



Jinxin Fertility Group Limited
錦欣生殖醫療集團有限公司*

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

Stock Code: 01951

2025

Interim Report



* For identification purposes only

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Company Profile

The Group is a leading ARS provider in China and the United States. Leveraging the Group's existing market leadership in China and the United States, the Group is uniquely positioned to capture unmet demand of ARS patients in China and the United States as well as growth opportunities in markets with growth potential. The Group endeavors to provide patients with personalized solutions to fulfill their dreams of becoming parents.

The Group has established a competitive advantage on branding, technology, medical staff and management in a market with significant entry barriers. All hospitals established in the Group's network are recognized as top-notch in their respective regional market, including but not limited to Sichuan Province, the Greater Bay Area, Yunnan Province and the Western United States, which contributes to the Group's leading position in the ARS markets in China and the United States.

In 2021, the Group acquired the Sichuan Jinxin Xinan Hospital (Jingxiu Campus), RHC (brand name: Gratia Medical Center) and ARC to expand its footprint in Sichuan Province and the Greater Bay Area and diversified its service offerings to provide a full lifecycle of fertility services covering pregnancy preparation, IVF, prenatal, childbirth and postpartum. The Group acquired a new property in February 2022, which will be officially put into operation in 2025 for our Shenzhen Zhongshan Hospital, with a view to capture the anticipated growth and increasing demand for ARS in Shenzhen and within the Greater Bay Area and expand its capacity by enhancing spatial and environmental factors, as well as to expand the VIP service to satisfy the multi-dimensional needs of our patients. The Group also completed the acquisition of controlling interests in Jiuzhou Hospital and Hewanjia Hospital, thereby, further expanding the Company's market share and influence in Southwest China.

In late 2022, the Group conducted an internal restructuring to enable Sichuan Jinxin Xinan Hospital (Jingxiu Campus) to further expand its scope of offerings and provide medical services involving Molecular Genetics Services, being the cutting-edge technology for pre-natal examination in accordance with the applicable PRC laws. In April 2023, Chengdu Xinan Clinic and Sichuan Jinxin Xinan Hospital (Jingxiu Campus) merged their ARS-related medical licenses to Sichuan Jinxin Xinan Hospital, building a strong reputation and enhanced its market influence in ARS, obstetrics, gynecology and pediatrics business, respectively with to their excellent medical quality and superior service experiences. We expect to further promote the synergistic effects of the two hospitals and strengthen the Group's competitiveness and reputation.

As part of our growth strategies, HRC Medical has sought to expand its business by way of recruiting physicians and constructing clinics by itself. In 2024, HRC Medical has seen significant results in physician recruitment, with five new physicians joining HRC Medical this year. The Group has also entered into contracts with an additional 12 doctors, who are expected to join within the next two years. In July 2024, HRC Medical's satellite centre in Beverly Hills has officially begun operations. In December 2024, a new business development hub was established in San Francisco.



The Group expects the penetration rate and market size for assisted reproductive services in China to significantly increase as the PRC government implements supportive policies and supportive measures to encourage fertility. In July 2021, the Central Committee of the Communist Party of China and the State Council issued the “Decision on Optimizing Fertility Policies to Promote Long-term and Balanced Population Development” (《關於優化生育政策促進人口長期均衡發展的決定》), pursuant to which couples are allowed to have up to three children, and supportive measures are being introduced covering various aspects to encourage births. Since then, there are more provinces and cities in China introducing incentive policies to encourage childbirth, such as setting up childcare subsidy. In August 2022, 17 governmental authorities including the National Health Commission issued the “Guidelines on Further Improving and Implementing Supportive Measures for Active Fertility” (《關於進一步完善和落實積極生育支持措施的指導意見》) to guide local governments to consider the affordability of medical insurance (including maternity insurance) funds, relevant technical standards and other factors as a whole, and in accordance with the procedures, gradually list the labor analgesia and assisted reproductive technology programs in the coverage of such medical insurance funds.

As at the date of this report, a total of 31 provinces/municipalities in China and Xinjiang Production and Construction Corps have officially included ARS treatment in the scope of national medical insurance payment, and geographically the coverage has been expanded across mainland China. The “Resolution of the Central Committee of the Communist Party of China on Further Deepening Reform Comprehensively to Advance Chinese Modernization” (the “**Resolution**”) adopted at the Third Plenary Session of the 20th Central Committee of the Communist Party of China in July 2024 set forth a strategic plan for improving the systems that support population development and provide related services. The Resolution has instituted a series of major measures to provide full life-cycle population services to all in order to effectively bringing down the “Trio Nurture Costs” (i.e., the costs of childbirth, parenting and education). These measures are intended to raise the public share of expenses relating to childbirth, parenting and education, improve the standard of public services for childbirth and pediatric medical services, enhance the capabilities of basic medical and healthcare services in the childbirth cycle, expand assisted reproductive technology resources, and improve the healthcare systems for maternal and infant health, productivity and pediatrics.

In 2024, the central government, as well as local governments, intensively issued relevant policies to promote the development of private hospitals and Sanming healthcare reform (三明醫改). Further in 2025, the Report of the Work of the Government delivered at the Third Session of the 14th National People’s Congress of the People’s Republic of China proposed for the first time the establishment of a specialized fund covering the full cycle of “childbirth, parenting, and education,” focusing on measures such as the distribution of childcare subsidies and increasing affordable childcare services. This marks a new height in childbirth support policies.

Coupled with the broader context of the “Sanming Healthcare Reform” (三明醫改), with the national guiding principle of integrating public and private healthcare to provide differentiated medical services for the public, adjustments in the public’s current perception on childbirth and the refinement of government’s childbirth policies have created structural, long-term development opportunities for private medical institutions. These institutions, which provide group-based, standardized, and high-quality services for assisted reproduction and even the full lifecycle, are set to benefit significantly from these changes.

Corporate Information

BOARD OF DIRECTORS

Executive Directors

Dr. John G. Wilcox
(resigned on August 27, 2025)
Mr. Dong Yang (Chief Executive Officer and
Acting Chief Financial Officer)
Ms. Lyu Rong (Co-chief Executive Officer)
Dr. Geng Lihong

Non-executive Directors

Mr. Zhong Yong (Chairman)
(redesignated on March 28, 2025)
Mr. Fang Min (resigned on September 25, 2025)
Ms. Hu Zhe
Ms. Yan Xiaoqing
Mr. Chen Shuyun
(appointed on September 25, 2025)

Independent Non-executive Directors

Dr. Chong Yat Keung
Mr. Li Jianwei
Mr. Wang Xiaobo
Mr. Ye Changqing

AUDIT AND RISK MANAGEMENT COMMITTEE

Mr. Ye Changqing (Chairman)
Dr. Chong Yat Keung
Mr. Fang Min (resigned on September 25, 2025)
Ms. Hu Zhe
Mr. Wang Xiaobo
Mr. Chen Shuyun
(appointed on September 25, 2025)

REMUNERATION COMMITTEE

Dr. Chong Yat Keung (Chairman)
Mr. Dong Yang
Mr. Fang Min (resigned on September 25, 2025)
Mr. Wang Xiaobo
Mr. Ye Changqing
Mr. Chen Shuyun
(appointed on September 25, 2025)

NOMINATION COMMITTEE

Mr. Wang Xiaobo (Chairman)
Ms. Lyu Rong
Dr. Chong Yat Keung
Dr. John G. Wilcox
(resigned on August 27, 2025)
Mr. Ye Changqing

STRATEGIC DECISIONS COMMITTEE

Mr. Zhong Yong (Chairman)
Mr. Dong Yang
Mr. Fang Min (resigned on September 25, 2025)
Dr. John G. Wilcox
(resigned on August 27, 2025)
Mr. Li Jianwei
Mr. Chen Shuyun
(appointed on September 25, 2025)

MEDICAL QUALITY CONTROL AND R&D COMMITTEE

Dr. Geng Lihong (Chairman)
Dr. Chong Yat Keung
Dr. John G. Wilcox
(resigned on August 27, 2025)
Mr. Zeng Yong

JOINT COMPANY SECRETARIES

Ms. Zhai Yangyang
Ms. Ng Sau Mei

AUTHORIZED REPRESENTATIVES

Mr. Dong Yang
Ms. Ng Sau Mei

REGISTERED OFFICE

Vistra (Cayman) Limited
P.O. Box 31119 Grand Pavilion
Hibiscus Way, 802 West Bay Road,
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KY1-1205
Cayman Islands



HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

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Jinjiang District, Chengdu
Sichuan, China

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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1 Austin Road West, Kowloon
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CAYMAN ISLANDS SHARE REGISTRAR AND TRANSFER OFFICE

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HONG KONG SHARE REGISTRAR

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HONG KONG LEGAL ADVISOR

Fangda Partners
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8 Connaught Place
Central
Hong Kong

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants
Registered Public Interest Entity Auditors
35/F One Pacific Place
88 Queensway
Hong Kong

STOCK CODE

1951

COMPANY'S WEBSITE

www.jxr-fertility.com

Financial Highlights

	Six months ended June 30,		
	2025	2024	
	RMB'000	RMB'000	Change
	(unaudited)	(unaudited)	
Operating results			
Revenue	1,288,587	1,443,756	-10.7%
Gross profit	391,409	583,016	-32.9%
(Loss) profit before taxation	(1,088,520)	265,756	N/A
(Loss) profit for the period	(1,044,120)	190,313	N/A
Adjusted net profit ⁽¹⁾	82,298	259,597	-68.3%
Profitability			
Gross profit margin	30.4%	40.4%	
Net profit margin	-81%	13.2%	
Adjusted net profit margin	6.4%	18.0%	

	As at	As at	
	June 30,	December 31,	
	2025	2024	
	RMB'000	RMB'000	Change
	(unaudited)	(audited)	
Financial position			
Total assets	14,009,425	14,981,794	-6.5%
Total equity	9,253,925	10,354,187	-10.6%
Total liabilities	4,755,500	4,627,607	2.8%
Bank balances and cash	679,650	546,196	24.4%

- (1) Non-IFRS adjusted net profit is calculated as the net profit for the reporting period, excluding (i) ESOP expenses; (ii) amortization and depreciation of medical practice licenses, non-compete agreements, and property, plant and equipment, as well as deferred tax assets and liabilities, all of which arise from acquisitions; (iii) impairment of goodwill and certain intangible assets related to the Group's business in the United States and Laos; (iv) impairment losses recognized under the expected credit loss model in respect of certain financial assets; (v) a one-off contribution to Jinjiang District Maternity and Child Health Hospital which the Group co-manages under the IOT agreement; (vi) depreciation of renovation expenses at Wuhan Jinxin Hospital, which arises from the re-evaluation of the hospital's lease schedule.



REGULATORY OVERVIEW

According to the 2024 population data released by the National Bureau of Statistics of China on February 28, 2025 (Statistical Communiqué of the People's Republic of China on the 2024 National Economic and Social Development): (i) the national population of China was 1,408.3 million at the end of 2024, representing a year-on-year decrease of 1.39 million as compared to the end of 2023; (ii) the number of births in 2024 was 9.54 million, representing a year-on-year increase of 520,000 as compared to 2023, with a birth rate of 6.77‰; (iii) the number of deaths in 2024 was 10.93 million, with a mortality rate of 7.76‰; and (iv) the natural population growth rate for 2024 was -0.99‰. The prominent issues of China's population structure are attributable to declining birth rates and accelerated aging population, and in facing these challenges, the Chinese government has introduced a series of policies to encourage childbirth since 2021.

In July 2021, the Central Committee of the Communist Party of China and the PRC State Council issued the "Decision on Optimizing Fertility Policies to Promote Long-term and Balanced Population Development" (《關於優化生育政策促進人口長期均衡發展的決定》), pursuant to which couples are allowed to have up to 3 children. Since then, there are more provinces and cities in China introducing incentive policies to encourage childbirth. For instance, Tianmen City in Hubei Province introduced 5 measures in September 2023, where families with second and third child can enjoy subsidies of RMB96,300 and RMB165,100, respectively; Panzhihua city in Sichuan Province has set up a childcare subsidy for the first time, any family registered in Panzhihua city with a second or more child will be entitled to a subsidy of RMB500 per month for each child up and until the child reaches the age of 3. The "Resolution of the Central Committee of the Communist Party of China on Further Deepening Reform Comprehensively to Advance Chinese Modernization" (the "**Resolution**") adopted at the Third Plenary Session of the 20th Central Committee of the Communist Party of China in July 2024 set forth a strategic plan for improving the systems that support population development and provide related services. The Resolution also emphasizes the promotion of a childbirth-friendly society. From the perspective of refining the policy system and incentive mechanism for boosting fertility, the Resolution has instituted a series of major measures to provide full life-cycle population services to all in order to effectively bringing down the "Trio Nurture Costs" (i.e., the costs of childbirth, parenting and education). These measures include introducing a system of childbirth subsidies, integrating various subsidy schemes customarily maintained in various cities and provinces and gradually increasing the level of subsidies, making it possible to leverage synergies created with the expanded maternity insurance coverage, and thus establishing a fundamental childcare support system for families as a foundation. Moreover, these measures are intended to raise the public share of expenses relating to childbirth, parenting and education, improve the standard of public services for childbirth and pediatric medical services, enhance the capabilities of basic medical and healthcare services in the childbirth cycle, expand assisted reproductive technology resources, and improve the healthcare systems for maternal and infant health, productivity and pediatrics.

Management Discussion and Analysis

In August 2022, 17 governmental authorities including the National Health Commission of the PRC (the “**NHC**”) issued the “Guidelines on Further Improving and Implementing Supportive Measures for Active Fertility” (《關於進一步完善和落實積極生育支持措施的指導意見》) to guide local governments to consider the affordability of medical insurance (including maternity insurance) funds, relevant technical standards and other factors as a whole, and in accordance with the procedures, gradually list the labor analgesia and assisted reproductive technology programs in the coverage of such medical insurance funds. By March 2025, a total of 31 provinces/municipalities in China and Xinjiang Production and Construction Corps have officially included ARS treatment in the scope of national medical insurance payment, and geographically the coverage has been expanded across mainland China. In addition, Sichuan, Guangdong, Hubei and Yunnan provinces, where the Group's operating subsidiaries are located, have also started to include ARS treatment in the scope of national medical insurance payment since the fourth quarter of 2024.

In October 2024, the General Office of the State Council issued the “Several Measures on Accelerating the Improvement of the Fertility Support Policy System to Promote the Construction of a Fertility-Friendly Society” (《關於加快完善生育支持政策體系推動建設生育友好型社會的若干措施》) (the “**Several Measures**”). The Several Measures proposed 13 specific measures for building a fertility support system across 4 dimensions: fertility service support, childcare service systems, education, housing and employment, and fostering a childbirth-friendly society. It aims to accelerate the improvement of fertility support policies and promote the creation of a childbirth-friendly society. On November 27, 2024, the National Health Commission convened a meeting to implement the Several Measures, emphasizing the need for all regions and departments to plan in a coordinated manner and advance the implementation of various policy measures to achieve effective results. On December 11, 2024, the Central Economic Work Conference proposed “formulating policies to promote childbirth” as one of the key tasks for 2025.

In 2025, the Report of the Work of the Government delivered at the Third Session of the 14th National People's Congress of the People's Republic of China proposed for the first time the establishment of a specialized fund covering the full cycle of “childbirth, parenting, and education,” focusing on measures such as the distribution of childcare subsidies and increasing affordable childcare services. This marks a new height in childbirth support policies.

On March 7, 2025, Mr. Lei Haichao, the Director of the National Health Commission of China, pointed out during the open delegation meeting of the Jiangsu delegation at the Third Session of the 14th National People's Congress of the People's Republic of China, that “The population issue remains an important issue requiring in-depth and dynamic study. This year, childcare subsidies will be available, and the National Health Commission of China is working with relevant departments to draft an operational plan for these childcare subsidies.”

On March 13, 2025, the Hohhot Municipal Health Commission issued the implementation details and service procedures for the childcare subsidy project as part of the implementation of the “Opinions on Promoting Population Aggregation and High-Quality Population Development” (《關於促進人口集聚推動人口高質量發展的實施意見》). The subsidy standards are set as follows: a one-time childcare subsidy of RMB10,000 for the first child, RMB50,000 for the second child, and RMB100,000 for the third child and beyond.



In July 2025, the General Office of the CPC Central Committee and the General Office of the State Council issued the Implementation Plan for the Childcare Subsidy System. The plan stipulates that, starting from January 1, 2025, subsidies will be provided for infants and toddlers under 3 years old who are born in accordance with laws and regulations, until they reach the age of 3. According to the plan, the subsidy targets are infants and toddlers under 3 years old born on or after January 1, 2025, in compliance with laws and regulations. In other words, subsidies can be applied for regardless of whether the child is the first, second, or third child.

BUSINESS UPDATES

Key Operating Information

The following operating data have been provided by the Group's in-network hospitals and by hospitals and clinics managed under invest-operate-transfer ("IOT") agreements or management service agreements ("MSA"). IOT/MSA institutions refer to hospitals and clinics controlled by the Group through discipline co-construction and cooperation agreements and management service agreements.

Operating data as at June 30, 2025

Region	Number of Institutions	Number of IVF treatment cycles	RMB: million		
			Self-owned institutions	IOT/MSA institutions	Total
			Revenue Derived From Medical Services		
Chengdu	3	7,111	581.3	186.2	767.5
Greater Bay Area	3	2,539	205.9	—	205.9
Kunming and Wuhan	3	2,059	131.0	—	131.0
Overseas	14	2,099	76.7	328.7	405.4
Total	23	13,808	994.9	514.9	1,509.8

Operating data as at June 30, 2024

Region	Number of Institutions	Number of IVF treatment cycles	RMB: million		
			Self-owned institutions	IOT/MSA institutions	Total
Chengdu	3	7,571	649.1	233.6	882.7
Greater Bay Area	3	3,022	241.9	—	241.9
Kunming and Wuhan	3	2,133	130.0	—	130.0
Overseas	11	2,325	75.1	316.0	391.1
Total	20	15,051	1,096.1	549.6	1,645.7

Note:

- (1) The revenue from IOT/MSA organizations in the operating data is the reported revenue of the hospitals, which has not been consolidated into the Group's consolidated statements. The consolidated revenue of the Group is the management fee received from IOT/MSA organizations, which amounted to approximately RMB252.7 million for the six months ended June 30, 2025, compared to approximately RMB287.4 million for the six months ended June 30, 2024.
- (2) The above operating data do not include non-medical institutions.

Chengdu operations

The number of IVF treatment cycles for our Chengdu operations decreased by 6.1% from 7,571 for the six months ended June 30, 2024 to 7,111 for the six months ended June 30, 2025. The decrease in the number of IVF treatment cycles was mainly attributable to a decrease in the number of first-visit patients and a significant increase in the proportion of intrauterine insemination (“**IUI**”) cycles. The number of IUI patients increased from 227 for the six months ended June 30, 2024 to 969 for the six months ended June 30, 2025. The total number of treatment cycles for our Chengdu operations (i.e., IUI cycles and OPU) continued to rise during the Reporting Period.

