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CLARITY MEDICAL GROUP HOLDING LIMITED
清晰醫療集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1406)

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025

FINANCIAL HIGHLIGHT

	For the six months ended 30 September		
	2025	2024	**Change**
	HK$'000	*HK$'000*	***%***
Revenue	**85,010**	87,201	(2.5%)
Loss for the period	**(22,382)**	(18,569)	(20.5%)
Adjusted EBITDA[(1&2)]	**(3,939)**	(622)	(533.3%)

Notes:

(1) Adjusted EBITDA is derived from EBITDA (Earnings before interest, taxes and depreciation of plant and equipment) by excluding one-off impairment losses on plant and equipment and right-of-use assets, other income and losses, net, as well as non-recurring expenditures, mainly consisting of non-recurring professional fees, including legal and advisory fees related to the allegations and issues disclosed in the announcements of the Company dated 30 May 2025 and 30 June 2025.

(2) This non-GAAP financial data is a supplemental financial measure that is not required by, or presented in accordance with, HKFRSs and is therefore referred to as a "non-GAAP" financial measure.

The board (the "**Board**") of directors (the "**Directors**", and each a "**Director**") of Clarity Medical Group Holding Limited (the "**Company**") announces the unaudited interim consolidated results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 September 2025 ("**2025 Interim Period**"), together with the comparative figures for the six months ended 30 September 2024, as follows:

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

For the six months ended 30 September 2025

		Six months ended 30 September	
		2025	2024
		(Unaudited)	(Unaudited)
	Notes	***HK$'000***	*HK$'000*
Revenue	*3*	**85,010**	87,201
Other income and gains/(losses), net	*4*	**1,460**	1,954
Inventories used		**(17,009)**	(18,707)
Consultancy fee		**(29,315)**	(30,176)
Employee benefit expenses		**(25,865)**	(23,950)
Depreciation of plant and equipment		**(5,542)**	(5,721)
Depreciation of right-of-use assets		**(6,472)**	(5,451)
Impairment loss on plant and equipment		**(83)**	(2,455)
Impairment loss on right-of-use assets		**–**	(4,842)
Other expenses	*5*	**(25,441)**	(14,887)
Operating loss		**(23,257)**	(17,034)
Finance costs	*6*	**(236)**	(635)
Loss before income tax		**(23,493)**	(17,669)
Income tax	*7*	**1,111**	(900)
Loss for the period		**(22,382)**	(18,569)
Other comprehensive income (expense)			
Other comprehensive income (expense) that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		**117**	(8)
Total comprehensive expense for the period attributable to owners of the Company		**(22,265)**	(18,577)
Loss per share attributable to owners of the Company (expressed in HK cents per share)			
— Basic and diluted	*9*	**(4.2)**	(3.5)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	**30 September 2025 (Unaudited) *HK$'000***	31 March 2025 (Audited) *HK$'000*
Non-current assets			
Plant and equipment		**25,327**	30,707
Right-of-use assets		**30,088**	8,682
Deferred tax assets		**10,168**	9,057
Deposits	*11*	**3,300**	3,300
Financial assets at fair value through profit or loss		**4,465**	4,375
Total non-current assets		**73,348**	56,121
Current assets			
Inventories		**2,776**	2,517
Trade receivables	*10*	**3,709**	4,787
Deposits, prepayments and other receivables	*11*	**3,997**	3,706
Cash and cash equivalents		**107,752**	132,573
Total current assets		**118,234**	143,583
Current liabilities			
Trade payables	*12*	**7,370**	5,627
Accruals and other payables		**9,404**	15,948
Provisions		**-**	5,734
Lease liabilities		**10,175**	7,688
Total current liabilities		**26,949**	34,997
Net current assets		**91,285**	108,586
Total assets less current liabilities		**164,633**	164,707
Non-current liabilities			
Provisions		**4,685**	1,193
Lease liabilities		**19,589**	2,220
Total non-current liabilities		**24,274**	3,413
Net assets		**140,359**	161,294

	30 September 2025 (Unaudited) *HK$'000*	31 March 2025 (Audited) *HK$'000*
Capital and reserves		
Share capital	**5,363**	5,289
Share premium	**312,752**	306,415
Reserves	**(177,756)**	(150,410)
Total equity	**140,359**	161,294

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1 GENERAL INFORMATION

Clarity Medical Group Holding Limited (the "**Company**") was incorporated in the Cayman Islands on 19 February 2019 as an exempted company with limited liability under the Companies Act of the Cayman Islands. The address of the Company's registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company is an investment holding company. The Company together with its subsidiaries (collectively referred to as the "**Group**") are principally engaged in the provision of ophthalmic services in Hong Kong.

