwise subscribed for partnership interests in the Limited Partnership with the capital commitment of RMB30 million. Following the acceptance of the LP Subscription Agreement by Inno Healthcare on the same day, Actwise is admitted as a limited partner to the Limited Partnership by entering into a limited partnership agreement (the “**Limited Partnership Agreement**”). As at 30 June 2025, Actwise was the holder of approximately 73.2% of the partnership interest in the Limited Partnership and the Limited Partnership was registered as the holder of 1,684,808 shares of New Journey Health Group Limited (formerly known as New Journey Hospital Group Limited).

The investment objective of the Limited Partnership is to invest in New Journey Health Group Limited, a holding company of an integrated hospital group in the PRC which primarily engages in the operation of hospitals, primary medical care, internet medical care services, cross border medical care services, elderly care services, supply chain centres and radiotherapy services.

Details of the LP Subscription Agreement and the Limited Partnership Agreement are set out in the announcements of the Company dated 29 May 2019, 9 July 2019 and 10 January 2020.

The investment in the Limited Partnership is stated at fair value and is recorded as “financial assets at fair value through profit or loss” in the consolidated statement of financial position. As at 30 June 2025, the fair value of the investment in the Limited Partnership amounted to approximately HK\$63.2 million, which represents approximately 5.9% of the total assets of the Group as at 30 June 2025. A fair value gain of approximately HK\$1.3 million was recorded as at 30 June 2025. No dividend was received from this investment by the Group for FY2025.

The investment strategy of the Group in the Limited Partnership would be enhancing investment returns for the Group by realising the capital gains of the Limited Partnership at the end of the term of the Limited Partnership as well as establishing relationship with business partners in the PRC market, connecting the PRC hospitals and exploring business opportunities so as to facilitate the development of the business of the Group in the PRC.

As disclosed in the announcement of the Company dated 10 July 2024, the term of the Limited Partnership has been expired on 29 May 2023 and has been extended for one year to 28 May 2024 pursuant to the Limited Partnership Agreement. Inno Healthcare and the limited partners entered into an amendment agreement to the Limited Partnership Agreement on 10 July 2024 to amend the Limited Partnership Agreement for the further extension of term until 31 December 2024. As disclosed in the announcements of the Company dated 23 December 2024 and 25 June 2025, Inno Healthcare and the limited partners entered into a consent of extension of term of the Limited Partnership Agreement to further extend the term until 30 June 2025 and 30 June 2026 respectively. For further details, please refer to the Company’s announcements dated 10 July 2024, 23 December 2024 and 25 June 2025.

Save as disclosed above, the Group did not hold any significant investments during FY2025.

CAPITAL COMMITMENTS

	As at 30 June	
	2025	2024
	HK\$'000	HK\$'000
Contracted, but not provided for:		
Capital expenditure	<u>2,180</u>	<u>179</u>

The expected source of funding for such capital commitments would be internal resources of the Group.

CONTINGENT LIABILITIES

The Group did not have any material contingent liabilities as at 30 June 2025 (as at 30 June 2024: Nil).

EMPLOYEES

As at 30 June 2025, the Group had 402 full-time employees (as at 30 June 2024: 388) and 207 part-time employees (as at 30 June 2024: 355).

We recruit personnel from the open market and we formulate our recruitment policy based on market conditions, our business demand and expansion plans. We offer different remuneration packages to our employees based on their positions. Generally, we pay basic salaries and incentives (based on years of service) to all of our employees. To enhance the quality of our services, we adopt prudent assessment criteria when selecting the Group's professional staff including physiotherapist, radiographer, optometrist, pharmacist, registered nurse, dental hygienist and nutritionist, etc, and take into account a number of factors such as experience, skills and competencies. We assess their credentials and suitability through interviews and aptitude tests as appropriate. We also provide training programmes regularly for our employees at different levels. Details of our human resources programs, training and development will be set out in the "Environmental, Social and Governance Report" in the annual report for FY2025.