Since the introduction of third-generation IVF in 2024, we have served over 1,500 patients as at the date of this report. In 2024, prenatal diagnosis and genetic consultation services were launched to safeguard the pregnancies of women who conceived via IVF and to offer additional protection for the birth of healthy babies. Leveraging over 70 years of experience in maternal and child healthcare and 20 years of expertise in assisted reproductive technology, Jinxin has pioneered the creation of an integrated IVF maternity and neonatal care model featured with “Assisted Reproduction | Full-Cycle | Individualization.” By combining an all-round expert team with multidisciplinary team (“**MDT**”) consultations, the Group streamlines inefficiencies with technology and ensures patients reach their fertility goals through the most efficient path. VIP services are designed to provide a stress-free experience, covering all dimensions from physical to psychological support, and achieving burden-free pregnancy through systematic integration. The VIP penetration rate of Sichuan Jinxin Xinan Hospital (Bisheng Campus) for the six months ended June 30, 2025 continued an increase to approximately 20.8%.

In response to the current economic environment and the growing concern on public health, the Chengdu campus launched great health management services covering the full lifecycle. It introduced new specialties, such as cervical outpatient clinics, menopause management clinics, pelvic floor clinics, and minimally invasive surgeries for men. In addition, new departments were established, including dentistry, ENT (ear, nose, and throat), ophthalmology, psychology (sleep clinics and adolescent clinics), health management (weight control clinics), and medical dermatology & aesthetics. These initiatives aim to expand great healthcare services for the full lifecycle and provide multidimensional health diagnoses and treatments.

Operations in the Greater Bay Area

The number of IVF treatment cycles for our Greater Bay Area operations decreased by 16.0% from 3,022 for the six months ended June 30, 2024 to 2,539 for the six months ended June 30, 2025. The decrease in the number of cycles was mainly attributable to changes in the clinical visit process that led to a significant increase in the proportion of IUI cycles. The number of IUI patients increased from 223 for the six months ended June 30, 2024 to 894 for the six months ended June 30, 2025. The total number of treatment cycles (i.e., IUI cycles and OPU) for our Greater Bay Area operations experienced sustained increase during the Reporting Period.

Our hospitals in Shenzhen is exploring fresh full lifecycle operation models, such as integrated IVF maternity care and high-end VIP services, while also providing more precise diagnosis and treatment services for patients with immune diseases. To improve success rates, techniques like the pull-out method for male azoospermia patients and embryonic protein screening technology in the laboratory have been introduced. With the completion of the new hospital building of Shenzhen Zhongshan Hospital, these full lifecycle operation models will be further expanded in the future, offering new diagnostic and treatment services to infertility patients in the Greater Bay Area.

It is worth noting that IUI is an early-stage treatment for infertility, and the average success rate of IUI technology is currently less than 20%, thus most patients will still require subsequent treatments at a later stage, including IVF.

Operations in Wuhan and Kunming

The number of IVF treatment cycles for our operations in Kunming and Wuhan decreased by 3.5% from 2,133 for the six months ended June 30, 2024 to 2,059 for the six months ended June 30, 2025. The decrease in the number of cycles was mainly attributable to impact of renovations on patient visits and operations of Jiuzhou Hospital and Hewanjia Hospital for the six months ended June 30, 2025.

Management Discussion and Analysis

Wuhan and Kunming continue to focus on their core assisted reproduction businesses while also expanding into new related fields. Following in Jiuzhou Hospital's footsteps, Hewanjia Hospital will also soon complete renovation upgrades, enhancing the patient experience while exploring an integrated IVF maternity care model. Such model has resulted in patients who successfully conceived through IVF being able to choose to transition to our obstetrics departments for continued medical services. In addition, our institutions in Yunnan province actively promote the application of artificial sperm activation, Embryo Glue transfer solution, and AI time-lapse imaging technology in assisted reproduction to continuously improve pregnancy rates, with a clinical pregnancy rate of 78.5% for fresh embryo transfers. Newly established clinics include immunology, preconception, complex cycle, reproductive preservation, obstetrics, postpartum rehabilitation, fertility protection, cervical disease, menopause, and traditional Chinese medicine rehabilitation clinics. These offerings provide individualized diagnostic and treatment plans for different patients, achieving business diversification.

Wuhan Jinxin Hospital has further specialized its assisted reproduction services by subdividing specialty clinics, enhancing PRP applications (intrauterine infusion, endometrial injection, and ovarian injection), and expanded male reproductive health services. While prioritizing medical quality and safety management, Wuhan Jinxin Hospital has implemented integrated IVF and obstetrics care, with a significant increase in obstetrics services. The integrated IVF pregnancy and delivery management process and brand are gradually being established, with delivery volume increasing by 145%. Reproductive minimally invasive surgery has seen steady growth, alongside the addition of gynaecology treatment programs, traditional Chinese medicine for fertility support, and postpartum rehabilitation treatment programs. In addition, Wuhan Jinxin Hospital has introduced early pregnancy management clinics, recurrent miscarriage and fetal preservation departments, postpartum recovery and pelvic floor intimate treatment services, as well as a medical dermatology & aesthetics department, providing patients with a wider range of diagnostic and treatment services.

Overseas operations

In the first half of 2025, the total number of IVF treatment cycles of HRC Medical decreased by 8.9% from 2,258 for the six months ended June 30, 2024 to 2,058 for the six months ended June 30, 2025, however level of revenue remained essentially flat compared to the corresponding period of 2024. In particular, fluctuations in Sino-American relations during the first half of 2025 heightened and renewed concerns among Chinese patients about seeking treatment in the United States, leading to a decrease in international treatment cycles. Meanwhile, domestic treatment cycles faced multiple adverse factors, including unexpected events such as the Los Angeles wild fires and delayed treatments due to the impending implementation of California's mandatory commercial insurance senate bill concerning assisted reproduction (SB729), yet the domestic treatment cycles remained largely stable compared to the corresponding period of 2024.

Leveraging HRC Medical's 37 year-long renowned medical brand and industry-leading physician recruitment capabilities, we continue to focus on 2 core areas: on one hand, we consistently attract top-tier physician talent, strengthening our physician network to build core competitiveness for business growth; on the other hand, we possess the ability to explore new markets through the Denovo model, continuously expanding our market presence in California. In 2025, 7 new physicians will join HRC Medical, and by the end of 2025, the total number of in-house physicians is expected to reach 30, positioning HRC Medical among the leading assisted reproductive physician groups in the United States. In terms of regional expansion, HRC Medical entered Northern California's San Francisco area for the first time in 2025, while its flagship clinic in Beverly Hills is expected to commence operations in September 2025. Currently, HRC Medical's medical network has established a comprehensive presence centered in Los Angeles, covering Northern California (San Francisco) and Southern California (San Diego). However, the simultaneous expansion of physician teams, medical staff development, and clinic growth in the first half of the year has put significant pressure on profitability, leading to a period-on-period decline in profits.

While expanding its physician team and clinic network in an orderly manner, HRC Medical focused on optimizing internal operational efficiency in the first half of 2025, particularly emphasizing improvements in staff productivity. By benchmarking operational model differences across its internal clinics and drawing on best practices from leading industry peers, HRC Medical further refined its operational model: optimizing staff structure and establishing more efficient work mechanisms. This not only significantly reduced labor costs but also greatly improved operational efficiency, with related benefits expected to gradually materialize in the second half of the year.

HRC Medical's sustained development is inseparable from its continuous advancements in medical technology and its continued deepening of its focus on technological innovation and patient service experience optimization. For instance, in the first half of 2025, HRC Medical pioneered the introduction of needle-free technology, effectively alleviating the pain of repeated injections for patients during ovulation induction treatment. Additionally, since acquiring the Keck School of Medicine of the University of Southern California (USC) in 2021, HRC Medical has continuously strengthened its research collaboration and physician training with USC, laying a solid foundation for clinical technological breakthroughs and physician talent development.

OUTLOOK AND FUTURE

With fertility rates gradually stabilizing, the era of advanced maternal age arriving, the penetration rate of assisted reproduction increasing year by year, the intensive rollout of childbirth-promoting policies in China, and China's support of standardized private healthcare, alongside the domestic economy and consumption regaining its momentum, we are embracing a rare long-term development opportunity.

Management Discussion and Analysis

Historically, we have achieved significant milestones, such as acquiring hospitals in China with IVF/ICSI licenses (IVF/ICSI accounts for nearly 80% of all assisted reproductive methods), an area with significant entry barriers. This has led to an over 20% share of private medical licenses for IVF/ICSI in provincial capitals and core cities within provinces with populations exceeding 30 million. In the United States, we have strengthened our “physician as partner” strategy, and projecting to have 40 physicians for our United States operations by 2027. In Southeast Asia, we hold a leading position through our acquisition of PT Morula Indonesia (“**Morula**”), Indonesia’s largest assisted reproduction center (with a market share of approximately 40% in a country with a population of 280 million, being the Southeast Asian country with the largest population), thereby solidifying our leadership in the ARS markets of China, the United States, and Southeast Asia.

Building on this foundation, we continue to optimize our products, technologies, services, and management while drawing lessons from historical experiences to establish a replicable development system. This enables us to provide patients with premium experiences focused on full lifecycle health management centered ARS while driving the sustainable and steady growth of our business and scale.

Going forward, we will continue to enhance returns to the Shareholders by reducing leverage and ensuring liquidity of the Group. On the assumption that the Group’s debt-to-asset ratio is continuously reduced to a significant level, we will consider implementing a Shareholders Return Program involving the adoption of a meaningful medium to long-term share buyback plan and a dividend policy of utilizing 50% to 80% of the adjusted net profit for proposed distribution, so as to further increase the earnings per share and rate of return on capital.

Gradually establishing a replicable operational management system driven by business growth via specialty construction

With several years of development after Listing, we have gradually established a replicable operational management system driven by business growth via specialty construction, including:

- Establishing and institutionalizing quality control standards and regular assessment mechanisms across specialties to monitor the medical quality of our hospitals and specialties, including assisted reproduction success rates. By leveraging the guidance of leading experts and quality control specialists within the Group, this ensures that the success rates at all hospitals consistently remain above the industry average;
- Establishing hardware and software service standards and methods based on patient satisfaction and recommendation rates to create a positive patient experience across all hospitals. This includes, without limitation: hardware and visual optimization, standardization of service processes, full-cycle service and management by designated case managers for patients, patient satisfaction surveys, supervision of quality services across the Group, centralized analysis and resolution of patient feedback issues, as well as internal and external exchanges and study regarding quality service;
- Gradually refining online and offline means for brand promotion across hospitals to establish a strong brand presence and expand market reach. This includes, without limitation: grassroots education campaigns, community free clinics, brand events, specialist alliances, developing IP for doctors, creating specialty and disease-specific IPs, building new media matrices, and fostering community groups; and



- Elevating discipline development to a strategic priority of the Group, strengthening talent cultivation, and continuously enhancing the medical capabilities of hospitals. This includes, without limitation: professional promotions, expert guidance, exchange and training programs, academic conferences, introduction of new technologies, and research on innovative methods.

Continuously enhance the introduction and research investment in new technologies and innovative methodologies, strengthen personalized and precise diagnosis and treatment for patients, and boost our hospital's reputation to complex cases in broader regions as well as its technical brand strength

We introduce new technologies via specialized disease groups, being the smallest unit as entry points. For instance, Sichuan Jinxin Xinan Hospital (Bisheng Campus) has established specialist teams and specialized disease clinics for ovarian hypofunction, thin endometrium, polycystic ovary syndrome, and advanced maternal age. By focusing on the diagnosis and treatment of specialized diseases, the team of specialists have (i) introduced and applied cutting-edge technologies (such as the introduction of primordial follicle in vitro activation for treating ovarian hypofunction, and the introduction of intrauterine infusion of PRP for treating thin endometrium, etc., providing precise treatment solutions), (ii) carried out clinical research such as clinical research on the therapeutic effect of exosomes on premature ovarian failure for ovarian hypofunction, and clinical research on the repair of intrauterine adhesions by exosomes for thin endometrium, etc., (iii) conducted analysis and assessment of refined diagnosis and treatment effect indicators, (iv) convened academic conferences and (v) organized online and offline patient education sessions, to provide personalized treatment solutions for a wide range of diagnostic needs.

Through the implementation of clinically integrated research projects (such as "Application of Artificial Intelligence (AI) Quality Control in Obstetric Ultrasound Examination", "Indirectly Using Big Data Analysis to Establish Group Reference Intervals for Blood Lipid Indicators in Pregnant Women in Chengdu," "Digital Evaluation of Embryo Implantation Potential", and "Platelet-Rich Plasma Uterine Infusion Therapy for Persistent CD138+ Chronic Endometritis"), we aim to address pain points in the diagnosis and treatment of complex clinical cases, providing new ideas and support for innovative solutions. By hosting academic exchange conferences, the Group has strengthened its academic brand influence across the industry, further enhancing recognition and acknowledgment among patients and other market participants.

We continue to enhance our hospital's reputation and brand awareness among patients by improving the diagnosis and treatment capabilities of intractable diseases and high-risk serious illnesses, achieving wider dissemination of information, and attracting patients from a wider geographical area to our institutions for treatment, thus deepening the ripple effect of existing operations and increasing penetration rate.

Focus on developing consumer medical care with excellence and prudence

In 2025, based on the Group's existing specialties, we continued to develop and create consumer medical care with excellence and prudence to meet the multi-dimensional medical and healthcare needs of our patients. To differentiate ourselves from other healthcare consumer medical institutions on the market, we are devoted to the provision of services that are based on medical theories with a prudent approach to health, offering our patients with preventive, healthcare and medical services for recuperation in addition to disease diagnosis and treatment, in order to pursue higher quality and better life building upon patients' fundamental health.

Management Discussion and Analysis

Sichuan Jinxin Xinan Hospital (Jingxiu Campus) has established a reproductive restoration and anti-aging clinic. In response to the needs of women post-childbirth for pelvic floor and other functional repairs, led by the chief gynecologist, the clinic provides treatment for female reproductive dysfunction, restoration, rehabilitation, and cosmetic surgery of genital morphology as well as relevant pharmaceutical drugs and biological treatments; at the same time, we are introducing non-surgical or pharmaceutical methods such as instrument for reproductive care, psychological counseling, and therapeutic lifestyle intervention. Sichuan Jinxin Xinan Hospital (Jingxiu Campus) has also established an insomnia clinic for women post-childbirth and postpartum and menopausal women, led by the chief anesthesiologist, which deploys various regimes such as cognitive behavioral therapy, regulation of autonomic nervous system, improvement of microcirculation, and induction of bionic sleep in place of traditional pharmaceutical drug treatments, in order to eliminate side effects to patients and bring about a more efficacious solution to insomnia. Further, Sichuan Jinxin Xinan Hospital (Bisheng Campus) has established a functional medicine center providing services related to pregnancy preparation, infertility, reproductive sub-health issues, ovarian and uterine conditioning and maintenance of reproductive youth. The center addresses the aforementioned medical issues by addressing secretion of toxins, metabolism, immunology, nutrition and mitochondrial function and others to offer therapeutic lifestyle intervention, nutritional treatment and intravenous reproductive nutrition. We are also gradually developing adolescent health management in response to psychological problems such as adolescent growth and development, teenage gynecology, teenage andrology, body posture, nutrition and lack of attention. In addition, we have also set up out-patient clinics for traditional Chinese medicine sub-health conditioning and integrated neonatal care clinic.

In the future, we will continue to leverage our advantages in ARS, gynecology, andrology, pediatrics, obstetrics and other expertise to develop more preventive and enhancing consumer medical services that address the unmet needs of patients.

Ease patients' financial burden by means of innovative commercial insurance, assisted reproduction funds and other means

As of March 2025, ARS have officially been included within the scope of national medical insurance reimbursement program in all 31 provinces and municipalities across mainland China, as well as in the Xinjiang Production and Construction Corps. The subsidiaries of the Company located in Sichuan, Guangdong, Hubei, and Yunnan provinces also included ARS under national medical insurance reimbursement program since the fourth quarter of 2024.

Beyond national medical insurance reimbursement program, other market players have started to rely on commercial insurance to alleviate the financial burden on patients, however the effects are not prominent. One reason is that the insurance institutions are unable to assess risks with sufficient accuracy due to lack of certainty over their actuarial analysis and lack of control over the success rate of ARS performed on patients, and thus unable to assess realized returns of such products and create a win-win situation for medical institutions, insurance institutions and patients. A second reason is that the unit price of ARS is relatively high, and the vast majority of ARS insurance policies still require the patients to pay most of the costs before they can enjoy the benefits thereunder. For patients with limited financial resources, the substantial insurance premium still requires them to secure on initial source of funding. In response to this problem, we have innovatively joined forces with insurance and banking institutions to integrate insurance products with consumer loan products. In the meantime, based on our extensive and well-organized user and clinical data and through actuarial analysis and product design with cooperative partners, we have launched an innovative and diverse insurance product system, which allows patients to engage IVF services at no cost and which fully compensates for unsuccessful IVF. With low barriers to entry and a wide range of eligible people, we believe “Jinbao Plan 2.0” can truly ease the patients’ financial burden. At the same time, our qualified hospitals have actively integrated into the direct billing channels of commercial insurance.

In addition, we have also launched the good pregnancy fund to support families with infertility, the unsuccessful pregnancy assistance fund, drug fee waivers, patient subsidies, other types of insurance products and other forms of subsidies to effectively lower the threshold of patient treatment and reduce the financial pressure of medical treatment for patients.

Expand our business network through all self-establishment or acquisitions

As a leading ARS and full lifecycle fertility services provider in China and the United States, we will continue to seek opportunities to expand our business network and adopt different expansion strategies to fit with the market environment in different countries or regions.

In China, we intend to enter markets with high growth potential through acquisitions, such as provincial capital cities and cities with radiation effect. Aside from market potential, when conducting mergers and acquisitions in China, we will also take into account various important factors such as economic environment, competitive landscape, IVF penetration rate, target valuation and post-investment integration or consolidation to determine our mergers and acquisitions strategy, enabling a swift integration of resources and assisting the new hospitals to rapidly improve in respect of medical quality, operation management, market share and others.

In the United States, the assisted reproduction market is gaining momentum due to a relaxed industry environment, top-down government encouragement policies, corporate emphasis on fertility benefits, and ongoing payment reform innovations in the commercial insurance sector. Among these, California, where HRC Medical is located, is the largest assisted reproduction market in the United States, accounting for approximately 15% of the national market share and boasting superior industry development conditions. Notably, California’s SB729 commercial insurance senate bill has been postponed to take effect in January 2026, and once implemented, it is expected to significantly boost the number of assisted reproduction treatment cycles in California. Drawing on the experience of the State of New York, which implemented a similar bill in 2020, California’s assisted reproduction treatment cycles could potentially triple over the next 3 to 5 years. Furthermore, as a hub for United States tech giants, California’s innovations in employee fertility benefit programs are creating substantial growth opportunities for the assisted reproduction sector.

Management Discussion and Analysis

In the future, HRC Medical will leverage its over 37 years of brand heritage, leading physician resources in the United States, and a well-established network of medical clinics in California to capitalize on favorable industry policies and regional advantages, fully tapping into market growth opportunities and capturing greater market share. At the same time, with the internal operational efficiency improvements implemented in the first half of 2025, coupled with the growth in IVF treatment cycles, profits are expected to gradually increase.

In Southeast Asia, in July 2024, Jinxin Life Asia Healthcare Investment Group Pte. Ltd., a wholly-owned subsidiary of the Company, completed the acquisition and subscription of a 30% equity interest in Morula, and upon completion, the Group became Morula's largest strategic investor. Following the investment in Morula, we have continuously dispatched domestic medical and management expert teams to focus on improving medical quality and service processes, dedicated to providing higher-quality medical services to local patients in Indonesia. At the same time, we have completed the formation of a new core management team, introduced our mature IT systems, shut down underperforming regional clinics, and conducted further market research for expansion, establishing a stable foundation for sustained growth in the future.