The interim condensed consolidated financial information are presented in Hong Kong dollars ("**HK$**") and all values are rounded to the nearest thousand ("**HK$'000**"), unless otherwise stated.

2 ACCOUNTING POLICIES

2.1 Basis of preparation

The interim condensed consolidated financial information for the six months ended 30 September 2025 has been prepared in accordance with HKAS 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants and relates to the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 March 2025.

2.2 Changes in accounting policies and disclosures

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 March 2025, except for the adoption of the following revised Hong Kong Financial Reporting Standards ("**HKFRS Accounting Standards**") for the first time for the current period's financial information.

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

The above amendments HKFRS Accounting Standards did not have any material impact on the interim condensed consolidated financial statements for the six months ended 30 September 2025.

3 REVENUE AND SEGMENT INFORMATION

Revenue recognised during the six months ended 30 September 2025 and 2024 is analysed by the chief operating decision-maker. For the purposes of resource allocation and performance assessment, the executive directors review the overall results and financial position of the Group as a whole. Accordingly, the Group has only one single operating segment and no discrete operating segment financial information is available.

The Group's activities (excluding investment in financial assets at fair value through profit or loss) are mainly carried out in Hong Kong, and nearly all of the Group's assets and liabilities are located in Hong Kong.

No information about major customers is presented as there is no single customer which individually contributed 10% or more of the total revenue for the six months ended 30 September 2025 and 2024.

The Group derived revenue from the transfer of goods and services at a point in time in the ordinary course of business. Revenue is recognised in the following major revenue streams:

	Six months ended 30 September	
	2025	2024
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Revenue from contracts with customers		
Ophthalmic service income	**79,623**	82,305
Sales of prescriptions	**4,073**	3,670
Sales of vision products	**1,314**	1,226
Total	**85,010**	87,201

4 OTHER INCOME AND GAINS/(LOSSES), NET

An analysis of other income and gains/(losses), net is as follows:

	Six months ended 30 September	
	2025	2024
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Other income		
Interest income	**916**	2,455
Miscellaneous income	**1**	5
Total other income	**917**	2,460
Other gains/(losses), net		
Loss on disposal/write-off of items of plant and equipment, net	**(12)**	(587)
Gain on termination of lease	**567**	–
Foreign exchange differences, net	**(12)**	81
Total other gains/(losses), net	**543**	(506)
Total other income and gains/(losses), net	**1,460**	1,954

5 EXPENSES BY NATURE

Included in "Other expenses" are the expenses related to:

	Six months ended 30 September	
	2025	2024
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Business development expense	**4,341**	2,783
Repair and maintenance	**1,146**	1,302
Professional fees	**13,451**	3,731
Bank charges	**1,625**	2,126

6 FINANCE COSTS

	Six months ended 30 September	
	2025	2024
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Interest expenses on lease liabilities	**236**	635

7 INCOME TAX

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the period (2024: Nil). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates:

	Six months ended 30 September	
	2025	2024
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Deferred tax credit/(expense)	**1,111**	(900)

8 DIVIDEND

No dividend was paid or proposed during the six months ended 30 September 2025, nor has any dividend been proposed since the end of the reporting period (2024: Nil).

9 BASIC AND DILUTED LOSS PER SHARE

Basic

The calculation of the basic earnings per share is based on the loss for the period attributable to owners of the Company of HK$22,265,000 (2024: HK$18,577,000) and the weighted average number of ordinary shares of 536,334,496 (2024: 528,640,098) in issue less the weighted average number of shares held under the Share Award Plan of Nil (2024: 1,722,206) during the six months ended 30 September 2025 and 2024.

Diluted

No adjustment has been made to the basic loss per share amount presented for the six months ended 30 September 2025 and 2024 as the Group had no potentially dilutive ordinary shares in issue.

10 TRADE RECEIVABLES

As at 30 September 2025 and 31 March 2025, the carrying amounts of trade receivables approximated their fair values and are denominated in HK$.