FINAL DIVIDEND

The Board has recommended the payment of a final dividend of HK3.0 cents per share of the Company (the "**Share**") for FY2025 (FY2024: HK2.8 cents) (the "**Final Dividend**"). The payment of the Final Dividend is subject to approval by the shareholder of the Company (the "**Shareholders**") at the forthcoming annual general meeting to be held on Wednesday, 10 December 2025 (the "**AGM**"). Upon obtaining the Shareholders' approval, the Final Dividend is expected to be paid on or around Monday, 5 January 2026 to the Shareholders whose names appear on the register of members of the Company on Thursday, 18 December 2025.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of ascertaining the Shareholders' entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Friday, 5 December 2025 to Wednesday, 10 December 2025, both days inclusive, during which no transfer of Shares will be registered. In order to be entitled to attend and vote at the AGM, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Thursday, 4 December 2025.

For the purpose of ascertaining the Shareholders' entitlement to receive the Final Dividend, the register of members of the Company will be closed from Wednesday, 17 December 2025 to Thursday, 18 December 2025, both days inclusive, during which no transfer of Shares will be registered. In order to qualify for receiving the Final Dividend, all duly completed transfer forms accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 16 December 2025.

CORPORATE GOVERNANCE PRACTICE

The Company has adopted the code provisions set out in the Corporate Governance Code (the "CG Code") contained in Appendix C1 to the Listing Rules as its own corporate governance framework.

The Board has reviewed the Company's corporate governance practices to ensure its continuous compliance with the CG Code. Save for the deviations from code provision C.2.1 of Part 2 of the CG Code as disclosed below, the Company has complied with all the applicable code provisions set out in the CG Code and adopted the recommended best practices of the CG Code in so far as they are relevant and practical during FY2025.

Under the code provision C.2.1, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The Company has appointed Mr. Chan Kin Ping, BBS, JP as both the chairman and the chief executive officer of the Company. The Board believes that vesting the roles of both chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership of the Group and enables more effective and efficient overall strategic planning. In addition, since the major decisions of the Group, including but not limited to material transactions undertaken by the Group and corporate governance, will require discussion and approval by all Board members, the Board believes that the other Board members have sufficient power in scrutinising and/or monitoring the exercise of power by the chairman and chief executive officer. The Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of chairman and chief executive officer of the Company as and when appropriate and suitable by taking into account the circumstances of the Group as a whole.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the “**Model Code**”) as its own code of conduct regarding securities transactions by the Directors. In response to a specific enquiry made by the Company, all Directors have confirmed their compliance with the required standard as set out in the Model Code during FY2025.

Directors of the subsidiaries of the Company and relevant employees (as defined in the Listing Rules) are also requested to comply with the Model Code in respect of their dealings in the Company’s securities.

SHARE OPTION SCHEME

The Company amended the share option scheme, which has been adopted by the Company on 17 February 2016, by ordinary resolution of the Shareholders at the annual general meeting held on 7 December 2023 (the “**2016 Share Option Scheme**”). Please refer to the supplemental circular of the Company dated 10 November 2023 for details.

On 4 October 2016 and 28 May 2018, the Group granted share options to certain eligible persons to subscribe for 2,740,000 ordinary Shares and 460,000 ordinary Shares respectively (the “**Share Options**”) pursuant to the 2016 Share Option Scheme. As at 30 June 2025, 3,200,000 Share Options were granted and 150,000 Share Options remained outstanding. No Share Option has been granted, exercised, cancelled or lapsed during FY2025.

SHARE AWARD SCHEME

The Company adopted the share award scheme (the “**Share Award Scheme**”) by ordinary resolution of the Shareholders in the annual general meeting held on 7 December 2023. Please refer to the supplemental circular of the Company dated 10 November 2023 for details. The purposes and objectives of the Share Award Scheme are to recognise the contributions by certain eligible participants, provide them with incentives in order to retain them for the continual operation and development of the Group, and attract suitable personnel for further development of the Group.