As a result of regulatory uncertainties in Laos' IVF industry having intensified further, consequently, the Group has decided to gradually terminate the business operations of Jinrui Medical Center in the second half of 2025.

Talent recruitment and nurturing plan

We are committed to recruiting and retaining the best and most experienced medical professionals in the fields of assisted reproduction and obstetrics, gynecology and pediatrics and continuously improving our internal training system to provide a sufficient reserve of medical and management talents for our global business expansion.

In China, we have established a multi-tiered expert and talent system: (i) we have consistently built leading expert systems in various regions, via the appointment of Dr. Liang Xiaoyan as chief scientist in Shenzhen, and Dr. Li Yuan, Dr. Geng Lihong, and Dr. Ma Yanping as the leading experts for our operations in various areas of China, and (ii) we actively foster growth of young experts by planning career development pathways for doctors and providing support in research, clinical practice, education, professionalism, and exchanges. Every year, we select core members in various disciplines and reserve talents, establishing a talent pipeline comprising dozens of young professionals with solid experiences.

In the context of the "Sanming Healthcare Reform" (三明医改), we will welcome excellent doctors from public hospitals to collaborate with us through various means, such as joining our network, practicing at multiple locations, or participating in consultations. We are also committed to actively cooperating with public hospitals to promote mutual growth and complementary development. On the other hand, we will invest in more efforts to recruit and train recent medical graduates, ensuring sustained growth momentum for our healthcare services across regions and operational models.



We will continue to implement the “physician as partner” mechanism to grant equity ownership to outstanding physicians as partners of the Company, sharing the fruits from the development of the Company. Our 2022 Share Award Scheme, which was adopted on February 17, 2022 and amended on June 25, 2024, aims to (i) provide our employees with the opportunity to acquire proprietary interests in the Company; (ii) encourage our employees to work towards enhancing the value of the Company and its Shares for the benefit of the Company and its Shareholders as a whole; and (iii) provide the Company with a flexible means of retaining, incentivizing, rewarding, remunerating, compensating and/or providing benefits to our employees. Summary of the principal terms of the 2022 Share Award Scheme are set out in the circular of the Company dated May 31, 2024.

In the United States, HRC Management continued to enhance its attractiveness to excellent doctors and has the ability not only to retain outstanding doctors but also to continuously recruit new doctors to join the corporation and help new doctors to grow rapidly by continuously improving its internal training system. In addition, HRC Management collaborated with the Keck School of Medicine of the University of Southern California to jointly train IVF specialists, with at least 3 doctors receiving IVF specialty training each year, thereby providing a reserve of doctors for HRC Medical.

Environmental, Social and Governance (ESG)

We have dedicated ourselves to enhancing our ESG initiatives in numerous aspects and provide regular updates to our stakeholders in our ESG reports. On the one hand, we believe, through our efforts in ESG, we will continue to create value for the society and gain recognition from the society and patients. In the first half of 2025, we insisted on the strategic position of constructing new disciplines of assisted reproduction, actively promoting the new disciplines in each hospital and carrying out scientific research and innovation. We have combined our own physician training model and business experience to develop professional courses for internal staff and industry talents, empower the growth of industry medical and nursing staff, and steadily improve medical quality and medical standards. Meanwhile, we insist on being patient-oriented, promoting digital transformation of our hospitals, strengthening the medical quality management of our hospitals, providing patients with quality medical services throughout the lifecycle of their fertility treatment, establishing a perfect patient communication mechanism and taking multiple measures to continuously ensure patient safety.

On the other hand, we will continue to aid the Company in realizing a healthy and sustainable development in the future. We actively promote the accessibility of healthcare, enabling more families to benefit from the achievements of modern medicine through free and charitable clinics, charity medicine donations and training to primary care institutions. Meanwhile, we insist on green operations, promote energy saving and consumption reduction initiatives in all hospitals, actively address climate change and help create an environment-friendly community.

FINANCIAL REVIEW

Revenue

Revenue of the Group decreased by 10.7% from approximately RMB1,443.8 million for the six months ended June 30, 2024 to approximately RMB1,288.6 million for the six months ended June 30, 2025. The overall decrease was primarily attributable to circumstance of the following services: (i) ARS and related reduction in revenue of approximately RMB87.3 million; (ii) management services and related reduction of approximately RMB34.7 million; (iii) obstetrics and related reduction of approximately RMB17.4 million; (iv) ancillary other medical services and related increase in revenue of approximately RMB3.6 million; and (v) sales of consumables and equipment for medical reagents and related reduction of approximately RMB19.3 million. The decrease in revenue is mainly due to (a) an approximately 8.3% drop in OPU cycle and the proportion of IUI patients (who typically spend 80% to 85% less compared to IVF patients) among ARS patients having increased by approximately 10.04%, as well as a 7% to 8% decrease in average single-cycle pricing subsequent to national healthcare security adjustments, together resulting in a reduction of ARS revenue; (b) an approximately 24% decline in traditional deliveries due to lower birth willingness in China which caused a resultant decline in revenue from obstetrics and related revenue; and (c) establishment of new departments and business by the Group which increased revenue in those areas.

Cost of Revenue

Cost of revenue of the Group, which consists primarily of cost of pharmaceutical products and consumables, staff costs, depreciation of property, plant and equipment, and other costs, increased by 4.2% from approximately RMB860.7 million for the six months ended June 30, 2024 to approximately RMB897.2 million for the six months ended June 30, 2025. The increase of the cost of revenue was mainly attributed to an adjustment of amortization period in respect of renovation expenses of RMB21.1 million concerning Wuhan Jinxin Hospital pursuant to its lease agreement which was included as cost of revenue, as well as increased labor and operating costs of HRC Medical due to the addition of 4 new clinics during the Reporting Period.

Gross Profit and Gross Profit Margin

Gross profit of the Group decreased by 32.9% from approximately RMB583.0 million for the six months ended June 30, 2024 to approximately RMB391.4 million for the six months ended June 30, 2025. The Group's gross profit margin decreased from 40.4% for the six months ended June 30, 2024 to 30.4% for the six months ended June 30, 2025.

Other Income

Other income of the Group decreased by 51.7% from approximately RMB26.5 million for the six months ended June 30, 2024 to approximately RMB12.8 million for the six months ended June 30, 2025, primarily due to a decrease of approximately RMB13.0 million in government grants as compared to the same period of last year.

Other Expense

Other expenses of the Group increased by 8,650% from approximately RMB0.6 million to approximately RMB52.5 million, primarily attributed to a one-off contribution of RMB50 million as support for upgrading the Jinjiang District Maternity and Child Health Hospital and its operational capabilities.



Other Gains and Losses

Other gains and losses primarily represent gains and losses on fair value change of financial assets/investment at fair value at FVTPL, on disposal of assets/investments, and on net exchange. The Group recorded net other losses of RMB7.8 million for the six months ended June 30, 2025, primarily attributable to losses incurred in respect of foreign exchange (for the six months ended June 30, 2024: RMB3.8 million).

Research and Development Expenses

Research and development expenses primarily consist of staff costs of the Group's research and development team at Jinxin Medical Innovation Research Center. Research and development expenses of the Group decreased by 17.4% from approximately RMB10.9 million for the six months ended June 30, 2024 to approximately RMB9.0 million for the six months ended June 30, 2025.

Selling and Distribution Expenses

Selling and distribution expenses primarily consist of marketing and promotional expenses associated with organizing educational activities and cooperating with third party agencies and partners and staff cost of the Group's marketing team. Selling and distribution expenses of the Group decreased by 14.5% from approximately RMB86.3 million for the six months ended June 30, 2024 to approximately RMB73.8 million for the six months ended June 30, 2025, primarily due to decline in revenue and optimization of the Group's marketing strategies.

Administrative Expenses

Administrative expenses primarily consist of staff costs, including amortization of ESOP costs, depreciation and amortization, repairment and maintenance expenses, property related expenses and others. Administrative expenses of the Group increased by 1.5% from approximately RMB215.7 million for the six months ended June 30, 2024 to approximately RMB219.0 million for the six months ended June 30, 2025.

Finance Costs

Finance costs of the Group increased by 51.2% from approximately RMB28.5 million for the six months ended June 30, 2024 to approximately RMB43.1 million for the six months ended June 30, 2025, primarily due to a decrease in capitalizable interest and an increase in financial expenses recognized under lease accounting standards in respect of lease of property in the United States. Interest expenses for the six months ended June 30, 2025 were RMB49.8 million, compared to RMB67.4 million for the six months ended June 30, 2024.

Income Tax Expenses

Income tax expenses of the Group primarily consist of PRC enterprise income tax, withholding tax and Hong Kong Profits Tax. Income tax expenses of the Group decreased from approximately RMB75.4 million for the six months ended June 30, 2024 to approximately negative RMB44.4 million for the six months ended June 30, 2025, primarily due to a reversal of deferred tax liabilities of approximately RMB89.8 million related to the impairment of intangible assets in the United States. If excluding the impact of the reversal of deferred tax liabilities, the income tax expense was RMB45.4 million, representing a period-on-period decrease of 39.8%.

Net Profit (Loss)

The Group recorded net loss of approximately RMB1,044.1 million in the first half of 2025, compared to a net profit of approximately RMB190.3 million in the first half of 2024. The decrease in profit was primarily due to the following one-off events and partially due to a decline in the Group's operating profit. As aforementioned, the one-off events include: (i) impairment of goodwill and certain intangible assets related to the Group's business in the United States and Laos; (ii) impairment losses recognized under the expected credit loss model in respect of certain financial assets; (iii) a one-off contribution to Jinjiang District Maternity and Child Health Hospital which the Group co-manages under the IOT agreement; and (iv) depreciation of renovation expenses at Wuhan Jinxin Hospital, which arises from the re-evaluation of the hospital's lease schedule. The decline in operating profit is attributable to the following factors: (i) the inclusion of ARS in China's National Medical Insurance Reimbursement Program, which affected the service mix between IUI and IVF and exerted downward pressure on pricing, which the Company believes to some extent will be partially mitigated in the near term; (ii) headwinds in China's obstetrics industry; (iii) higher expenses associated with the expansion of the Group's business in the United States which the Group expects will be partially mitigated in the near term through operational optimization initiatives launched in the second quarter of 2025.

Non-IFRS Measures

To supplement the Group's condensed consolidated financial statements which are presented in accordance with IFRS, the Company has provided EBITDA, adjusted EBITDA, and adjusted net profit as non-IFRS measures, which are not required by, or presented in accordance with IFRS. The Company believes that the non-IFRS adjusted financial measures provide useful information to investors and others in understanding and evaluating the Group's consolidated statements of profit or loss in the same manner as they helped the Company's management, and that the Company's management and investors may benefit from referring to these non-IFRS adjusted financial measures in assessing the Group's operating performance from period to period by eliminating impacts of items that the Group does not consider indicative of the Group's operating performance. However, the presentation of these non-IFRS financial measures is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with the IFRS. You should not view the non-IFRS adjusted results on a stand-alone basis or as a substitute for results under IFRS.

The Group's non-IFRS adjusted net profit decreased by 68.3% from approximately RMB259.6 million for the six months ended June 30, 2024 to approximately RMB82.3 million for the same period in 2025.

The Group's non-IFRS adjusted EBITDA decreased by 46.3% from approximately RMB418.1 million for the six months ended June 30, 2024 to approximately RMB224.7 million for the same period in 2025.



The following tables set forth the reconciliation of the Group's non-IFRS financial measures for the six months ended June 30, 2025 and 2024 to the nearest measures prepared in accordance with IFRS:

	Six months ended June 30,	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
(Loss) Profit for the period	(1,044,120)	190,313
Add:		
Amortization of ESOP costs ⁽¹⁾	15,201	37,115
Amortization and depreciation of medical practice licenses, non-compete agreements, and property, plant and equipment, and deferred tax assets and liabilities, including deferred tax impact ⁽²⁾	32,287	32,169
Impairment of goodwill and certain intangible assets related to the Group's business in the United States and Laos ⁽³⁾	908,847	—
Impairment losses recognized under the ECL model in respect of certain financial assets ⁽⁴⁾	99,009	—
One-off contribution to Jinjiang District Maternity and Child Health Hospital ⁽⁵⁾	50,000	—
Depreciation of renovation expenses at Wuhan Jinxin Hospital ⁽⁶⁾	21,074	—
Non-IFRS adjusted net profit	82,298	259,597
Non-IFRS (negative) EBITDA	(938,166)	380,948
Add:		
Amortization of ESOP costs ⁽¹⁾	15,201	37,115
Impairment of goodwill and certain intangible assets related to the Group's business in the United States and Laos ⁽³⁾	998,613	—
Impairment losses recognized under the ECL model in respect of certain financial assets ⁽⁴⁾	99,009	—
One-off contribution for supporting the upgrade of Jinjiang District Maternity and Child Health Hospital ⁽⁵⁾	50,000	—
Non-IFRS adjusted EBITDA	224,657	418,063

Notes:

(1) ESOP costs are regarded as non-cash items.

(2) Amortization and depreciation of medical practice licenses, non-compete agreements, and property, plant and equipment, as well as deferred tax assets and liabilities, all of which arise from acquisitions: by eliminating the effect of these items from the profit attributable to the owners of the Company, it demonstrates the endogenous growth of the Company.

Management Discussion and Analysis

- (3) Impairment of goodwill and certain intangible assets related to the Group's business in the United States and Laos: the impairment of the Group's United States business resulted from HRC Medical's performance falling short of projections and an influx of young physicians and the expansion of new clinics introducing uncertainties over the foreseeable period. Further, the postponement of California's insurance coverage for IVF under Senate Bill 729 (SB729) has heightened such operational uncertainties. The impairment of the Group's business in Laos resulted from increasing uncertainty of Laotian policies in the IVF industry, thus the Group decided to discontinue the operations of Jinrui Medical Center in Laos.
- (4) Impairment losses recognized under the ECL (expected credit loss) model in respect of certain financial assets: attributable to (i) impairment losses in receivable from Chengdu Jinlin Corporate Management Co., Ltd. ("**Chengdu Jinlin**"), where in assessing the expected credit loss of the amount due from Chengdu Jinlin, the Group considered all possible collection efforts, including collection of Chengdu Jinlin's receivable from a third party; (ii) impairment losses in receivable due from Jincheng Hongda and Jinxin Aijian where in assessing the ECL of the amount due from Jincheng Hongda and Jinxin Aijian, the Group considered the depreciation of properties owned by Jincheng Hongda amid China's property market trends and the impairment arising from the suspension of operations of Jinxin Aijian; and (iii) impairment losses in a refundable investment deposit, where the Group assessed the ECL of the amount of such deposit based on the result of an arbitration proceeding.
- (5) One-off contribution to Jinjiang District Maternity and Child Health Hospital: this is a one off contribution to the Jinjiang District Maternity and Child Health Hospital which the Group co-manages under the IOT agreement to support its upgrading in facilities and expansion in business.
- (6) Depreciation of renovation expenses at Wuhan Jinxin Hospital: arises from the re-evaluation of Wuhan Jinxin Hospital's lease schedule.

Inventories

Inventories of the Group decreased by 9.2% from approximately RMB50.9 million as at December 31, 2024 to approximately RMB46.2 million as at June 30, 2025, primarily due to improved supply chain and inventory management efficiency.

Accounts and Other Receivables

Accounts and other receivables of the Group decreased by 6.4% from approximately RMB322.3 million as at December 31, 2024 to approximately RMB301.6 million as at June 30, 2025.

Accounts and Other Payables

Accounts and other payables of the Group increased by 1.7% from approximately RMB737.8 million as at December 31, 2024 to approximately RMB750.6 million as at June 30, 2025.

Liquidity and Capital Resources

The business operations and expansion plans of the Group require a significant amount of capital, including upgrading the Group's existing medical facilities and establishing and acquiring new medical institutions and other working capital requirements. In June 2019, the Group received total proceeds of approximately HK\$2,808.1 million from the Listing, after deducting the underwriting fees, commissions and related Listing expenses. In February 2021, the Group received total net proceeds of approximately HK\$1,253.5 million from the Placing (as defined hereinafter). The Group also obtained additional funding from syndicated loan facilities of up to US\$300 million in 2021 and a drawdown in full of such bank facilities in March 2022 which have been fully repaid. On January 5, 2023, an aggregate of 175,000,000 placing Shares have been placed by the Company to not less than six placees at the placing price of HK\$6.725 per placing Share and the Company received total net proceeds of approximately HK\$ 1,162.31 million (equivalent to approximately RMB999.0 million). The placees, together with their respective ultimate beneficial owners are third parties independent of and not connected with the Company or its connected persons. None of the placees has become a substantial Shareholder immediately upon completion of the placing. The placing has been



completed on January 16, 2023. In 2025, the Group obtained new loans amounting to approximately RMB1,695.5 million. The share capital of the Company only comprises ordinary shares. As at June 30, 2025, the authorized share capital of the Company was US\$50,000 divided into 5,000,000,000 Shares. The capital structure of the Group was 33.9% debt and 66.1% equity as at June 30, 2025, compared with 30.8% debt and 69.2% equity as at December 31, 2024. Therefore, the Directors are of the view that the Group has sufficient resources to meet its future business operations and expansion.

Significant Investments, Material Acquisitions and Disposals

Save as disclosed above, as at June 30, 2025, there were no significant investments held by the Company, nor were any material acquisitions or disposals of subsidiaries, associates and joint ventures.

Borrowings

As at June 30, 2025, the Group had bank borrowings of RMB2,367.6 million (December 31, 2024: RMB2,270.1 million).

Pledge of Assets

As at June 30, 2025, the Group's Jinyun Building was pledged as security for an equivalent amount of bank loans. Saved as disclosed, the Group did not pledge any other assets.

Contingent Liabilities and Guarantees

As at June 30, 2025, the Group did not have any material contingent liabilities or guarantees.

Contractual Obligations

As at June 30, 2025, the Group did not have any contractual obligations that would have a material effect on its financial position or results of operations.

Interest-bearing Debt Ratio

Interest-bearing debt ratio is calculated using the total amount of interest-bearing debt at the end of the period divided by total assets as at the end of the period and multiplied by 100%. As at June 30, 2025, the Group's interest-bearing debt ratio was 16.9% (December 31, 2024: 15.1%). The increase was mainly due to increase in bank borrowings by the Group.

Other Information

EMPLOYEES AND REMUNERATION POLICY

As of June 30, 2025, the Group and the medical facilities in its network had a total of 3,365 employees, of whom 3,037 were located in China and 328 were located overseas. The staff costs, including Directors' emoluments were approximately RMB396.7 million for the six months ended June 30, 2025, as compared to approximately RMB371.5 million for the six months ended June 30, 2024.

The Group also offers its employees the option to participate in its 2022 Share Award Scheme, which was adopted on February 17, 2022 and amended on June 25, 2024. Summary of the principal terms of the 2022 Share Award Scheme are set out in the circular of the Company dated May 31, 2024. The Company also had the Share Option Scheme and the Pre-IPO RSU Scheme which were terminated as of June 30, 2024, and no further award would be granted under such schemes, whilst the awards previously granted thereunder shall continue to be in full force and effect in accordance with the provisions thereof.