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

	As at	
	30 September 2025 (Unaudited) ***HK$'000***	31 March 2025 (Audited) *HK$'000*
0 to 30 days	**1,740**	2,926
31 to 60 days	**849**	1,115
61 to 90 days	**786**	707
Over 90 days	**334**	39
Total	**3,709**	4,787

The Group applies the simplified approach permitted by HKFRS 9 to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables. As at 30 September 2025 and 31 March 2025, the Group has assessed that the expected loss allowance for trade receivables was immaterial. Thus no loss allowance provision for trade receivables was recognised during the six months ended 30 September 2025 and 2024.

The maximum exposure to credit risk at the reporting date is the carrying value of the trade receivables mentioned above. The Group does not hold any collateral as security.

11 DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	As at	
	30 September	31 March
	2025	2025
	HK$'000	*HK$'000*
Rental and other deposits	**4,425**	5,756
Prepayments	**2,705**	691
Other receivables *(Notes a & b)*	**2,005**	2,397
Total	**9,135**	8,844
Less: Portion classified as non-current assets	**(3,300)**	(3,300)
Portion classified as current assets, gross	**5,835**	5,544
Less: impairment loss on other receivables *(Note c)*	**(1,838)**	(1,838)
Portion classified as current assets	**3,997**	3,706

Notes: Included in "Other receivables" are balances related to:

a) A loan of HK$14,449,000 was advanced to a medical practitioner. The loan was unsecured, bore interest at 3% per annum, and was originally repayable within 12 months. During the year ended 31 March 2025, the medical practitioner made repayments totalling HK$13,027,000, of which HK$329,000 represented accumulated accrued interests, leaving an outstanding balance of HK$1,750,000 as at 14 January 2025. On the same date, the Group and the medical practitioner executed a deed of assignment under which the medical practitioner assigned to the Group her right to receive an outstanding amount of HK$1,750,000 from Dr. Tse under a guarantee and indemnity agreement entered into between them on 31 August 2022, in full settlement of the remaining loan balance.

b) An amount of HK$900,000 was due from a medical practitioner. The balance was unsecured, interest-free, and repayable by monthly instalments of HK$100,000. The amount was fully settled during the year ended 31 March 2025.

c) On 3 November 2025, Dr. Tse was declared bankrupt by the High Court of Hong Kong. Management considers the outstanding receivable assigned to the Group under the deed of assignment to be doubtful and credit-impaired. A full impairment loss of HK$1,750,000 has therefore been recognised in profit or loss during the year ended 31 March 2025. The remaining balance of HK$88,000 represented an advance to Dr. Tse in prior years. A full impairment loss of HK$88,000 has also been recognised in profit or loss during the year ended 31 March 2025.

12 TRADE PAYABLES

The ageing analysis of the trade payables to third parties as at the end of the reporting period based on the invoice date is as follows:

	As at	
	30 September 2025 (Unaudited)	31 March 2025 (Audited)
	HK$'000	*HK$'000*
0 to 30 days	**2,413**	2,967
31 to 60 days	**2,530**	2,038
61 to 90 days	**1,451**	70
Over 90 days	**976**	552
Total	**7,370**	5,627

As at 30 September 2025 and 31 March 2025, all trade payables of the Group were denominated in HK$, and their fair values approximated to their carrying amounts.

13 POST BALANCE SHEET EVENT

On 30 May 2025 and 30 June 2025, the Company announced the continued suspension of trading in its shares and the resumption guidance imposed by The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). Trading in the Company's shares has been suspended since 15 April 2025.

The announcements also disclosed a series of allegations involving certain Directors and senior management, including alleged (i) misstatements in the Company's IPO prospectus, (ii) undisclosed loan and remuneration arrangements, and (iii) instances of alleged corporate misconduct and governance irregularities.

The Stock Exchange has required the Company to undertake, among other actions, independent forensic investigations, an independent internal control review, and to re-comply with various corporate governance requirements under the Listing Rules. A 18-month remedial period ending on 14 October 2026 has been imposed, during which the Company must satisfy all resumption conditions to avoid potential delisting.

The Directors of the Company are actively working towards fulfilling the resumption guidance with a view to resuming trading in the Company's shares as soon as practicable.

Readers are advised to refer to the Company's announcements dated 30 May 2025 and 30 June 2025 for full details of the allegations, resumption guidance and continuing suspension arrangements.

MANAGEMENT DISCUSSION AND ANALYSIS

In addition to ongoing economic headwinds, the Group's operations were severely affected by corporate governance allegations, investigations, litigation and the trading suspension, together with associated negative publicity. These matters interrupted the growth momentum and turnaround to positive cash flow demonstrated in the second half of the year ended 31 March 2025, and weighed heavily on business and financial performance.