During FY2025, no award share was granted, issued, vested, cancelled or lapsed pursuant to the Share Award Scheme.

EVENTS AFTER FY2025

There were no significant events affecting the Company or any of its subsidiaries after the end of FY2025 requiring disclosure in this announcement.

REVIEW OF ANNUAL RESULTS

The audit committee of the Company has reviewed, with the management and the external auditor of the Company, the consolidated financial statements of the Company for FY2025, including the accounting principles and practices adopted by the Group, and discussed the internal control, going concern issues, key audit matters and financial reporting matters related to the preparation of the annual results of the Group for FY2025.

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

During FY2025, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

SCOPE OF WORK OF THE COMPANY'S AUDITORS

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for FY2025 as set out in this announcement have been agreed by the Company's auditors to the amounts set out in the Group's draft consolidated financial statements for FY2025. The work performed by the Company's auditors in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no opinion or assurance conclusion has been expressed by the Company's auditors on this announcement.

ANNUAL GENERAL MEETING

The AGM will be held on Wednesday, 10 December 2025. The notice of the AGM will be published and dispatched in due course in the manner as required by the Listing Rules.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement is published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.humanhealth.com.hk. The annual report of the Company for FY2025 shall be despatched to the Shareholders and published on the websites of the Stock Exchange and the Company in due course.

CHANGE OF COMPOSITION OF THE NOMINATION COMMITTEE

The Board has resolved that with effect from 1 October 2025, Dr. Pang Lai Sheung is appointed as a member of the Nomination Committee in order to comply with the new gender diversity requirement of the Nomination Committee under the amended CG Code which has been implemented with effect from 1 July 2025. Following the above change, the Nomination Committee comprises five members, namely, Mr. Chan Yue Kwong Michael (as the chairman), Dr. Lui Sun Wing, Mr. Chan Hey Man, Mr. Chan Kin Ping, BBS, JP and Dr. Pang Lai Sheung. The Board is convinced that implementing this change could strengthen the effectiveness and diversity of the Board, and further enhance the level of corporate governance practices of the Company as a whole.

EXPIRY AND PROPOSED TERMINATION OF THE 2016 SHARE OPTION SCHEME AND PROPOSED RENEWAL AND ADOPTION OF THE SHARE OPTION SCHEME

The 2016 Share Option Scheme is valid and effective for a period of 10 years from the date of adoption. The 2016 Share Option Scheme will expire on 17 February 2026. In light of the above, the Company proposes to terminate the 2016 Share Option Scheme and renew and adopt the share option scheme (the “**Share Option Scheme**”) with material terms substantially the same as the 2016 Share Option Scheme.

The terms of the Share Option Scheme comply with the requirements under Chapter 17 of the Listing Rules. The purpose of the Share Option Scheme is to recognise and reward the eligible participants for their contribution and continuing efforts to promote the growth and development of the Group, to give incentives to the eligible participants in order to retain them for the continual operation and development of the Group and align the interests of the eligible participants with those of the Group, as well as to attract suitable personnel to contribute to the continual operation and further development of the Group.

The proposed termination of the 2016 Share Option Scheme and the renewal and adoption of the Share Option Scheme are subject to the approval of the Shareholders by way of an ordinary resolution at the AGM. A circular containing, among other things, the notice of the AGM and the details in relation to the Share Option Scheme (including a summary of the principal terms of the Share Option Scheme) will be despatched to the Shareholders in accordance with the requirements of the Listing Rules in due course.

By Order of the Board
Human Health Holdings Limited
Chan Kin Ping
Chairman

Hong Kong, 25 September 2025

As at the date of this announcement, the Board comprises Mr. Chan Kin Ping, BBS, JP (also as chief executive officer), Dr. Pang Lai Sheung and Mr. Poon Chun Pong as executive Directors, and Dr. Lui Sun Wing, Mr. Chan Yue Kwong Michael and Mr. Chan Hey Man as independent non-executive Directors.

In case of any inconsistency, the English text of this announcement shall prevail over the Chinese text.