INTERIM DIVIDEND

The Board does not recommended payment of an interim dividend for the six months ended June 30, 2025 (for the six months ended June 30, 2024: nil).

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the CG Code as set out in Appendix C1 to the Listing Rules as its own code of corporate governance.

The Company has complied with all applicable code provisions of the CG Code during the six months ended June 30, 2025. The Company will continue to review and monitor its corporate governance practices to ensure compliance with the CG Code.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding Directors' securities transactions. Having made specific enquiries of all Directors, each of the Directors has confirmed that he or she has complied with the required standards as set out in the Model Code during the six months ended June 30, 2025.

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

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares). As at June 30, 2025, the Company held 13,000,000 treasury shares.

AUDIT AND RISK MANAGEMENT COMMITTEE

The Board has established the Audit and Risk Management Committee which is chaired by an independent non-executive Director, Mr. Ye Changqing, and consists of another two independent non-executive Directors, Dr. Chong Yat Keung and Mr. Wang Xiaobo, and two non-executive Directors, Mr. Chen Shuyun and Ms. Hu Zhe. The primary duties of the Audit and Risk Management Committee are to assist the Board by monitoring the Company's ongoing compliance with the applicable laws and regulations that govern its business operations, providing an independent view on the effectiveness of the Company's internal control policies, financial management processes and risk management systems, in particular, the implementation of the Company's anti-corruption and anti-bribery measures.

REVIEW OF INTERIM RESULTS AND INTERIM REPORT

The Audit and Risk Management Committee has jointly reviewed with the management the accounting principles and policies adopted by the Company and discussed internal control and financial reporting matters (including the review of the unaudited condensed consolidated financial statements of the Group for the six months ended June 30, 2025). The Audit and Risk Management Committee considered that the interim results and interim report are in compliance with the applicable accounting standards, laws and regulations, and the Company has made appropriate disclosures thereof.

AUDITORS

The Group's unaudited condensed consolidated financial statements for the six months ended June 30, 2025 have been reviewed by Deloitte Touche Tohmatsu, Certified Public Accountants, Hong Kong, the auditors of the Company.

CHANGES TO DIRECTORS' AND CHIEF EXECUTIVES' INFORMATION

Mr. Ye Changqing was appointed as an independent non-executive director of Hang Sang (Siu Po) International Holding Company Limited, a company listed on the Main Board of the Stock Exchange (stock code: 3626) with effect from June 13, 2025.

As at the date of this report, save as disclosed above, there were no changes in the Directors' and chief executives' information which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

RISK MANAGEMENT

Currency Risk

The business of the Group operates in the mainland China, Hong Kong, and the United States with its transactions settled in Renminbi, HK dollars and U.S. dollars, respectively. Renminbi is not a freely convertible currency and is subject to changes in central government policies and to international economic and political developments. Despite the fact that the Company currently has not adopted any hedging measure, the cost of U.S. dollar is covered by the revenue generated in U.S. dollar, which serves as a natural hedge. As a result, the Company does not believe that it currently has any significant direct foreign exchange risk and has not used any derivative financial instruments to hedge our exposure to such risk.

Other Information

Interest Rate Risk

The Group is exposed to cash flow interest rate risk in relation to variable-rate bank balances. Its cash flow interest rate risk is mainly concentrated on the fluctuation of interest rates on bank balances. The Directors consider that the overall interest rate risk is not significant and no sensitivity analysis is presented. The Company considers the interest rate risk associated with the financial assets at fair value through profit or loss and fixed rate time deposit to be limited because such instruments have a tenor of less than one year or are redeemable on demand.

Liquidity Risk

The Group aims to manage liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

USE OF PROCEEDS FROM LISTING

The total proceeds from the issue of new Shares by the Company in its Listing (after deducting the underwriting fees and related Listing expenses) amounted to approximately HK\$2,808.1 million and the unutilized net proceeds as at June 30, 2025 were kept at the bank accounts of the Group.

The net proceeds from the Listing (adjusted on a pro rata basis based on the actual net proceeds) have been and will be utilized in accordance with the purposes set out in the Prospectus. The table below sets out the planned applications of the net proceeds and actual usage up to June 30, 2025:

Use of proceeds	Planned applications (HK\$ million)	Percentage of total net proceed	Actual usage up to June 30, 2025 (HK\$ million)	Net proceeds	Unutilized net proceeds as at June 30, 2025 (HK\$ million)	Expected timeline for utilizing the remaining unutilized net proceeds ⁽²⁾
				brought forward for the Reporting Period (HK\$ million)		
To expand and upgrade existing assisted reproductive medical facilities in the Group's network in China and recruit medical professionals, including physicians and embryologists, in order to increase capacity, expand its service offering and market share ⁽¹⁾	702.0 ⁽¹⁾	25.0%	702.0	—	—	By December 2022
For the potential acquisition of additional assisted reproductive medical facilities in provinces in China we are currently not operating in ⁽³⁾	561.6	20.0%	561.6	—	—	By December 2021
For investment in research and development to enhance overall performance and maintain the Group's position at the forefront of assisted reproductive technology	280.8	10.0%	243.1	47.5	37.7	By December 2026
For the potential acquisitions of ARS service providers and businesses along the ARS service chain ⁽⁴⁾	561.6	20.0%	561.6	—	—	By December 2021
To improve brand awareness and general ARS awareness in both China and the United States	421.2	15.0%	421.2	—	—	By December 2025
For the Group's working capital and general corporate purposes ⁽⁵⁾	280.9	10.0%	280.9	—	—	By June 2022
Total	2,808.1	100%	2,770.4	37.7	37.7	

Other Information

Notes:

- (1) The Group intends to use (i) 20.0% or HK\$561.6 million to (a) expand and upgrade the medical facilities, (b) acquire additional medical equipment and (c) acquire and/or construct patient care facilities, and (ii) 5.0%, or HK\$140.4 million to recruit and expand medical professional teams and relevant supporting staff, including introducing professional staff specializing in prenatal services.
- (2) The expected timeline for utilizing the remaining proceeds is based on the best estimation of the future market conditions made by the Group. It will be subject to change based on the current and future development of market conditions.
- (3) Including the acquisition of equity interests of a hospital in Wuhan with assisted reproductive medical facilities and subsequent capital expenditure in connection with improving the hospital.
- (4) Including (i) formation of joint venture with the shareholders of Mengmei Life Pty. Ltd. and Jinxin Hospital Management Group Limited in relation to, among others, the promotion, customers acquisition and channels management related to IVF and (ii) acquisition of obstetrics, gynecology and pediatric business through Jinxin Medical Management (BVI) Group Limited.
- (5) Namely (i) consultation fees, including but not limited to fees for legal compliance, audit, investor relations/public relations, human resources, and operations; (ii) rental and office expense; and (iii) remuneration packages of the existing management team.

USE OF PROCEEDS FROM PLACING

On February 2, 2021, the Company entered into a placing agreement with Morgan Stanley & Co. International plc (the “**Placing Agent**”), pursuant to which the Placing Agent agreed to place 80,000,000 shares (or, failing which, to purchase itself as principal) on a fully underwritten basis to not less than six independent investors (the “**Placing**”). The Placing price was HK\$15.85 per share.

The closing of the Placing took place on February 9, 2021. The net proceeds from the Placing were approximately HK\$1,253.5 million, which have been and will be utilized in accordance with the purposes set out in the announcements of the Company dated February 2, 2021 and February 9, 2021 respectively. The table below sets out the planned applications of the net proceeds and actual usage up to June 30, 2025:

	Planned applications (HK\$ million)	Percentage of total net proceed	Actual usage up to June 30, 2025 (HK\$ million)	Net proceeds brought forward for the Reporting Period (HK\$ million)	Unutilized net proceeds as at June 30, 2025	Expected timeline for utilizing the net proceeds ⁽¹⁾
To fund potential merger and acquisition opportunities of ARS-licensed providers located in regions in the PRC with relatively high demand for ARS, such as in East China, the Beijing Tianjin-Hebei region, and other highly potential regions	1,002.8	80.0%	1,002.8	—	—	By December 2021
To fund potential merger and acquisition opportunities of ARS-licensed providers located outside the PRC, such as Southeast Asia and other Asia pacific countries	188.0	15.0%	188.0	—	—	By June 2024
For general corporate and working capital purposes	62.7	5.0%	62.7	—	—	By June 2022
Total	1,253.5	100%	1,253.5	—	—	

Note:

- (1) The expected timeline for utilizing the remaining proceeds was based on the best estimation of the future market conditions made by the Group. It was subject to change based on the current and future development of market conditions.

USE OF PROCEEDS FROM TOP-UP PLACING

On January 5, 2023, the Company entered into a placing and subscription agreement with JINXIN Fertility Investment Group Limited as vendor (the “**Vendor**”) and Morgan Stanley Asia Limited as placing agent (the “**Top-Up Placing Agent**”), pursuant to which (i) the Vendor agreed to sell, and the Top-Up Placing Agent agreed to procure purchaser to purchase, on a fully underwritten basis, 175,000,000 Shares at a price of HK\$6.725 per Share; and (ii) the Vendor agreed to subscribe as principal for, and the Company agreed to issue, 175,000,000 new Shares, being equivalent to the number of placing Shares thereunder at the same price (the “**Top-Up Placing**”).

The closing of the placing and subscription under the Top-Up Placing took place on January 9, 2023 and January 16, 2023, respectively. The net proceeds from the Top-Up Placing were approximately HK\$1,162.31 million, which have been and will be utilized in accordance with the purposes set out in the announcements of the Company dated January 5, 2023 and January 16, 2023, respectively. The table below sets out the planned applications of the net proceeds and actual usage up to June 30, 2025:

	Planned applications (HK\$ million)	Percentage of total net proceed	Actual usage up to June 30, 2025 (HK\$ million)	Net proceeds brought forward for the Reporting Period (HK\$ million)	Unutilized net proceeds as at June 30, 2025	Expected timeline for utilizing the remaining unutilized net proceeds ⁽¹⁾
To redeem and repay the relevant part of the outstanding convertible bonds issued by the Company on November 26, 2021 in the principal amount of HK\$1,814,706,000	987.96	85.0%	987.96	—	—	By June 2023
For the Group's working capital and general corporate purposes	174.35	15.0%	174.35	—	—	By December 2024
Total	1,162.31	100%	1,162.31	—	—	

Note:

- (1) The expected timeline for utilizing the remaining proceeds was based on the best estimation of the future market conditions made by the Group. It was subject to change based on the current and future development of market conditions.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this report and as at the date of this report, there were no material events after the Reporting Period.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

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

(i) Interest in Shares and underlying Shares

Names of Directors	Capacity/ nature of interest	Number of Shares/ underlying Shares	Approximate percentage of shareholding in the Company ⁽¹⁾	Long position/ Short position/ Lending pool
Mr. Zhong Yong ⁽²⁾	Beneficial owner	13,123,611	0.48%	Long position
Dr. John G. Wilcox ⁽³⁾	Beneficial owner	4,000,000	0.15%	Long position
Mr. Dong Yang ⁽⁴⁾	Beneficial owner	10,097,818	0.37%	Long position
Ms. Lyu Rong ⁽⁵⁾	Beneficial owner	11,977,318	0.43%	Long position
Ms. Yan Xiaoqing	Beneficial owner	3,016,000	0.11%	Long position
Dr. Geng Lihong ⁽⁶⁾	Beneficial owner	600,000	0.02%	Long position

Notes:

- (1) The calculation is based on the total number of 2,757,706,043 Shares in issue as at June 30, 2025.
- (2) Includes (i) 6,500,000 Shares beneficially owned by Mr. Zhong Yong and (ii) Mr. Zhong Yong's entitlement to Restricted Shares equivalent to 6,623,611 Shares granted to him under the 2022 Share Award Scheme, subject to vesting conditions.
- (3) Includes Dr. John G. Wilcox's entitlement to Restricted Shares equivalent to 4,000,000 Shares granted to him under the 2022 Share Award Scheme, subject to vesting conditions.
- (4) Includes (i) 6,678,500 Shares beneficially owned by Mr. Dong Yang and (ii) Mr. Dong Yang's entitlement to Restricted Shares equivalent to 3,419,318 Shares granted to him under the 2022 Share Award Scheme, subject to vesting conditions.
- (5) Includes (i) 6,558,000 Shares beneficially owned by Ms. Lyu Rong and (ii) Ms. Lyu Rong's entitlement to Restricted Shares equivalent to 5,419,318 Shares granted to her under the 2022 Share Award Scheme, subject to vesting conditions.
- (6) Includes Dr. Geng Lihong's entitlement to Restricted Shares equivalent to 600,000 Shares granted to her under the 2022 Share Award Scheme, subject to vesting conditions.

(ii) Interest in the Company's associated corporations

Names of Directors	Capacity/ nature of interest	Name of associated corporation	Approximate percentage of shareholding interest
Ms. Lyu Rong	Beneficial owner	Jinyi Hongkang	51% ⁽¹⁾
Ms. Yan Xiaoqing	Beneficial owner	Jinrun Fude	51% ⁽²⁾

Notes:

- (1) Ms. Lyu Rong, one of the Jinyi Hongkang Registered Shareholders, holds 51% of the equity interest in Jinyi Hongkang. Jinyi Hongkang is a subsidiary of the Company by virtue of the 2022 Contractual Arrangements.
- (2) Ms. Yan Xiaoqing, one of the Jinrun Fude Registered Shareholders, holds 51% of the equity interest in Jinrun Fude. Jinrun Fude is a subsidiary of the Company by virtue of the Xinan Clinic and Shenzhen Zhongshan Contractual Arrangements.

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

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as otherwise disclosed in this report, at no time during the Reporting Period was the Company or any of its subsidiaries a party to any arrangement that would enable the Directors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors or any of their spouses or children under the age of 18 were granted any right to subscribe for the equity or debt securities of the Company or any other body corporate or had exercised any such right.

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

As at June 30, 2025, to the best knowledge of the Directors, the following persons (not being a Director or chief executive of the Company) had interests or short positions in the Shares or underlying Shares which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Names of Shareholders	Capacity/ nature of interest	Number of Shares/ underlying Shares	Approximate percentage of shareholding in the Company ⁽²⁾	Long position/ Short position/ Lending pool
Jinxin Fertility BVI ⁽¹⁾	Beneficial owner	319,471,061	11.58%	Long position
HRC Investment	Beneficial owner	156,131,039	5.66%	Long position

Notes:

- (1) Jinxin Fertility BVI is ultimately controlled by the individual Shareholders, and none of the individual Shareholders are interested in 10% or more of the Company's issued share capital upon Listing and remain as one of our substantial Shareholders upon Listing and as at June 30, 2025.
- (2) The calculation is based on the total number of 2,757,706,043 Shares in issue as at June 30, 2025.

Save as disclosed above, as at June 30, 2025, the Directors were not aware of any persons (who were not Directors or chief executive of the Company) who had an interest or short position in the Shares or underlying Shares which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or which would be required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein.

Pre-IPO RSU SCHEME

The Pre-IPO RSU Scheme was approved and adopted by the Board on February 15, 2019 (the "**Pre-IPO RSU Adoption Date**"), which has been terminated during the Reporting Period. Following its termination, no more RSU will be granted under the Pre-IPO RSU Scheme. The following is a summary of the principal terms of the Pre-IPO RSU Scheme but does not form part of, nor was it intended to be, the Pre-IPO RSU Scheme nor should it be taken as affecting the interpretation of the rules of the Pre-IPO RSU Scheme:

(1) Purpose of the Pre-IPO RSU Scheme

The purposes of the Pre-IPO RSU Scheme are to (i) provide the selected participants of the Pre-IPO RSU Scheme (the "**Selected Participants**") with the opportunity to acquire proprietary interests in the Company; (ii) encourage the grantees to work towards enhancing the value of the Company and the Shares for the benefit of the Company and Shareholders as a whole; and (iii) provide the Company with a flexible means of either retaining, incentivizing, reward, remunerating, compensating and/or providing benefits to the Selected Participants.

(2) Selected Participants of the Pre-IPO RSU Scheme

Persons eligible to receive RSUs under the Pre-IPO RSU Scheme are any employee, director, officer, consultant or advisor of any member of the Group, or any entity which is managed by any member of the Group (the “**Managed Entity**”) whom the Board considers, in its sole discretion, to have contributed or will contribute to the growth and development of the Group or any Managed Entity.

(3) Total number of Shares to be granted

The total number of the RSUs which may be issued upon exercise of all grants made pursuant to the Pre-IPO RSU Scheme shall not exceed in 32,981,388 Shares, representing approximately 1.66% of the Company's issued share capital as of the Pre-IPO RSU Adoption Date (the “**RSU Scheme Limit**”), and representing approximately 1.20% of the Shares in issue (excluding treasury Shares) as at the date of this report. As at the date of this report, no further RSUs are available for grant.

(4) Maximum entitlement of each Selected Participant

The maximum entitlement of each participant under the Pre-IPO RSU Scheme shall not exceed any limits that may be imposed under the Listing Rules from time to time as amended and in force. Any further grant of RSUs to any one participant in excess of such imposed limit shall be subject to the Shareholders' approval in general meeting with such participant and his associates abstaining from voting.

(5) Vesting Period of RSUs under the Pre-IPO RSU Scheme

RSUs granted generally vest over a period ranging from 1 month to 5 years. The vesting schedule of the RSUs will be in equal installments over the vesting period for each corresponding Selected Participant upon satisfaction of the respective performance target on the respective anniversary dates of the vesting commencement date.

(6) Grant of RSUs and acceptance of offers

RSUs may be accepted by a grantee within a certain number of days from the date of the offer of the grant of the RSUs as indicated in the offer letter. The RSUs under the Pre-IPO RSU Scheme were granted to the Selected Participants at nil consideration and were or will be transferred to the Selected Participants upon vesting at nil consideration.

(7) Life of the Pre-IPO RSU Scheme

The Pre-IPO RSU Scheme commences on the Pre-IPO RSU Adoption Date and would remain valid and effective unless and until being terminated upon the expiry of the period of ten years from such date, unless terminated earlier by a resolution of the Board. Since the Company has no intention to make further grants under the Pre-IPO RSU Scheme, as at June 30, 2025, the Pre-IPO RSU Scheme was terminated and no further RSUs would be granted under such scheme, whilst the RSUs previously granted under the Pre-IPO RSU Scheme shall continue to be in full force and effect in accordance with the provisions thereof.

There were no RSUs available for grant under the Pre-IPO RSU Scheme as at January 1, 2025 and June 30, 2025, and no RSU was granted during the Reporting Period.