As a consequence of these compounded challenges, revenue in September 2025 was approximately 11.5% below the same month of the prior year, representing the lowest monthly revenue since listing other than Chinese New Year month. The Group also incurred substantial non-recurring legal and professional fees during the period in connection with the governance and legal matters. In response, the Group has implemented proactive cost-saving initiatives without compromising the quality of its services, while maintaining financial discipline and optimising its cost structure.

Notwithstanding these difficulties, the Group's business remained resilient and its market position intact. The Group continued to provide advanced ophthalmic treatments and maintain its service standards throughout the period.

Looking ahead, the Group is focused on resolving the outstanding governance and legal matters and restoring growth. Management will continue to optimise service offerings, control costs and invest in treatment technologies to strengthen the business and deliver long-term value to shareholders.

REVENUE OVERVIEW

We mainly generate revenue from the provision of private ophthalmic services in Hong Kong, including refractive treatments, treatments for other eye problems, consultation and examination services, and sales of prescriptions and vision products. For the six months ended 30 September 2025, our revenue amounted to approximately HK$85.0 million, representing a slight decrease of approximately HK$2.2 million or 2.5% from approximately HK$87.2 million for the six months ended 30 September 2024.

The table below sets out the breakdown of revenue by the types of treatments and services and their respective percentage of revenue.

	For the six months ended 30 September				
	2025		2024		**Change**
	HK$'000	***% of revenue***	*HK$'000*	*% of revenue*	*HK$'000*
Refractive Treatment	**44,093**	**51.9%**	51,983	59.6%	(7,890)
SMILE surgeries	**19,717**	**23.2%**	23,957	27.5%	(4,240)
LASIK surgeries	**199**	**0.2%**	340	0.4%	(141)
Multifocal IOL replacements	**12,708**	**14.9%**	10,765	12.3%	1,943
ICL implantations	**11,469**	**13.5%**	16,921	19.4%	(5,452)
Treatments for other eye problems	**27,516**	**32.4%**	22,445	25.8%	5,071
Standard cataract surgeries	**10,740**	**12.6%**	10,489	12.0%	251
Laser procedures	**6,127**	**7.2%**	4,597	5.3%	1,530
PPV surgeries	**5,536**	**6.5%**	4,004	4.6%	1,532
Other treatments/surgeries	**5,113**	**6.0%**	3,355	3.9%	1,758
Consultation and examination services	**8,014**	**9.4%**	7,877	9.0%	137
Sales of prescriptions and others	**4,073**	**4.8%**	3,670	4.2%	403
Children myopia prevention and control	**1,314**	**1.5%**	1,226	1.4%	88
Revenue	**85,010**	**100.0%**	87,201	100.0%	(2,191)

REFRACTIVE TREATMENT

Refractive treatments were our largest source of revenue during the 2025 Interim Period, representing approximately 51.9% of our revenue. Refractive treatments include Laser Refractive surgeries, multifocal IOL replacements and ICL implantations. Laser Refractive surgeries comprise SMILE and LASIK surgeries. SMILE is a refractive surgery that uses femtosecond laser to carve a refractive lenticule within the cornea and remove it through a small incision. LASIK uses a surgical blade and excimer laser to correct myopia, hyperopia and/or astigmatism by modifying the curvature of the cornea. Multifocal IOL replacement is a procedure that corrects cataract and/or other refractive errors by extracting lens from the eye, followed by the replacement of multifocal IOL. ICL implantation places an intraocular contact lens in front of the natural lens to correct myopia, hyperopia and astigmatism.

Our revenue generated from refractive treatments decreased by approximately HK$7.9 million, or 15.2%, from approximately HK$52.0 million for the six months ended 30 September 2024 to approximately HK$44.1 million for the six months ended 30 September 2025. This was mainly attributable to decreases in revenue generated from SMILE surgeries and ICL implantations of approximately HK$4.2 million and HK$5.5 million, respectively, partially offset by an increase in revenue from multifocal IOL replacements of approximately HK$1.9 million.

TREATMENTS FOR OTHER EYE PROBLEMS

Treatment for other eye problems include standard cataract surgery, laser procedure, PPV surgery, and other treatments and surgeries. Revenue generated from these treatments for the six months ended 30 September 2024 and 2025 amounted to approximately HK$22.4 million and HK$27.5 million, respectively. This represented approximately 25.8% and 32.4% of our total revenue for the respective years. The revenue from treatment for other eye problems increased by approximately HK$5.1 million or 22.6% in the respective period. The increase was broad-based across the major treatment categories and was mainly attributable to increases in revenue generated from other treatments/surgeries, PPV surgeries, laser procedures and standard cataract surgeries of approximately HK$1.8 million, HK$1.5 million, HK$1.5 million and HK$0.3 million, respectively.