The table below shows details of the outstanding RSUs granted under the Pre-IPO RSU Scheme which shall be satisfied by the issuance of new Shares:

Name of Participant or Category of Participant	Date of Grant	Vesting Period ⁽¹⁾	Closing price of Shares immediately before the date on which the award Shares were granted (HK\$)	Number of unvested award Shares held at January 1, 2025	Number of award Shares granted during the Reporting Period	Number of award Shares lapsed and cancelled	Number of award Shares vested	Number of unvested award Shares held at June 30, 2025	Weighted average closing price of the Shares immediately before the dates on which the award Shares were vested (HK\$)	Fair value of award Shares at the date of grant (HK\$)
Directors, chief executive or substantial shareholders of the listed issuer, or their respective associates										
N/A										
Participant with options and awards granted and to be granted in excess of the 1% individual limit										
N/A										
Related entity participant or service provider with options and awards granted and to be granted in any 12-month period exceeding 0.1% of the relevant class of Shares in issue (excluding treasury Shares)										
N/A										
Other employee participants										
	January 10, 2021	6 months–3 years	15.18	874,468	—	749,468	125,000	—	6.68	15.18
	June 1, 2021	8 months–3 years	21.25	125,000	—	—	125,000	—	4.80	21.25
	March 1, 2022	10 months–3 years	8.89	33,334	—	—	33,334	—	3.95	8.94
	April 19, 2024	1–5 Years	2.31	1,764,360	—	—	—	1,764,360	—	2.27
Other related entity participants										
	January 10, 2021	6 months–3 years	15.18	278,700	—	—	139,350	139,350	4.17	15.18
	January 31, 2022	1 month–5 years	7.76	1,612,476	—	—	537,492	1,074,984	2.43	7.76
Other service providers										
N/A										
Total				4,688,338	—	749,468	960,176	2,978,694		

Notes:

- (1) The vesting of the RSUs shall be subject to certain vesting conditions based on a set of indicators that are linked with, and subject to, the results of individual performance assessments carried out by the Group and the achievement of the overall performance targets of the relevant hospitals and members of the Group as well as the results of individual performance assessments carried out by the Group for each corresponding Selected Participant.
- (2) The purchase price for the award Shares transferred or to be transferred to the Selected Participants upon vesting is nil.
- (3) The number of Shares that may be issued in respect of the RSUs granted under the Pre-IPO RSU Scheme during the Reporting Period divided by the weighted average number of Shares of the relevant class in issue for the Reporting Period was 0.07%.

2022 Share Award Scheme

The 2022 Share Award Scheme was approved and adopted by the Board on February 17, 2022 (the “**2022 Scheme Adoption Date**”), which has been amended on June 25, 2024 (the “**2022 Scheme Amendment Date**”) to bring its terms in alignment with the amended Chapter 17 of the Listing Rules. The following is a summary of the principal terms of the 2022 Share Award Scheme but does not form part of, nor was it intended to be, the 2022 Share Award Scheme nor should it be taken as affecting the interpretation of the rules of the 2022 Share Award Scheme:

(1) Purpose of the 2022 Share Award Scheme

The purposes of the 2022 Share Award Scheme are to (i) provide the selected participants of the 2022 Share Award Scheme (the “**Award Selected Participants**”) with the opportunity to acquire proprietary interests in the Company; (ii) encourage the Award Selected Participants to work towards enhancing the value of the Company and the Shares for the benefit of the Company and Shareholders as a whole; and (iii) provide the Company with a flexible means of either retaining, incentivizing, reward, remunerating, compensating and/or providing benefits to the Award Selected Participants.

(2) Award Selected Participants of the 2022 Share Award Scheme

Persons eligible to receive Restricted Shares under the 2022 Share Award Scheme comprise Employee Participants, Related Entity Participants and Service Providers (as defined in the 2022 Share Award Scheme). Please refer to the circular of the Company dated May 31, 2024 for further details of the eligible participants.

(3) Total number of Shares to be granted

The total number of the Restricted Shares which may be issued upon vesting of all grants made pursuant to the 2022 Share Award Scheme shall not exceed in 75,227,514 Shares, representing approximately 3% of the Company's issued share capital as of the Award Adoption Date (the “**2022 Scheme Mandate Limit**”), and representing approximately 2.74% of the Shares in issue (excluding treasury Shares) as at the date of this report, provided that no account shall be taken into the calculation of the 2022 Scheme Mandate Limit of any Shares where the right to acquire such Shares has been released, lapsed or vested in accordance with the 2022 Share Award Scheme. The total number of Restricted Shares which may be issued upon vesting of all grants made to Service Providers pursuant to the 2022 Share Award Scheme shall not exceed 8,273,118 Shares (the “**2022 Service Provider Sublimit**”), representing approximately 0.3% of the total number of Shares in issue (excluding treasury Shares) as at the 2022 Scheme Amendment Date and as at the date of this report. As at the date of this report, (i) the total number of Shares available for issue under the 2022 Share Award Scheme is 9,374,273 Shares, representing approximately 0.34% of the Shares in issue (excluding treasury Shares) as at that date, and (ii) the total number of Shares available for issue to Service Providers under the 2022 Share Award Scheme is 8,273,118 Shares, representing 0.3% of the Shares in issue (excluding treasury Shares) as at that date.

(4) Maximum entitlement of each Award Selected Participant

The maximum entitlement of each participant under the 2022 Share Award Scheme shall not exceed any limits that may be imposed under the Listing Rules from time to time as amended and in force. Any further grant of restricted Shares to any one participant in excess of such imposed limit shall be subject to the Shareholders' approval in general meeting with such participant and his associates abstaining from voting.

(5) Vesting Period of restricted Shares under the 2022 Share Award Scheme

Restricted Shares granted generally vest over a five-year period. The vesting schedule of the restricted Shares will usually be in equal yearly installments over the vesting period for each corresponding grantee upon satisfaction of the relevant performance targets on the respective anniversary dates of the grant, save as determined by the Board at its discretion.

(6) Grant of restricted Shares and acceptance of offers

Restricted Shares may be accepted by a grantee within a certain number of days from the date of the offer of the grant of the restricted Shares as indicated in the offer letter. The restricted Shares under the 2022 Share Award Scheme were granted to the Award Selected Participants at nil consideration and were or will be transferred to the Award Selected Participants upon vesting at nil consideration.

(7) Life of the 2022 Share Award Scheme

The 2022 Share Award Scheme commences on the 2022 Award Adoption Date and remains valid and effective unless and until being terminated upon the expiry of the period of ten years from such date, unless terminated earlier by a resolution of the Board. As such, as at June 30, 2025, the remaining life of the 2022 Share Award Scheme is approximately six years and five months.

The total number of Restricted Shares available for grant to Award Selected Participants under the 2022 Share Award Scheme was 9,374,273 as at January 1, 2025 and June 30, 2025, and the total number of Restricted Shares available for grant to Service Providers under the 2022 Share Award Scheme was 8,273,118 Shares as at January 1, 2025 and June 30, 2025.

Other Information

The table below shows details of the Restricted Shares granted under the 2022 Share Award Scheme during the Reporting Period which shall be satisfied by the issuance of new Shares:

Name of Participant or Category of Participant	Date of Grant	Vesting Period ⁽¹⁾	Closing price of Shares immediately before the date on which the Restricted Shares were granted (HK\$)	Number of unvested Restricted Shares held at January 1, 2025	Number of Restricted Shares granted during the Reporting Period	Number of Restricted Shares lapsed	Number of Restricted Shares cancelled	Number of Restricted Shares vested	Number of Restricted Shares held at June 30, 2025	Weighted average closing price of the Shares immediately before the dates on which the Restricted Shares were vested (HK\$)	Fair value of Restricted Shares at the date of grant (HK\$)
Directors, chief executive or substantial shareholders of the listed issuer, or their respective associates											
Dr. John G. Wilcox (resigned on August 27, 2025)	March 27, 2023	1 year-5 years	5.38	4,000,000	—	—	—	1,000,000	3,000,000	2.70	5.40
Mr. Zhong Yong	March 27, 2023	1 year-5 years	5.38	5,319,343	—	—	—	—	5,319,343	—	5.40
Mr. Dong Yang	March 27, 2023	1 year-5 years	5.38	5,419,318	—	—	2,000,000	—	3,419,318	—	5.40
Ms. Lyu Rong	March 27, 2023	1 year-5 years	5.38	4,335,454	—	—	—	—	4,335,454	—	5.40
Dr. Geng Lihong	March 27, 2023	1 year-5 years	5.38	480,000	—	—	—	—	480,000	—	5.40
Participant with options and awards granted and to be granted in excess of the 1% individual limit											
N/A											
Related entity participant or service provider with options and awards granted and to be granted in any 12-month period exceeding 0.1% of the relevant class of Shares in issue (excluding treasury Shares)											
N/A											
Other employee participants											
	January 18, 2023	1 year-5 years	7.34	24,118,698	—	50,200	—	2,000,000	22,068,498	2.53	7.34
	March 27, 2023	1 year-5 years	5.38	6,101,961	—	239,208	—	—	5,862,753	2.37	5.40
Other related entity participants											
	January 18, 2023	1 year-5 years	7.34	816,981	—	—	—	—	816,981	—	7.34
Other service providers											
N/A											
Total			50,591,755	—	289,408	2,000,000	3,000,000	45,302,347			

Notes:

- The vesting schedule of the Restricted Shares will be in equal yearly installments over the vesting period for each corresponding grantee upon satisfaction of the relevant performance targets on the respective anniversary dates of the grant.
- The purchase price for the Restricted Shares transferred or to be transferred to the Award Selected Participants upon vesting is nil.
- As no new Shares were issued during the Reporting Period in respect of the Restricted Shares granted under the 2022 Share Award Scheme, it is not applicable for the Company to set out the number of Shares that may be issued in respect of the Restricted Shares granted under the 2022 Share Award Scheme during the Reporting Period divided by the weighted average number of Shares of the relevant class in issue for the Reporting Period.

The table below shows details of the Restricted Shares granted under the 2022 Share Award Scheme during the Reporting Period which shall be satisfied by existing shares acquired by trustee(s) of the Company:

Name of Participant or Category of Participant	Date of Grant	Vesting Period ⁽¹⁾	Closing price of Shares immediately before the date on which the Restricted Shares were granted (HK\$)	Number of unvested Restricted Shares held at January 1, 2025	Number of Restricted Shares granted during the Reporting Period	Number of Restricted Shares lapsed	Number of Restricted Shares cancelled	Number of Restricted Shares vested	Number of Restricted Shares held at June 30, 2025	Weighted average closing price of the Shares immediately before the dates on which the Restricted Shares were vested (HK\$)	Fair value of Restricted Shares at the date of grant (HK\$)
Directors of the listed issuer											
				N/A							
Five highest paid individuals in aggregate (excluding Directors)											
				N/A							
Related entity participant or service provider with options and awards granted and to be granted in any 12-month period exceeding 0.1% individual limit											
				N/A							
Other grantees in aggregate											
Other Employee Participant	April 19, 2024	1 year–5 years	2.31	4,000,000	—	—	—	1,000,000	3,000,000	2.81	2.27
Total				4,000,000	—	—	—	1,000,000	3,000,000		

Notes:

- (1) The vesting schedule of the Restricted Shares will be over the vesting period for each corresponding grantee upon satisfaction of the relevant performance targets determined by the Board.
- (2) The purchase price for the Restricted Shares transferred or to be transferred to the Award Selected Participants upon vesting is nil.
- (3) As at June 30, 2025, the trustee of the 2022 Share Award Scheme, pursuant to the rules of the 2022 Share Award Scheme, held 3,000,000 Shares it purchased from the secondary market for the purpose of satisfying grants of the Restricted Shares.

Deloitte.

德勤

TO THE BOARD OF DIRECTORS OF JINXIN FERTILITY GROUP LIMITED

錦欣生殖醫療集團有限公司

(incorporated in the Cayman Islands with limited liability)

Introduction

We have reviewed the condensed consolidated financial statements of Jinxin Fertility Group Limited (the “**Company**”) and its subsidiaries set out on pages 43 to 78, which comprise the condensed consolidated statement of financial position as of 30 June 2025 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and notes to the condensed consolidated financial statements. 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 International Accounting Standard 34 “Interim Financial Reporting” (“**IAS 34**”) as issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements 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” as issued by the Hong Kong Institute of Certified Public Accountants. A review of these condensed consolidated financial statements 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 condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong
25 August 2025

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2025

	NOTES	Six months ended 30 June	
		2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Revenue	3	1,288,587	1,443,756
Cost of revenue		(897,178)	(860,740)
Gross profit		391,409	583,016
Other income	4	12,788	26,529
Other expense	5	(52,455)	(577)
Other gains and losses, net	6	(7,767)	(3,808)
Impairment under expected credit loss ("ECL") model	7	(99,009)	—
Impairment losses recognised on goodwill, license, contractual right to provide management services and trademark	14	(992,579)	—
Research and development expenses		(9,028)	(10,888)
Administrative expenses		(218,999)	(215,694)
Selling and distribution expenses		(73,810)	(86,272)
Share of results of associates		5,573	1,976
Share of result of a joint venture		(1,550)	—
Finance costs	8	(43,073)	(28,526)
(Loss) profit before taxation	9	(1,088,500)	265,756
Income tax expenses	10	44,380	(75,443)
(Loss) profit for the period		(1,044,120)	190,313
Other comprehensive (expense) income:			
<i>Item that will not be reclassified to profit or loss:</i>			
Fair value loss on:			
– Investment in equity instrument at fair value through other comprehensive income ("FVTOCI")		(48,627)	—
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation of foreign operations		(13,591)	18,956
Other comprehensive (expense) income for the period		(62,218)	18,956
Total comprehensive (expense) income for the period		(1,106,338)	209,269

*Condensed Consolidated Statement of
Profit or Loss and Other Comprehensive Income (Continued)*

For the six months ended 30 June 2025

	NOTES	Six months ended 30 June	
		2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
(Loss) profit for the period attributable to:			
– Owners of the Company		(1,039,916)	189,682
– Non-controlling interests		(4,204)	631
		<u>(1,044,120)</u>	<u>190,313</u>
Total comprehensive (expense) income for the period attributable to:			
– Owners of the Company		(1,101,608)	208,396
– Non-controlling interests		(4,730)	873
		<u>(1,106,338)</u>	<u>209,269</u>
(Loss) earnings per share:			
– Basic (RMB)	12	<u>(0.39)</u>	<u>0.07</u>
– Diluted (RMB)		<u>(0.39)</u>	<u>0.07</u>

Condensed Consolidated Statement of Financial Position

As at 30 June 2025

	NOTES	As at 30 June 2025 RMB'000 (unaudited)	As at 31 December 2024 RMB'000 (audited)
Non-current assets			
Property, plant and equipment	13	2,859,814	2,811,993
Right-of-use assets	13	529,434	458,909
Goodwill		2,873,675	3,506,618
Licenses		1,423,669	1,486,273
Non-compete agreement		17,090	18,186
Contractual right to provide management services		1,803,213	2,026,410
Trademarks		2,571,562	2,682,046
Interests in associates accounted for using equity method		392,157	391,626
Financial assets at fair value through profit or loss ("FVTPL")		80,000	80,000
Equity instrument at FVTOCI	15	35,676	84,303
Interest in a joint venture		24,784	26,334
Loans receivable	16	29,965	29,133
Refundable deposits		15,916	64,827
Amounts due from related parties	17	13,500	76,253
Deferred tax assets	20	124,074	124,487
Life insurance policy		24,698	24,467
		12,819,227	13,891,865
Current assets			
Inventories		46,150	50,948
Accounts and other receivables	16	301,550	322,265
Amounts due from related parties	17	61,187	86,955
Tax recoverable		61,540	58,940
Time deposits		—	24,625
Other financial assets at FVTPL		40,121	—
Bank balances and cash		679,650	546,196
		1,190,198	1,089,929

Condensed Consolidated Statement of Financial Position

As at 30 June 2025

	NOTES	As at 30 June 2025 RMB'000 (unaudited)	As at 31 December 2024 RMB'000 (audited)
Current liabilities			
Accounts and other payables	18	750,552	737,772
Amounts due to related parties	17	13,721	20,459
Lease liabilities		78,418	53,505
Tax payables		31,351	30,178
Bank borrowings	19	464,009	1,277,537
		1,338,051	2,119,451
Net current liabilities		(147,853)	(1,029,522)
Total assets less current liabilities		12,671,374	12,862,343
Non-current liabilities			
Lease liabilities		363,429	281,372
Deferred tax liabilities	20	1,150,471	1,234,225
Bank borrowings	19	1,903,549	992,559
		3,417,449	2,508,156
Net assets		9,253,925	10,354,187
Capital and reserves			
Share capital	21	182	182
Reserves		9,187,830	10,274,237
Equity attributable to owners of the Company		9,188,012	10,274,419
Non-controlling interests		65,913	79,768
Total equity		9,253,925	10,354,187

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Attributable to owners of the Company											
	Share capital	Share premium	Shares held for restricted share award scheme	Capital reserve	Translation reserve	Statutory reserve	Equity-settled share-based payment reserve	FVTOCI revaluation reserve	Retained profits	Sub-total	Non-controlling interests	Total
	RMB'000	RMB'000	RMB'000 (Note 22)	RMB'000	RMB'000	RMB'000 (Note (a))	RMB'000	RMB'000 (Note 15)	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2025 (audited)	<u>182</u>	<u>8,768,724</u>	<u>(3)</u>	<u>(402,843)</u>	<u>(20,827)</u>	<u>152,490</u>	<u>66,089</u>	<u>—</u>	<u>1,710,607</u>	<u>10,274,419</u>	<u>79,768</u>	<u>10,354,187</u>
Loss for the period	—	—	—	—	—	—	—	—	(1,039,916)	(1,039,916)	(4,204)	(1,044,120)
Other comprehensive expense for the period	—	—	—	—	(13,065)	—	—	(48,627)	—	(61,692)	(526)	(62,218)
Total comprehensive expense for the period	—	—	—	—	(13,065)	—	—	(48,627)	(1,039,916)	(1,101,608)	(4,730)	(1,106,338)
Recognition of equity-settled share-based payments (Note 22)	—	—	—	—	—	—	15,201	—	—	15,201	—	15,201
Vesting of restricted shares	—	20,422	*	—	—	—	(20,422)	—	—	—	—	—
Dividends to non-controlling interests	—	—	—	—	—	—	—	—	—	—	(9,125)	(9,125)
Transfer to statutory reserve (Note (a))	—	—	—	—	—	54,495	—	—	(54,495)	—	—	—
At 30 June 2025 (unaudited)	<u>182</u>	<u>8,789,146</u>	<u>(3)</u>	<u>(402,843)</u>	<u>(33,892)</u>	<u>206,985</u>	<u>60,868</u>	<u>(48,627)</u>	<u>616,196</u>	<u>9,188,012</u>	<u>65,913</u>	<u>9,253,925</u>

* The amount is less than RMB1,000.

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Attributable to owners of the Company										Total
	Share capital RMB'000	Share premium RMB'000	Shares held for restricted share award scheme RMB'000 (Note 22)	Capital reserve RMB'000	Translation reserve RMB'000	Statutory reserve RMB'000 (Note a)	Equity-settled share-based payment reserve RMB'000	Retained profits RMB'000	Sub-total RMB'000	Non-controlling interests RMB'000	
At 1 January 2024 (audited)	180	8,904,097	(2)	(402,668)	(74,927)	130,809	85,592	1,448,342	10,091,423	95,389	10,186,812
Profit for the period	—	—	—	—	—	—	—	189,682	189,682	631	190,313
Other comprehensive income for the period	—	—	—	—	18,714	—	—	—	18,714	242	18,956
Total comprehensive income for the period	—	—	—	—	18,714	—	—	189,682	208,396	873	209,269
Repurchase of shares (Note (b))	—	(12,644)	*	—	—	—	—	—	(12,644)	—	(12,644)
Dividends recognised as distribution (Note 11)	—	(150,000)	—	—	—	—	—	—	(150,000)	—	(150,000)
Recognition of equity-settled share-based payments (Note 22)	—	—	—	—	—	—	37,115	—	37,115	—	37,115
Vesting of restricted shares	—	33,704	*	—	—	—	(33,704)	—	—	—	—
Issue of shares for RSU Scheme (as defined and detailed in Note 22)	2	—	(2)	—	—	—	—	—	—	—	—
Dividends to non-controlling interests	—	—	—	—	—	—	—	—	—	(2,315)	(2,315)
Transfer to statutory reserve	—	—	—	—	—	27,178	—	(27,178)	—	—	—
At 30 June 2024 (unaudited)	182	8,775,157	(4)	(402,668)	(56,213)	157,987	89,003	1,610,846	10,174,290	93,947	10,268,237

* The amount is less than RMB1,000.

Notes:

- (a) Amount represented statutory reserve of the entities in the People's Republic of China (the "PRC"). According to the relevant laws in the PRC, companies established in the PRC with limited liability are required to transfer at least 10% of their net profit after taxation, as determined under the PRC accounting regulations, to a non-distributable reserve fund until the reserve balance reaches 50% of their registered capital. The transfer to this reserve must be made before the distribution of a dividend to owners. Such reserve fund can be used to offset the previous years' losses, if any, and is non-distributable other than upon liquidation.
- (b) During the six months ended 30 June 2024, the Company repurchased its own ordinary shares through the Stock Exchange for the satisfaction of awards to be granted under the 2022 RSU Scheme (as defined in Note 22). The Company repurchased 5,000,000 of its shares with a total amount of RMB12,644,000.

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Operating activities		
Operating cash flows before movements in working capital	343,315	468,444
Increase in accounts and other receivables	(2,993)	(35,679)
Decrease in amounts due from related parties	10,969	48,243
Decrease in accounts and other payables	(52,112)	(23,496)
Other changes in working capital and tax paid	(31,221)	(73,685)
Net cash from operating activities	267,958	383,827
Investing activities		
Interest received from banks	3,872	3,901
Interest received from time deposits	—	541
Proceeds from disposal of other financial assets at FVTPL	—	619,229
Purchase of other financial assets at FVTPL	(40,000)	(529,160)
Proceeds from disposal of property, plant and equipment	120	2,403
Purchase of property, plant and equipment	(124,660)	(67,056)
Prepayment of property, plant and equipment	(3,822)	(26,544)
Withdrawal of time deposits	—	265,113
Placement of time deposits	—	(268,134)
Refund from deposit paid for an equity investment	25,000	—
Repayments from related parties	—	383
Advances to related parties	(1,804)	(635)
Net cash (used in) from investing activities	(141,294)	41

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Financing activities		
Interest paid	(44,040)	(74,982)
Repayment of bank borrowings	(1,604,545)	(1,526,097)
New bank borrowings raised	1,695,513	1,421,692
Repayment of loan payables	—	(129,530)
Repayment of lease liabilities	(36,589)	(45,963)
Repayment to related parties	(6,408)	(1,601)
Payment on repurchase of shares	—	(12,644)
Interest paid for lease liabilities	(11,814)	(8,851)
Advances from related parties	—	165
Dividends paid to non-controlling interests	(9,125)	(2,315)
Net cash used in financing activities	(17,008)	(380,126)
Net increase in cash and cash equivalents	109,656	3,742
Cash and cash equivalents at beginning of the period	570,821	691,331
Effect of foreign exchange rate changes	(827)	418
Cash and cash equivalents at end of the period, represented by	679,650	695,491
Bank balances and cash	679,650	517,321
Time deposits with original maturity of less than three months	—	178,170
	679,650	695,491

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

1. GENERAL AND BASIS OF PREPARATION

Jinxin Fertility Group Limited (the “**Company**”, together with its subsidiaries collectively referred to as the “**Group**”) was incorporated and registered as an exempted company in the Cayman Islands with limited liability under Companies Law (2018 Revision) of the Cayman Islands, Cap. 22 (Law 3 of 1961) as amended or supplemented or otherwise modified from time to time on 3 May 2018 and its shares have been listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 25 June 2019. The addresses of the registered office of the Company and the principal place of business of the Company are disclosed in the section “Corporate Information” in the interim report.

The Company is an investment holding company. The major subsidiaries of the Company are principally engaged in the provision of (i) assisted reproductive services and related services; (ii) management services; (iii) other medical services including gynecology and pediatrics medical services; (iv) obstetrics medical services; and (v) sales of consumables and equipment.

The condensed consolidated financial statements are presented in RMB, which is also the functional currency of the Company.

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting* issued by the International Accounting Standards Board (“**IASB**”) as well as with the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange.

Going concern assessment

In preparing the Group’s condensed consolidated financial statements, the directors of the Company (“**Directors**”) have carefully considered the future liquidity of the Group in light of the fact that the Group’s current liabilities exceeded its current assets by RMB147,853,000 and the Group’s current liabilities primarily comprise of accounts and other payables amounting to RMB750,552,000 and bank borrowings which are due within one year amounting to RMB464,009,000 as at 30 June 2025.

The Directors have, at the time of approving the condensed consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future after considering the followings:

- as at 30 June 2025, the Group has unused banking facility of approximately RMB491,538,000, which is available for drawdown and utilisation in the course of ordinary business from the date of the approval of these condensed consolidated financial statements;
- subsequent to 30 June 2025, the Group has obtained additional banking facilities of approximately RMB350,000,000, which is made immediately available for the Group to utilise at the date of granting such facilities;
- the Directors reviewed the Group’s cash flow projections which cover a period of not less than twelve months from 30 June 2025, and have reasonable expectations that the Group is able to generate sufficient operating cash flow which enable the Group to meet its obligation when it falls due in the foreseeable future.

For the six months ended 30 June 2025

1. GENERAL AND BASIS OF PREPARATION (Continued)

Going concern assessment (Continued)

In view of the above circumstances, the Directors expects that the Group will have sufficient liquidity to meet its financial obligations that will be due in the coming twelve months from 30 June 2025. Accordingly, the condensed consolidated financial statements have been prepared on a going concern basis.

2. ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments are measured at fair values at the end of each reporting period, as appropriate.

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2025 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 December 2024.

Application of amendments to IFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to an IFRS Accounting Standard issued by the International Accounting Standards Board ("**IASB**"), for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2025 for the preparation of the Group's condensed consolidated financial statements:

Amendments to IAS 21

Lack of Exchangeability

The application of the amendments to an IFRS Accounting Standard in the current interim period has had no impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

Revenue represents the net amounts received and receivable for assisted reproductive services and related services, management services, other medical services including gynecology and pediatrics medical services, obstetrics medical services, and sales of consumables and equipment, net of discounts.

During the six months ended 30 June 2025 and 2024, the Group's revenue is mainly contributed from its operations in Chengdu, Shenzhen, Wuhan, Kunming, the United States of America (the "**U.S.A.** ") and Hong Kong Special Administrative Region ("**Hong Kong**").

Information reported to the chief executive officers, being the chief operating decision makers ("**CODM**"), for the purpose of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. The information reported to CODM is categorised into various jurisdictions, each of which is considered as a separate operating segment by the CODM.

3. REVENUE AND SEGMENT INFORMATION (Continued)

The Group's operating and reportable segments under IFRS 8 *Operating Segments* are operations located in the Mainland China and Hong Kong ("**Greater China**"), and the U.S.A. and Lao People's Democratic Republic ("**Laos**") (collectively referred to as "**Overseas**") during the six months ended 30 June 2025 and 2024. The following is an analysis of the Group's revenue and results by operating and reportable segments.

For the six months ended 30 June 2025:

	Greater China RMB'000 (unaudited)	Overseas RMB'000 (unaudited)	Consolidated RMB'000 (unaudited)
Revenue			
Segment revenue from external customers	985,473	303,114	1,288,587
Segment profit (loss)	28,692	(43,569)	(14,877)
Unallocated administrative expenses			(36,051)
Share-based compensation benefits			(15,201)
Certain interest on bank borrowings			(23,133)
Impairment losses recognised on goodwill, license, contractual right to provide management services and trademark			(992,579)
Certain exchange loss, net			(7,576)
Certain interest income from banks			917
Loss before taxation			(1,088,500)

For the six months ended 30 June 2024:

	Greater China RMB'000 (unaudited)	Overseas RMB'000 (unaudited)	Consolidated RMB'000 (unaudited)
Revenue			
Segment revenue from external customers	1,137,636	306,120	1,443,756
Segment profit	345,660	8,717	354,377
Unallocated administrative expenses			(30,004)
Share-based compensation benefits			(37,115)
Certain interest on bank borrowings			(16,339)
Certain exchange loss, net			(5,868)
Certain interest income from banks			118
Certain interest income from time deposits			587
Profit before taxation			265,756

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

3. REVENUE AND SEGMENT INFORMATION (Continued)

Revenue from major services

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Types of services		
Assisted reproductive and related services	690,739	778,072
Management services	252,656	287,371
Other medical services including gynecology and pediatrics medical services	205,239	201,655
Obstetrics medical services	98,937	116,384
Sales of consumables and equipment	41,016	60,274
Total	1,288,587	1,443,756

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Timing of revenue recognition		
A point in time recognition	657,113	781,330
Over time recognition	631,474	662,426
Total	1,288,587	1,443,756

Geographical information

On 30 June 2025, the non-current assets located in the Greater China and Overseas amounted to RMB9,042,821,000 and RMB3,477,275,000 respectively (31 December 2024: RMB9,070,095,000 and RMB4,362,767,000, respectively). Non-current assets as at 30 June 2025 and 31 December 2024 excluded equity instrument at FVTOCI, loans receivable, financial assets at FVTPL, refundable deposits, deferred tax assets and amounts due from related parties.

Information about major customers

Revenue from customers of the corresponding periods contributing over 10% of the total sales of the Group are as follows:

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Huntington Reproductive Center Medical Group ("HRC Medical")	228,331	237,925

For the six months ended 30 June 2025

4. OTHER INCOME

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Interest income from time deposits	—	587
Interest income from banks	3,873	3,901
Government grants	1,017	14,004
Others	7,898	8,037
	12,788	26,529

5. OTHER EXPENSES

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Contribution to Jinjiang District Maternity and Child Health Hospital (" Jinjiang Maternity ") (Note)	50,000	—
Compensations	1,019	498
Others	1,436	79
	52,455	577

Note:

During the current interim period, the Group provided one-off contribution amounted to RMB50,000,000 to Jinjiang Maternity with the special aim of enhancing Jinjiang Maternity's capacity (six months ended 30 June 2024: Nil). Jinjiang Maternity is a non-profit maternity and child healthcare hospital established in the PRC and the Group provided management service to Jinjiang Maternity in return for management service fees. Jinjiang Maternity is no longer a related party as the entity does not have the same beneficial shareholders with the Company since 19 January 2024.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

6. OTHER GAINS AND LOSSES, NET

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Fair value change of other financial assets at FVTPL	256	1,860
Exchange loss	(7,728)	(5,883)
Gain on early termination of leases	—	62
Net gain on a life insurance policy	331	303
Loss on disposal of property, plant and equipment	(641)	(117)
Others	15	(33)
Total	(7,767)	(3,808)

7. IMPAIRMENT UNDER EXPECTED CREDIT LOSS MODEL

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Impairment losses recognised in respect of		
Refundable deposit (Note)	20,000	—
Amounts due from related parties (Note 17)	79,009	—
	99,009	—

Note:

Pursuant to the subscription deposit agreement entered into between the Group and an independent party on 15 June 2021, the Group paid a refundable deposit of RMB50,000,000 for a potential investment. In accordance with the final arbitration dated 15 May 2025, the independent third party shall refund RMB25,000,000 to the Group. As a result, the Group has recognised an ECL provision of RMB20,000,000 (six months ended 30 June 2024: Nil) and written off the carrying amounts of this refundable deposit during the current interim period. The carrying amount of the refundable deposits was nil (2024: RMB45,000,000).

8. FINANCE COSTS

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Interest on bank borrowings (Note)	30,522	19,675
Interest on lease liabilities	12,551	8,851
	43,073	28,526

Note:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Total borrowing cost	49,811	67,447
Less: amounts capitalised in construction in progress	(19,289)	(47,772)
	30,522	19,675

Borrowing cost capitalised during the periods ended 30 June 2025 and 2024 arose on the specific borrowings.

9. (LOSS) PROFIT BEFORE TAXATION

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
(Loss) profit before taxation has been arrived at after charging:		
Cost of inventories recognised as expenses (representing pharmaceutical products and consumables used and sold, included in cost of revenue)	344,418	385,601
Share-based compensation benefits	15,201	37,115
Amortisation of licenses (included in administrative expenses)	22,438	22,438
Amortisation of non-compete agreement (included in administrative expenses)	747	736
Depreciation of property, plant and equipment	100,500	76,831
Depreciation of right-of-use assets	42,061	39,551

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

10. INCOME TAX EXPENSES

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Current tax:		
PRC Enterprise Income Tax ("EIT")	37,020	68,134
Hong Kong Profits Tax	2,046	1,747
California State Income Tax	169	161
Over provision in respect of prior year	(2,373)	—
	<u>36,862</u>	<u>70,042</u>
Withholding tax:	<u>—</u>	<u>1,446</u>
Deferred tax:		
Current period (Note 20)	<u>(81,242)</u>	<u>3,955</u>
	<u>(44,380)</u>	<u>75,443</u>

The Company is tax exempted under the laws of the Cayman Islands and its subsidiaries incorporated in the British Virgin Islands ("BVI") are also tax exempted under the laws of the BVI from a BVI tax perspective.

Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profit for the six months ended 30 June 2025 and 2024.

Certain subsidiaries of the Company are subject to U.S.A. corporate tax representing 21% of the applicable U.S.A. Federal Income Tax rate and an average of 8.84% for California State Income Tax rate for the six months ended 30 June 2025 and 2024 for their operations in the U.S.A. There was no assessable profit that was subject to U.S.A. Federal Income Tax during the six months ended 30 June 2025 and 2024.

Under the Law of the PRC on Enterprise Income Tax ("EIT Law") and implementation regulations of the EIT Law, the statutory EIT rate of subsidiaries of the Group operating in the PRC is 25%, except for certain subsidiaries that are engaged in "the Encouraged Industries in the Western Region" and eligible for the preferential EIT rate at 15%. The Company's subsidiaries that are tax residents in the PRC are subject to the PRC dividend withholding tax of 10% for the non-PRC tax resident immediate holding company established in Hong Kong, when and if undistributed earnings are declared to be paid as dividends out of profits that arose on or after 1 January 2008.

11. DIVIDENDS

During the current interim period, no dividend were paid, declared or proposed to owners of the Company.

During the six months ended 30 June 2024, a final cash dividend in respect of the year ended 31 December 2023 of HK5.95 cents (equivalent to RMB5 cents) per ordinary share, in an aggregate amount of RMB150,000,000 (2023: Nil), has been proposed by the Directors and approved by the shareholders in the annual general meeting held on 25 June 2024.

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

12. (LOSS) EARNINGS PER SHARE

The calculation of the basic and diluted (loss) earnings per share attributable to owners of the Company is based on the following data:

	Six months ended 30 June	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
(Loss) earnings		
(Loss) earnings for the purpose of basic and diluted (loss) earnings per share ((loss) profit for the period attributable to owners of the Company)	(1,039,916)	189,682
	Six months ended 30 June	
	2025	2024
	(unaudited)	(unaudited)
Number of shares		
Weighted average number of shares for the purpose of basic (loss) earnings per share	2,678,507,404	2,685,475,449
Effect of dilutive potential ordinary shares:		
Restricted Shares Units issued by the Company	—	14,181,186
Weighted average number of ordinary shares for the purpose of diluted (loss) earnings per share	2,678,507,404	2,699,656,635

For the six months ended 30 June 2025 and 2024, the weighted average number of ordinary shares for the purpose of calculation of basic (loss) earnings per share has been adjusted for the effect of ordinary shares held by the nominee under the RSU Scheme by the RSU Scheme's Nominee as described in Note 22 and the effect of the ordinary shares issued by the Company as described in Note 21.

For the six months ended 30 June 2025

12. (LOSS) EARNINGS PER SHARE (Continued)

For the six months ended 30 June 2025, as the Group incurred loss for the six months ended 30 June 2025, the potential ordinary shares arising from restricted shares were not included in the calculation of dilutive loss per share where their inclusion would be anti-dilutive.

For the six months ended 30 June 2024, the weighted average number of ordinary shares for the purpose of calculation of diluted earnings per share has been adjusted for the effect of assumption of the conversion of all potential dilutive ordinary shares arising from restricted shares.

13. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

During the current interim period, the Group paid approximately RMB124,660,000 for acquisition of property, plant and equipment to expand and upgrade certain fixed assets and hospital premises primarily in the PRC and the U.S.A. (30 June 2024: RMB67,056,000 for acquisition of property, plant and equipment to expand and upgrade certain fixed assets and hospital premises primarily in the PRC, Laos and the U.S.A.).

During the current interim period, the Group entered into three new lease agreements of buildings for the use of various buildings for 120 months, 126 months, 126 months respectively (six months ended 30 June 2024: Nil). On lease commencement, the Group recognised approximately RMB113,999,000 (six months ended 30 June 2024: Nil) of right-of-use assets and approximately RMB113,999,000 (six months ended 30 June 2024: Nil) lease liabilities.

14. IMPAIRMENT TESTING ON GOODWILL AND INTANGIBLE ASSETS

For the purposes of impairment testing, goodwill, contractual right to provide management services, trademarks, licenses and non-compete agreement acquired have been allocated to seven (2024: seven) individual CGUs and a group of CGUs (2024: a group of CGUs).

During the current interim period, the operating performance of HRC Management and its subsidiaries (collectively referred to as the “**HRC Management Group**”) fell below projections and the implementation of California’s insurance coverage for IVF under Senate Bill 729 was postponed. In response, the Group adjusted its strategic direction and performed revision on its cash flow projections accordingly. The recoverable amount of HRC Management Group is determined based on a value in use calculation. The Group has consequently recognised impairment of goodwill and intangible assets directly related to HRC Management Group amounting to RMB952,413,000 (six months ended 30 June 2024: Nil). Goodwill related to HRC Management Group amounting to RMB631,594,000 has been fully impaired and impairment amounting to RMB320,819,000 has been allocated pro rata to non-current assets of the CGU directly related to HRC Management Group, to the extent the carrying amount of these non-current assets are not reduced below the highest of their fair value less their value in use and zero. Accordingly, the Group has recognised impairment loss of contractual right to provide management services and trademarks amounting to RMB215,556,000 and RMB105,263,000 respectively (six months ended 30 June 2024: nil impairment of contractual right to provide management services and trademarks was recognised). The recoverable amount of the HRC Management Group amounted to RMB2,148,983,000 as at 30 June 2025.

14. IMPAIRMENT TESTING ON GOODWILL AND INTANGIBLE ASSETS (Continued)

The calculation uses cash flow projections based on financial forecasts approved by management covering a five-year period, a pre-tax discount rate of 17.8%, and declining growth rates of 22.6% to 10.9% to for HRC Management Group at 30 June 2025 (2024: a five-year period, a pre-tax discount rate of 17.8%, and declining growth rates of 26.8% to 13.1%). The remaining forecast cash flows beyond that five-year period are extrapolated for a two-year period from 7.9% to 7.6% for HRC Management Group at 30 June 2025 (2024: a two-year period from 6.0% to 4.0%), and then a steady 3% growth rate for the units thereafter (2024: 3%).