CONSULTATION AND EXAMINATION SERVICES

Consultation and examination services mainly include assessments of eye conditions, such as visual acuity, refraction, anterior segment examination, fundal examination and intraocular pressure measurement. Our revenue generated from consultation and examination services increased by approximately HK$1.3 million or 19.3% from approximately HK$6.7 million for the six months ended 30 September 2024 to approximately HK$8.0 million for the six months ended 30 September 2025.

SALES OF PRESCRIPTIONS AND OTHERS

Sales of prescriptions and others are mainly sales of medication prescribed by our medical practitioners to our patients following diagnosis after consultation and examination or treatment services. For the six months ended 30 September 2024 and 2025, our revenue generated from sales of prescriptions and others was approximately HK$3.7 million and HK$4.1 million, representing approximately 4.2% and 4.8% of our revenue, respectively.

CHILDREN MYOPIA PREVENTION AND CONTROL

Revenue generated from children myopia prevention and control increased by approximately HK$88 thousand, or 7.2%, from approximately HK$1.2 million for the six months ended 30 September 2024 to approximately HK$1.3 million for the six months ended 30 September 2025.

OTHER INCOME AND GAINS/(LOSSES), NET

The Group recorded other income and gains/(losses), net of approximately HK$1.5 million for the six months ended 30 September 2025, compared to approximately HK$2.0 million for the same period in 2024. This decrease was primarily due to a reduction in interest income, which fell by approximately HK$1.5 million in the 2025 Interim Period, and partially offset by an increase in gains of approximately HK$567,000 from termination of lease of a medical centre in Tsim Sha Tsui.

INVENTORIES USED

Inventories used mainly comprised the costs of medical device licences, ICLs, IOLs, drugs and dispensary supplies. Our medical device licences are procedure packs, which comprised of medical consumables required for the operation of our medical devices. The procedure packs enable our medical practitioners to perform treatments and surgeries using the respective medical devices. IOLs primarily consist of intraocular lens used in treatments and surgeries. Our drugs and dispensary supplies are drugs prescribed by our medical practitioners to our patients following diagnosis after consultation and supplies are materials used during surgeries. For the six months ended 30 September 2024 and 2025, inventories used amounted to approximately HK$18.7 million and HK$17.0 million, respectively, representing approximately 21.5% and 20.0% of revenue for the corresponding periods.

CONSULTANCY FEES

Consultancy fees represent professional fees paid to our medical practitioners, and consist of a fixed fees and/or a variable amount based on, among others, the revenue generated by the respective medical practitioners, net of the relevant costs. For the six months ended 30 September 2024 and 2025, consultancy fees amounted to approximately HK$30.2 million and HK$29.3 million, representing approximately 34.6% and 34.5% of our total revenue, respectively. The decrease in the consultancy fee as a percentage of revenue, from 34.6% for the six months ended 30 September 2024 to 34.5% for the six months ended 30 September 2025, can be attributed to adjustments made to professional fees paid to our medical practitioners.

The Company adopted a share award plan (the "**Share Award Plan**") on 23 November 2022. On 4 July 2023, the Board resolved to grant certain awarded Shares to five service providers under the Share Award Plan. Consequently, share-based payments of approximately HK$0.9 million, related to the service providers, were recorded as consultancy fees and recognised in the interim condensed consolidated statement of comprehensive income for the six months period ended 30 September 2025 (six months ended 30 September 2024: approximately HK$1.4 million).

EMPLOYEE BENEFIT EXPENSES

Employee benefit expenses include wages, salaries, pension scheme contributions and other related expenses for staff. For the six months ended 30 September 2024 and 2025, employee benefit expenses amounted to approximately HK$24.0 million and HK$25.9 million, respectively, representing approximately 27.5% and 30.4% of revenue. On 4 July 2023, the Board resolved to grant certain awarded shares to certain directors and employees under the Share Award Plan. Consequently, share-based payments of approximately HK$0.4 million, related to the directors and employees, were recorded as employee benefit expenses and recognised in the interim condensed consolidated statement of comprehensive income for the six months period ended 30 September 2025 (six months ended 30 September 2024: approximately HK$1.3 million). The increase in employee benefits expenses was mainly attributed to the increase in the number of employees, from 105 as of 30 September 2024 to 109 as of 30 September 2025, offset by a decrease in share-based payments recognised during the 2025 Interim Period.