During the current interim period, the Group recognised an impairment loss of RMB40,166,000 (six months ended 30 June 2024: Nil) against the license recognised upon the acquisition of Jinrui Medical Center due to its suspension of operations in Laos. Given that no future cash inflow are expected, the non-current assets of the CGU directly related to Jinrui Medical Center have been fully impaired. The impairment loss of the license has been classified within impairment losses recognised on goodwill, license, contractual right to provide management services and trademark in the condensed consolidated statement of profit or loss.

15. EQUITY INSTRUMENT AT FVTOCI

During the year ended 31 December 2024, the Directors have elected to designate its equity investment in Chengdu Jincheng Hongda Enterprise Management Co., Ltd (“**Jincheng Hongda**”) as equity instrument at FVTOCI as they believe that recognising short-term fluctuations in this unlisted investment's fair value on profit or loss would not be consistent with the Group's strategy of holding this unlisted investment for long-term purposes and realising its performance potential in the long run. During the six months ended 30 June 2025, loss on fair value change of equity investment at FVTOCI amounted to RMB48,627,000 was recognised due to Jincheng Hongda's unsuccessful investment in andrology business by Chengdu Jinxin Aijian Hospital Co., Ltd. (“**Jinxin Aijian**”), a wholly owned subsidiary of Jincheng Hongda (six months ended 30 June 2024: Nil). At 30 June 2025, the fair value of the equity investment at FVTOCI was RMB35,676,000 (2024: RMB84,303,000).

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For the six months ended 30 June 2025

16. ACCOUNTS AND OTHER RECEIVABLES

	At 30 June 2025 RMB'000 (unaudited)	At 31 December 2024 RMB'000 (audited)
Accounts receivables	199,330	234,406
Other receivables and prepayments:		
Prepayments to a director of a subsidiary	—	13,001
Prepayments to suppliers	60,958	52,239
Interest receivables	445	442
Loans receivable	29,965	29,133
Others	40,817	22,177
	<u>331,515</u>	<u>351,398</u>
Less: Loans receivable classified as non-current assets (Note)	<u>(29,965)</u>	<u>(29,133)</u>
Total accounts and other receivables as current assets	<u>301,550</u>	<u>322,265</u>

Notes:

The amounts represent US\$3,172,000 (equivalent to approximately RMB22,708,000) (2024: US\$3,115,000 (equivalent to approximately RMB22,391,000)) loan receivable from a shareholder of an associate and US\$1,014,000 (equivalent to approximately RMB7,257,000) (2024: US\$938,000 (equivalent to approximately RMB6,742,000)) loan receivable from IVF Universal, LLC, a supplier to the Group. These amounts are unsecured and interest-free. The loan receivable from a supplier is contracted to collect by 31 December 2026 and the loan receivable from a shareholder of an associate is expected to collect by 31 December 2026 (2024: The loan receivable from a supplier is contracted to collect by 31 December 2026 and the loan receivable from a shareholder of an associate is expected to collect by 31 December 2026) and are therefore classified as non-current assets in the condensed consolidated statement of financial position.

The individual customers of Chengdu Jinjiang Xinan Clinic Co., Ltd (“**Chengdu Xinan Clinic**”), Shenzhen Zhongshan Urological Hospital, Wuhan Jinxin Hospital, Hong Kong Assisted Reproduction Centre Ltd (“**HK ARC**”), Hong Kong Reproductive Health Centre Ltd (“**HK RHC**”), Sichuan Jinxin Xinan Women & Children Hospital Co., Ltd (“**Sichuan Jinxin Xinan Hospital**”), Yunnan Jinxin Jiuzhou Hospital Co., Ltd. and Kunming Jinxin Hewanjia Obstetrics and Gynecology Hospital Co., Ltd. would usually settle payments by cash, credit cards, debit cards or governments’ social insurance schemes. Payments by governments’ social insurance schemes will normally be settled by the local social insurance bureau and similar government departments which are responsible for the reimbursement of medical expenses for patients who are covered by the government medical insurance schemes from 30 to 90 days (2024: 90 days) from the transaction date.

The individual customers of HRC Management Group would usually settle by cash or payments through insurance schemes. Payments by insurance schemes will normally be settled by commercial insurance companies from 60 to 365 days from the transaction date.

16. ACCOUNTS AND OTHER RECEIVABLES (Continued)

The corporate customers of Chengdu Xinan Clinic and Sichuan Jinxin Xinan Hospital usually settle by cash and the payment terms are normally from 60 to 180 days from the transaction date.

The following is an aged analysis of accounts receivables, presented based on the invoice date at the end of the reporting period.

	As at 30 June 2025 RMB'000 (unaudited)	As at 31 December 2024 RMB'000 (audited)
Within 90 days	148,795	208,840
91 to 180 days	43,047	15,405
Over 180 days	7,488	10,161
	199,330	234,406

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For the six months ended 30 June 2025

17. AMOUNTS DUE FROM RELATED PARTIES/AMOUNTS DUE TO RELATED PARTIES

Amounts due from related parties

	As at 30 June 2025 RMB'000 (unaudited)	As at 31 December 2024 RMB'000 (audited)
Trade in nature		
成都錦欣潤怡醫療管理有限公司 (Chengdu Jinxin Runyi Medical Management Co., Ltd) ("Jinxin Runyi")* (Note i)	25,238	25,238
HRC Medical (Note iii)	14,718	25,456
Jinxin International Medical Service Limited (Notes ii & iv)	5,984	5,469
Chengdu Jinxin Investment and its other affiliates (Notes i & ii)	10,871	11,964
	<u>56,811</u>	<u>68,127</u>
Non-trade in nature		
Loans receivable:		
成都錦霖企業管理有限公司 (Chengdu Jinlin Enterprise Management Co., Ltd) ("Chengdu Jinlin")* (Note v)	13,500	28,368
Jincheng Hongda (Note vi)	—	47,885
Other receivables:		
Chengdu Jinxin Investment and its other affiliates (Notes i, ii & vi)	4,376	18,828
	<u>17,876</u>	<u>95,081</u>
Total	<u>74,687</u>	<u>163,208</u>

17. AMOUNTS DUE FROM RELATED PARTIES/AMOUNTS DUE TO RELATED PARTIES (Continued)

Amounts due from related parties (Continued)

The following is a liquidity analysis of amounts due from related parties based on managements' estimation on the repayment schedule.

	At 30 June 2025 RMB'000 (unaudited)	At 31 December 2024 RMB'000 (audited)
Analysed as:		
Current	61,187	86,955
Non-current	13,500	76,253
	74,687	163,208

Notes:

- * The English names of these entities registered in the PRC represent the best efforts made by the Directors to directly translate their Chinese names as they did not register any official English names.
- (i) These related parties and Chengdu Jinxin Investment have the same beneficial shareholders with the Company. The amounts are unsecured, interest-free and repayable on demand.
- (ii) The balances were all aged within 365 days (31 December 2024: 365 days) at the end of the reporting period.
- (iii) The related party is jointly controlled by certain shareholders of HRC Investment Holding, LLC ("HRC Investment"). The amount represents receivables from HRC Medical in relation to management services provided in accordance with management services agreement. The amount is unsecured and interest-free. The trade balance at 30 June 2025 based on invoice date is aged within 90 days (2024: 90 days) and not past due nor impaired.
- (iv) The entity is an associate of the Company. The amount was unsecured, interest-free and repayable on demand.
- (v) During the six months ended 30 June 2025, the Group conducted an individual assessment of the amount due from Chengdu Jinlin and provided ECL of RMB14,868,000 (2024: Nil). The carrying amount of the receivable from Chengdu Jinlin, net of ECL, was approximately RMB13,500,000 as at 30 June 2025 (2024: RMB28,368,000). In assessing the ECL of the amount due from Chengdu Jinlin, the Group considered all possible collection efforts, including collection of Chengdu Jinlin's receivable from a third party. As at 30 June 2025 and 31 December 2024, the amount is expected by the Directors not to be collected within one year and is therefore classified as non-current.
- (vi) During the six months ended 30 June 2025, the Group conducted an individual assessment of the amount due from Jincheng Hongda and the amount due from Jinxin Aijian, provided ECL of RMB47,885,000 (2024: Nil) and RMB16,256,000 (2024: Nil), respectively, due to unforeseen obstacles resulting in unsuccessful investment in andrology business by Jinxin Aijian. The carrying amount of the amount due from Jincheng Hongda, net of ECL and the amount due from Jinxin Aijian, net of ECL was nil and nil as at 30 June 2025, respectively (2024: approximately RMB47,885,000 and RMB14,564,000, respectively).

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17. AMOUNTS DUE FROM RELATED PARTIES/AMOUNTS DUE TO RELATED PARTIES (Continued)

Amounts due from related parties (Continued)

The following is an aged analysis of amounts due from related parties which are trade in nature presented based on the invoice date at the end of the reporting period.

	As at 30 June 2025 RMB'000 (unaudited)	As at 31 December 2024 RMB'000 (audited)
Within 90 days	11,974	36,478
91 to 180 days	12,037	1,828
Over 180 days	32,800	29,821
	<u>56,811</u>	<u>68,127</u>

Amounts due to related parties

	As at 30 June 2025 RMB'000 (unaudited)	As at 31 December 2024 RMB'000 (audited)
Trade in nature		
四川省邁可多醫療用品有限公司 (Sichuan Mocodo Medical Products Co., Ltd) ("Sichuan Mocodo") (Note i)*	90	154
成都錦欣信息科技有限公司 (Chengdu Jinxin Information Technology Co., Ltd) ("Chengdu Jinxin Information") (Note ii)*	595	657
Chengdu Jinxin Investment and its other affiliates (Note i)	5,795	5,999
	<u>6,480</u>	<u>6,810</u>
Non-trade in nature		
Sichuan Mocodo (Note i)	1,960	1,960
HRC Medical (Note iii)	1,966	8,306
Chengdu Jinxin Investment and its other affiliates (Note i)	3,315	3,383
	<u>7,241</u>	<u>13,649</u>
Total	<u>13,721</u>	<u>20,459</u>

17. AMOUNTS DUE FROM RELATED PARTIES/AMOUNTS DUE TO RELATED PARTIES (Continued)

Amounts due to related parties (Continued)

Notes:

- * The English names of these entities registered in the PRC represent the best efforts made by the Directors to directly translate their Chinese names as they did not register any official English names.
- (i) These related parties and Chengdu Jinxin Investment have the same beneficial shareholders with the Company. The amounts are unsecured, interest-free and repayable on demand.
- (ii) The entity is a subsidiary of the joint venture of the Company. The amount was unsecured, interest-free and repayable on demand.
- (iii) The related party is jointly controlled by certain shareholders of HRC Investment. The amounts are unsecured, interest-free and repayable on demand.

The following is an aged analysis of amounts due to related parties which are trade in nature presented based on the invoice date at the end of the reporting period.

	As at 30 June 2025 RMB'000 (unaudited)	As at 31 December 2024 RMB'000 (audited)
Within 90 days	5,195	4,046
91 to 180 days	584	1,531
Over 180 days	701	1,233
	6,480	6,810

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18. ACCOUNTS AND OTHER PAYABLES

	As at 30 June 2025 RMB'000 (unaudited)	As at 31 December 2024 <i>RMB'000</i> (audited)
Accounts payables	233,168	216,965
Other payables:		
Construction payables	85,610	72,916
Loan payables (<i>Note i</i>)	110,004	110,004
Payable to Jinjiang Maternity (<i>Note 5</i>)	50,000	—
Refundable customers' deposits	103,026	149,874
Accrued employee expenses	92,633	121,928
Value-added tax and other tax payables	3,649	7,905
Interest payables	6,512	3,816
Deferred income (<i>Note ii</i>)	11,125	12,752
Others	54,825	41,612
	517,384	520,807
Total accounts and other payables	750,552	737,772

Notes:

- (i) The amounts represent unsecured, interest-free loan payables to the former shareholders of 深圳市恒裕聯翔投資發展有限公司 (Shenzhen Hengyu Lianxiang Investment Development Co., Ltd). Pursuant to the equity transfer agreement entered into on 4 February 2022, certain consideration is payable by the Group to the former shareholders upon completion of certain construction milestone, which is due to be settled within one year as at 30 June 2025 (31 December 2024: certain consideration is payable by the Group to the former shareholders upon completion of certain construction milestone, which is due to be settled within one year).
- (ii) The amount mainly represents government grants received for research and development projects but with conditions not yet fulfilled.

18. ACCOUNTS AND OTHER PAYABLES (Continued)

The credit period of accounts payables is generally from 30 to 90 days from the invoice date.

The following is an aged analysis of accounts payables presented based on the invoice date at the end of the reporting period.

	As at 30 June 2025 RMB'000 (unaudited)	As at 31 December 2024 RMB'000 (audited)
Within 90 days	177,305	155,863
91 to 180 days	25,847	27,840
181 to 365 days	19,425	18,840
Over 365 days	10,591	14,422
	233,168	216,965

19. BANK BORROWINGS

	As at 30 June 2025 RMB'000 (unaudited)	As at 31 December 2024 RMB'000 (audited)
Bank borrowings-guaranteed	2,367,558	2,270,096
The carrying amounts of the above borrowings are repayable:		
Within one year	464,009	1,277,537
Within a period of more than one year but not exceeding two years	325,792	288,327
Within a period of more than two years but not exceeding three years	1,170,790	646,470
Within a period of more than three years	406,967	57,762
	2,367,558	2,270,096

During the six months ended 30 June 2025, the Group obtained new borrowings amounting to RMB1,695,513,000 (six months ended 30 June 2024: RMB1,421,692,000) and made repayments amounting to approximately RMB1,604,545,000 (six months ended 30 June 2024: RMB1,526,097,000). The borrowings carry annual interest rates ranging from 2.15% to 5.9% per annum as at 30 June 2025 (31 December 2024: 2.5% to 7.3% per annum) and are repayable between 2025 and 2034 (31 December 2024: repayable between 2025 and 2034).

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19. BANK BORROWINGS (Continued)

Included in the new borrowings obtained, on 14 February 2025, the Company entered into a facility agreement amounted to US\$75,000,000 (equivalent to approximately RMB536,895,000) and Chinese Yuan Offshore 550,000,000 (equivalent to approximately RMB549,395,000), which is guaranteed by the Company's subsidiaries. Standard Chartered Bank (Hong Kong) Limited acted as the mandated lead arranger and bookrunner. During the period ended 30 June 2025, the Company had drawn down US\$63,841,000 (equivalent to approximately RMB466,089,000) and RMB550,000,000. The loan carries interest at variable market rates of Secured Overnight Financing Rate plus a fixed interest of 1.55% and 1.25% respectively, and are repayable by installments of 5%, 5%, 5% and 85% of the principal upon 18, 24, 30 and 36 months of the utilisation date.

20. DEFERRED TAX ASSETS AND LIABILITIES

	Accelerated tax depreciation RMB'000	Fair value adjustments arising from acquisition of subsidiaries RMB'000	Tax losses RMB'000	Total RMB'000
At 31 December 2023 and 1 January 2024 (audited)	(5,228)	(1,205,477)	121,068	(1,089,637)
Charged (credited) during the period (Note 10)	685	(8,343)	3,703	(3,955)
Exchange realignment	—	(3,358)	512	(2,846)
At 30 June 2024 (unaudited)	(4,543)	(1,217,178)	125,283	(1,096,438)
Charged (credited) during the period	660	(8,408)	(1,535)	(9,283)
Exchange realignment	—	(4,756)	739	(4,017)
At 31 December 2024 and 1 January 2025 (audited)	(3,883)	(1,230,342)	124,487	(1,109,738)
Charged (credited) during the period (Note 10)	382	81,273	(413)	81,242
Exchange realignment	—	2,099	—	2,099
At 30 June 2025 (unaudited)	(3,501)	(1,146,970)	124,074	(1,026,397)

20. DEFERRED TAX ASSETS AND LIABILITIES (Continued)

The following is the analysis of the deferred tax balances for financial reporting purposes:

	As at 30 June 2025 RMB'000 (unaudited)	As at 31 December 2024 RMB'000 (audited)
Deferred tax liabilities	(1,150,471)	(1,234,225)
Deferred tax assets	124,074	124,487
	<u>(1,026,397)</u>	<u>(1,109,738)</u>

21. SHARE CAPITAL

The movements in the Company's issued ordinary share capital during the period are as follows:

	Number of shares	Share capital US\$	Share capital RMB'000
Ordinary shares of US\$0.00001 each			
Authorised:			
At 1 January 2024, 31 December 2024 and 30 June 2025	<u>5,000,000,000</u>	<u>50,000</u>	<u>345</u>
Issued:			
At 1 January 2024 (audited)	2,720,913,796	27,210	180
Issue of shares (Note)	<u>36,792,247</u>	<u>368</u>	<u>2</u>
At 31 December 2024 (audited) and At 30 June 2025 (unaudited)	<u>2,757,706,043</u>	<u>27,578</u>	<u>182</u>

Note:

During the year ended 31 December 2024, 36,792,247 ordinary shares had been issued by the Company to the second RSU Scheme's Nominee (as defined in Note 22).

For the six months ended 30 June 2025

22. SHARE-BASED PAYMENTS

Restricted Share Award Scheme (“RSU Scheme”)

On 15 February 2019 (the “**First Adoption Date**”), the Company approved the RSU Scheme (the “**2019 RSU Scheme**”). The purposes of 2019 RSU Scheme are to (i) provide the selected participants of 2019 RSU Scheme (the “**2019 Selected Participants**”) with opportunity to acquire proprietary interests in the Company; (ii) encourage the grantees to work towards enhancing the value of the Company and our Shares for the benefit of the Company and the shareholders of the Company as a whole; and (iii) provide the Company with a flexible means of either retaining, incentivising, rewarding, remunerating, compensating and/or providing benefits to the 2019 Selected Participants. The total number of the 2019 restricted share units (the “**2019 RSUs**”) underlying all grants made pursuant to the 2019 RSU Scheme shall not exceed in total 1.66% (i.e. 32,981,388 shares) of the Company’s issued share capital as at the First Adoption Date (the “**2019 RSU Scheme Limit**”). During the year ended 31 December 2024, after due and careful consideration, the Directors decided that no further grant shall be made under the 2019 RSU Scheme and has resolved to terminate it, provided that the awards previously granted under the 2019 RSU Scheme shall continue to be in full force and effect in accordance with the provisions thereof.

The Company approved a new RSU Scheme (the “**2022 RSU Scheme**”) on 17 February 2022 (the “**Second Adoption Date**”). The purposes of the 2022 RSU Scheme are to (i) provide the selected participants of the 2022 RSU Scheme (the “**2022 Selected Participants**”) with the opportunity to acquire proprietary interests in the Company; (ii) encourage the 2022 Selected Participants to work towards enhancing the value of the Company and the Shares for the benefit of the Company and Shareholders as a whole; and (iii) provide the Company with a flexible means of either retaining, incentivising, reward, remunerating, compensating and/or providing benefits to the 2022 Selected Participants. The 2022 RSU Scheme commences on the Second Adoption Date and remains valid and effective unless and until being terminated upon the expiry of the period of ten years from such date, unless terminated earlier by a resolution of the board of directors of the Company.

The total number of the 2022 restricted share units (the “**2022 RSUs**”) underlying all grants made pursuant to the 2022 RSU Scheme shall not exceed in total approximately 3% (i.e. 75,227,514 shares) of the Company’s issued share capital as at the Second Adoption Date (the “**2022 RSU Scheme Limit**”), provided that no account shall be taken into the calculation of the 2022 RSU Scheme Limit of any Shares where the right to acquire such Shares has been released, lapsed or vested in accordance with the 2022 RSU Scheme.

A deed of adherence dated 14 February 2019 was entered into between the Company and Jinxin Employee Holdings Company Limited (“**the first RSU Scheme’s Nominee**”). On 15 February 2019, 32,981,388 shares were issued to the first RSU Scheme’s Nominee for and on behalf of the Company. As of 30 June 2025, 3,728,162 shares were held by the first RSU Scheme’s Nominee.

22. SHARE-BASED PAYMENTS (Continued)

Restricted Share Award Scheme (“RSU Scheme”) (Continued)

Another deed of adherence dated 15 February 2023 was entered into between the Company and the second RSU Scheme’s Nominee. On 15 February 2023 and 22 March 2024, 29,060,994 shares and 36,792,247 shares were issued to the second RSU Scheme’s Nominee for and on behalf of the Company respectively. During the year ended 31 December 2024, a trustee purchased the Company’s ordinary shares through the Stock Exchange for the satisfaction of awards to be granted under the 2022 RSU Scheme. The trustee purchased 9,374,273 of Company’s shares. As of 30 June 2025, 59,966,028 shares were held by the second RSU Scheme’s Nominee.

The above shares held for RSU Scheme were regarded as treasury shares and had been deducted from shareholders’ equity as shown in the condensed consolidated statement of changes in equity under “Shares held for Restricted Share Award Scheme”.

The grantees of the RSU are not required to pay for the grant of any RSU under the RSU Scheme or for the exercise of the RSU.

The Directors used the quoted prices in active market for the RSUs granted on 19 April 2024. The fair value of the RSUs granted on 19 April 2024 were assessed to be RMB31,808,000. During the current interim period, no RSUs were granted by the Company.

The Group recognised the total expense of RMB15,201,000 for the six months ended 30 June 2025 (2024: RMB37,115,000) in relation to RSUs granted by the Company.

At the end of each reporting period, the Group revises its estimates of the number of RSUs that are expected to vest ultimately. The impact of the revision of the estimates, if any, is recognised in profit and loss, with a corresponding adjustment to the equity-settled share-based payment reserve.

23. CONTINGENT LIABILITIES

The Group has been involved in legal proceedings and claims during the current interim period that arise in the ordinary course of business, which primarily include medical and labour dispute claims brought by the former patients or employees over the past few years.

The Group has been vigorously defending these legal proceedings and claims. The Directors believe that the final outcome of these outstanding legal proceedings and claims will not have a material impact on the financial position or operations of the Group or the amount of outflow, if any, cannot be determined with sufficient reliability prior to judicial appraisals. Accordingly, no material provision has been made regarding these legal proceedings and claims during the current interim period.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

24. CAPITAL COMMITMENTS

	As at 30 June 2025 RMB'000 (unaudited)	As at 31 December 2024 RMB'000 (audited)
Capital expenditure in respect of property, plant and equipment contracted for but not provided in the condensed consolidated financial statements	96,004	139,904
Commitment to certain investment classified as financial assets at FVTPL	120,000	120,000
	216,004	259,904

25. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

(i) **Fair value of the Group's financial assets that are measured at fair value on a recurring basis**

The Group's financial assets are measured at fair value at 30 June 2025 include financial assets at FVTPL, other financial assets at FVTPL and equity instrument at FVTOCI (31 December 2024: financial assets at FVTPL and equity instrument at FVTOCI).

The fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 fair value measurements are based on quoted prices (unadjusted) in active market for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include the lowest level inputs which are significant to the fair value measurement for the asset or liability that are not based on observable market data (significant unobservable inputs).

25. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

(i) Fair value of the Group's financial assets that are measured at fair value on a recurring basis (Continued)

The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

Financial assets	Fair value as at	Fair value hierarchy	Valuation and techniques key inputs	Significant unobservable inputs	Relationship of unobservable inputs to fair value
Other financial assets at FVTPL	30 June 2025 – RMB40,121,000 31 December 2024 – Nil	Level 2	Discounted cash flows-future cash flows are estimated based on estimated return, and discounted at a rate that reflects the credit risks of various counterparties.	N/A	N/A
Financial assets at FVTPL	30 June 2025 – RMB80,000,000 31 December 2024 – RMB80,000,000	Level 3	Net Value Model Key inputs: Net value of underlying investment	The net value of underlying investment	The higher the net value of underlying investment, the higher the fair value
Equity instrument at FVTOCI	30 June 2025 – RMB35,676,000 31 December 2024 – RMB84,303,000	Level 3 Level 2	Income approach Key inputs: discount rate and market rent Recent transaction price	The discount rate N/A	The higher the discount rate, the lower the fair value, and vice versa N/A

The Group owns 19.4% equity interest in Jincheng Hongda which is classified as a financial assets at FVTOCI and is measured at fair value at each reporting date. The fair value of the investment as at 30 June 2025 was amounted to RMB35,676,000 (31 December 2024: RMB84,303,000). The fair value of the investment as at 31 December 2024 was measured using a valuation technical with observable inputs and hence was classified as Level 2 of the fair value hierarchy. During the six months ended 30 June 2025, there are no recent comparable transactions available for reference, and accordingly, the fair value of the investment as at 30 June 2025 was determined based on a valuation technical with significant unobservable inputs and was classified as Level 3 of the fair value hierarchy.

For the six months ended 30 June 2025

25. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

(i) Fair value of the Group's financial assets that are measured at fair value on a recurring basis (Continued)

Reconciliation of Level 3 fair value measurements of financial assets:

	Investments in preferred shares measured at FVTPL RMB'000	Financial assets at FVTPL RMB'000	Equity instrument at FVTOCI RMB'000	Total RMB'000
At 1 January 2024 (audited) and at 30 June 2024 (unaudited)	7,052	80,000	—	87,052
Loss on fair value changes	(7,052)	—	—	(7,052)
At 31 December 2024 (audited)	—	80,000	—	80,000
Transfer of fair value hierarchy of equity instrument at FVTOCI into Level 3	—	—	84,303	84,303
Loss on fair value changes	—	—	(48,627)	(48,627)
At 30 June 2025 (unaudited)	—	80,000	35,676	115,676

(ii) Fair value of financial instruments that are recorded at amortised cost

The fair values of financial assets and financial liabilities recorded at amortised cost are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate their fair values at the end of each reporting period.

26. RELATED PARTY DISCLOSURES

In addition to the transactions and balances disclosed elsewhere in the condensed consolidated financial statements, the Group also entered into the following related party transactions:

Name of related companies	Relationship	Nature of transactions	Six months ended 30 June	
			2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
成都錦欣信息科技有限公司 (Chengdu Jinxin Information Technology Limited)	Entity controlled by 成都錦欣尚輝企業管理有限公司 Chengdu Jinxin Shanghui Enterprise Management Co., Ltd*	Sales of software	410	—
四川省邁可多醫療用品有限公司 (Sichuan Mocodo Medical Products Co., Ltd)	Entity controlled by Chengdu Jinxin Investment	Purchase of consumables by the Group	(277)	(301)
Jinxin International Medical Service Limited	Entity controlled by Jinxin International	Marketing expenses	(13,137)	(14,378)
Chengdu Jinxin Investment and its other affiliates	These related parties and Chengdu Jinxin Investment have the same beneficial Shareholders with Company	Provision of pathological examination services by the Group	322	2,082
		Sale of medicines, consumables and equipment by the Group	4,627	8,964
		Provision of rental services	—	101
		Provision of catering services	2,937	1,800
		Repayment of lease liability (Note i)	(2,090)	(23,254)
		Finance cost on lease liability	(1,784)	(2,264)
		Rending cleaning services to the Group	(3,107)	(3,837)
		Rending of dormitory rental to the Group	(22)	(32)
HRC Medical and its other affiliates	Controlled or jointly controlled by certain shareholders of HRC investment	Management services income	209,559	218,562
		Pre-implantation genetic screening testing income	16,616	16,965
		Ambulatory surgery centre facilities income	2,156	2,398
		Repayment of lease liability (Note ii)	(1,702)	(1,640)
		Finance cost on lease liability	(273)	(309)
		Marketing expense	(593)	(586)

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2025

26. RELATED PARTY DISCLOSURES (Continued)

Notes:

* English name is for identification purpose only.

(i) The amount of lease liabilities as at 30 June 2025 is RMB52,735,000 (31 December 2024: RMB53,041,000)

(ii) The amount of lease liabilities as at 30 June 2025 is RMB18,658,000 (31 December 2024: RMB20,087,000)

Compensation of key management personnel

The remuneration of the Directors and key management is determined based on performance of individuals and market trends.

Key management includes the Directors and senior management. The remuneration of the Directors and key management during the period was as follows:

	Six months ended 30 June	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Salaries and allowances	3,903	4,836
Performance-related incentive payments	698	782
Share-based compensation benefits	7,142	11,653
Retirement benefit schemes contributions	154	225
	<u>11,897</u>	<u>17,496</u>

In this report, the following expressions have the meanings set out below unless the context otherwise requires:

“2022 Contractual Arrangements”	the series of contractual arrangements, as the case may be, entered into by, among others, Jinxin Medical Investment, the Jinyi Hongkong Registered Shareholders, Jinyi Hongkong and Sichuan Jinxin Xinan Hospital (Jingxiu Campus), Jinxin Women and Child Hospital details of which are described in the Company’s announcement dated November 26, 2021
“2022 Share Award Scheme”	the 2022 restricted share award scheme conditionally adopted by the Company on February 17, 2022 and amended by the Company on June 25, 2024, the principal terms of which are summarized in the circular of the Company dated May 31, 2024
“ARC”	Hong Kong Assisted Reproduction Centre Limited (香港輔助生育中心有限公司), a company established in Hong Kong with limited liability on June 14, 2007, the Group’s indirect subsidiary
“ARS”	assisted reproductive service(s)
“Audit and Risk Management Committee”	the audit and risk management committee of the Board
“Board” or “Board of Directors”	the board of Directors of the Company
“BVI”	British Virgin Islands
“Cayman Islands Companies Law”	the Companies Law (2018 Revision) of the Cayman Islands, Cap. 22 (Law 3 of 1961), as amended or supplemented or otherwise modified from time to time
“CG Code”	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
“Chairman”	the Chairman of the Board
“Chengdu Xinan Clinic”	Chengdu Jinjiang Xinan Clinic Co., Ltd* (成都錦江西園診所有限公司), a company established in Chengdu, Sichuan Province, the PRC with limited liability on November 10, 2015, the Group’s subsidiary
“Chengdu Xinan and Shenzhen Zhongshan Contractual Arrangements”	the series of contractual arrangements, as the case may be, entered into by, among others, the Jinrun Fude Registered Shareholders, Jinrun Fude, Chengdu Xinan Clinic and Shenzhen Zhongshan Hospital details of which are described in the Company’s announcement dated April 13, 2022

Definitions

“China” or the “PRC”	the People’s Republic of China excluding, for the purpose of this report, Hong Kong, Macau Special Administrative Region and Taiwan
“CODM”	chief operating decision makers
“Company”, “Jinxin Fertility”, “we” or “our”	Jinxin Fertility Group Limited (錦欣生殖醫療集團有限公司*), previously known as Sichuan Jinxin Fertility Company Limited, an exempted company established in the Cayman Islands with limited liability on May 3, 2018
“Director(s)”	the director(s) of the Company
“ECL”	Impairment under expected credit loss
“EIT”	PRC Enterprise Income Tax
“ESOP”	collectively the Pre-IPO RSU Scheme, the 2022 Share Award Scheme and the Share Option Scheme
“FVTOCI”	fair value through other comprehensive income
“FVTPL”	fair value through profit or loss
“Greater China”	Mainland China and Hong Kong
“Group”	the Company and its subsidiaries
“Hewanjia Hospital”	Kunming Jinxin Hewanjia Obstetrics and Gynecology Hospital Co., Ltd.* (昆明錦欣和萬家婦產醫院有限公司), a company established under the laws of the PRC with limited liability on January 15, 2014 and a subsidiary of the Group
“HK\$” or “HKD”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HRC Fertility”	HRC Management and HRC Medical
“HRC Investment”	HRC Investment Holding, LLC, a limited liability company established under the laws of Delaware, the United States on June 2, 2017, the Group’s substantial shareholder

“HRC Management”	HRC Fertility Management, LLC, a limited liability company established under the laws of Delaware, the United States on November 3, 2015, the Group’s indirect subsidiary
“HRC Medical”	Huntington Reproductive Center Medical Group, a professional corporation established under the laws of California, the United States on January 1, 1995, a connected person of the Company by virtue of being jointly owned by Dr. Michael A. Feinman, Dr. Bradford A. Kolb and Dr. Jane L. Frederick, and the nine clinics and three IVF laboratories in California which it owns
“IASB”	International Accounting Standards Board
“ICSI”	intracytoplasmic sperm injection
“IFRS”	International Financial Reporting Standards
“IOT”	invest-operate-transfer
“IUI”	intrauterine insemination
“IVF”	in vitro fertilization, a process where the egg and sperm are incubated together to a fertilized embryo in an in vitro system to achieve pregnancy
“IVF-EF”	in vitro fertilization and embryo transfer
“Jincheng Hongda”	Chengdu Jincheng Hongda Enterprise Management Co., Ltd
“Jinjiang District Maternity and Child Health Hospital”	Chengdu Jinjiang District Maternity and Child Health Hospital* (成都市錦江區婦幼保健院), a non-profit maternity and child healthcare hospital established in the PRC in 1954 managed by the Group
“Jinrun Fude”	Chengdu Jinrun Fude Medical Management Company Limited* (成都錦潤福德醫療管理有限公司), a limited liability company established under the laws of the PRC on May 9, 2018, the Group’s subsidiary by virtue of the 2019 Contractual Arrangements
“Jinrun Fude Registered Shareholders”	two individual shareholders of Jinrun Fude, namely Ms. Yan Xiaoqing and Ms. Zhu Yujuan
“Jinxin Aijian”	Chengdu Jinxin Aijian Hospital Co., Ltd.

Definitions

“Jinxin Fertility BVI”	JINXIN Fertility Investment Group Limited, a limited liability company established under the laws of the British Virgin Islands on November 13, 2017, the Company’s substantial shareholder
“Jinxin Medical Investment”	Jinxin Medical Investment Company Limited* (錦欣醫療投資有限公司), a company established under the laws of the PRC with limited liability, the Group’s subsidiary by virtue of the 2021 Contractual Arrangements
“Jinyi Hongkang”	Chengdu Jinyi Hongkang Corporate Management Co., Ltd.* (成都錦逸弘康企業管理有限公司), a limited liability company established under the laws of the PRC, the Group’s subsidiary by virtue of the 2021 Contractual Arrangements
“Jinyi Hongkang Registered Shareholders”	two individual shareholders of Jinyi Hongkang, namely Ms. Lyu Rong and Mr. Xu Jun
“Jiuzhou Hospital”	Yunnan Jinxin Jiuzhou Hospital Co., Ltd.* (雲南錦欣九洲醫院有限公司), a company established under the laws of the PRC with limited liability on September 24, 2003 and a subsidiary of the Group
“Laos”	Lao People’s Democratic Republic
“Listing”	the listing of the Shares on the Main Board of the Stock Exchange on June 25, 2019
“Listing Date”	June 25, 2019, being the date on which the Shares were listed on the Main Board
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended or supplemented from time to time
“Main Board”	Main Board of the Stock Exchange
“MDT”	multidisciplinary team
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules
“Molecular Genetics Services”	medical services involving molecular genetics (分子遺傳)
“Morula”	PT Morula Indonesia
“MSA”	management service agreements
“OPU”	oocyte pick up cycle

“Overseas”	Greater China, the U.S.A. and Laos
“Pre-IPO RSU Scheme”	the restricted share award scheme conditionally adopted by the Company on February 15, 2019, which has been terminated as at June 30, 2024
“Prospectus”	the prospectus issued by the Company dated June 13, 2019
“R&D”	research and development
“Renminbi” or “RMB”	Renminbi Yuan, the lawful currency of the PRC
“Reporting Period”	the six-month period from January 1, 2025 to June 30, 2025
“Restricted Share”	a share underlying an award granted to an Award Selected Participant under the 2022 Share Award Scheme
“RHC”	Hong Kong Reproductive Health Centre Limited (香港生育康健中心有限公司), a company established in Hong Kong with limited liability on June 14, 2007, the Group’s indirect subsidiary, and is operated under the brand name Gratia Medical Centre
“RSU”	a restricted share unit award granted to a Selected Participant under the Pre-IPO RSU Scheme
“RSU Scheme”	Restricted Share Award Scheme
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise notified from time to time
“Share Option Scheme”	the share option scheme conditionally adopted by the Company on June 3, 2019, which has been terminated as at June 30, 2024
“Share(s)”	ordinary share(s) in the capital of the Company with nominal value of US\$0.00001 each
“Shareholder(s)”	holder(s) of Share(s)
“Shenzhen Zhongshan Hospital”	Shenzhen Zhongshan Obstetrics and Gynecology Hospital* (深圳中山婦產醫院), a company established in Shenzhen, PRC with limited liability on May 18, 2004, the Group’s indirect subsidiary that is a for-profit specialty hospital
“Sichuan Jinxin Fertility”	Sichuan Jinxin Fertility Medical Management Co., Ltd. (四川錦欣生殖醫療管理有限公司), a company established under the laws of the PRC with limited liability on September 12, 2016, our indirect subsidiary

Definitions

“Sichuan Jinxin Xinan Hospital”	collectively, Sichuan Jinxin Xinan Hospital (Bisheng Campus) and Sichuan Jinxin Xinan Hospital (Jingxiu Campus)
“Sichuan Jinxin Xinan Hospital (Bisheng Campus)”	Sichuan Jinxin Xinan Women & Children Hospital (Bisheng Campus) (四川錦欣西囡婦女兒童醫院畢昇院區), a company established in Chengdu, Sichuan Province, the PRC with limited liability on November 10, 2015, the Group’s subsidiary
“Sichuan Jinxin Xinan Hospital (Jingxiu Campus)”	Sichuan Jinxin Xinan Women & Children Hospital (Jingxiu Campus)* (四川錦欣西囡婦女兒童醫院靜秀院區), a company established under the laws of the PRC with limited liability on December 9, 2016 that is a for profit women and children hospital
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“success rate”	the form of “clinical pregnancy rate” that has been adopted for discussion in the Prospectus and this interim report
“treasury Shares”	has the meaning ascribed to it under the Listing Rules which will came into effect on June 11, 2024 and as amended from time to time
“U.S.”, “US” or “United States”	the United States of America
“U.S. dollar(s)”, “US\$” or “USD”	United States dollar(s), the lawful currency of the United States of America
“Western United States”	the region in the United States comprising of the states Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington and Wyoming
“Wuhan Jinxin Hospital”	Wuhan Jinxin Integrated Gynecology and Obstetrics Hospital Co., Ltd.* (武漢錦欣中西醫結合婦產醫院有限公司), a company established in the PRC with limited liability on February 17, 2006, the Group’s indirect subsidiary

In this report, the terms “associate”, “connected person”, “controlling shareholder” and “subsidiary” shall have the meanings given to such terms in the Listing Rules, unless the context otherwise requires.

* For identification purpose only