DEPRECIATION OF PLANT AND EQUIPMENT

Depreciation expenses for plant and equipment mainly comprise depreciation expenses on leasehold improvements and medical and office equipment for our medical centres. For the six months period ended 30 September 2024 and 2025, our depreciation expenses for plant and equipment amounted to approximately HK$5.7 million and HK$5.5 million, representing approximately 6.6% and 6.5% of our revenue for the corresponding periods, respectively.

DEPRECIATION OF RIGHT-OF-USE ASSETS

For the six months ended 30 September 2024 and 2025, our depreciation expenses for right-of-use assets, which include leased properties, were approximately HK$5.5 million and HK$6.5 million, representing about 6.3% and 7.6% of our revenue for the corresponding periods, respectively.

IMPAIRMENT LOSSES ON PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

During the 2025 Interim Period, the Group's management identified certain medical centres that continued to underperform and estimated the corresponding recoverable amounts of their plant and equipment. Based on these estimates, an impairment loss of approximately HK$83,000 (six months ended 30 September 2024: approximately HK$2.5 million) was recognised to write down the carrying amounts of the plant and equipment to their recoverable amounts. No impairment loss on right-of-use assets was recognised for the six months ended 30 September 2025 (six months ended 30 September 2024: approximately HK$4.8 million).

OTHER EXPENSES

Other expenses mainly comprise other general and administration expenses, management fees, business development expenses and bank charges. For the six months ended 30 September 2024 and 2025, other expenses were approximately HK$14.9 million and HK$25.4 million, representing approximately 17.1% and 29.9% of our revenue, respectively. The table below sets forth the breakdown of other expenses for the six months ended 30 September 2024 and 2025 respectively:

	For the six months ended 30 September	
	2025	2024
	HK$'000	*HK$'000*
Business development	**4,341**	2,783
Repair and maintenance	**1,146**	1,302
Professional fees	**13,451**	3,731
Bank charges	**1,625**	2,126
Other general and administrative expenses	**4,878**	4,945
Other expenses	**25,441**	14,887

Business development expenses include various activities aimed at promoting eye care and raising awareness of related topics. These activities include organising educational talks, producing videos designing websites, organising events, and printing leaflets related to eye care. For the six months ended 30 September 2024 and 2025, business development expenses amounted to approximately HK$2.8 million and HK$4.3 million, respectively. Business development expenses increased by approximately HK$1.6 million, or 56.0%, during the 2025 Interim Period. The increase in business development expenses in the 2025 Interim Period was mainly attributable to increased marketing and promotional activities aimed at enhancing patient acquisition and broadening our customer reach.

Professional fees mainly comprise payments to various service providers, including legal counsel, consultancy and advisory services, share registry and investor relations services. These fees increased by approximately HK$9.7 million, or 260.5%, from approximately HK$3.7 million for the six months ended 30 September 2024 to approximately HK$13.5 million for the six months ended 30 September 2025, which was mainly due to the non-recurring professional fees related to the allegations and issues disclosed in the resumption guidance announcements.

Bank charges are expenses related to credit card transfers. For the six months ended 30 September 2024 and 2025, our bank charges amounted to approximately HK$2.1 million and HK$1.6 million, respectively.

Other general and administrative expenses mainly include utilities charges, insurance payments, telecommunication charges, travelling expenses and entertainment expenses. For the six months ended 30 September 2024 and 2025, these expenses remained relatively stable, amounting to approximately HK$4.9 million for both periods.

FINANCE COSTS

Finance costs mainly comprise interest expenses on lease liabilities. These costs decreased by approximately HK$0.4 million, or 62.8%, from approximately HK$0.6 million for the six months ended 30 September 2024 to approximately HK$0.2 million for the six months ended 30 September 2025.

INCOME TAX

The Group recorded an income tax credit of approximately HK$1.1 million for the six months ended 30 September 2025 (six months ended 30 September 2024: income tax expense of approximately HK$0.9 million).

The income tax credit for the 2025 Interim Period represented a deferred tax credit. No provision for Hong Kong profits tax was made because the Group did not generate assessable profits in Hong Kong during the period.

LOSS FOR THE PERIOD

As a result of the foregoing, the Group recorded a loss of approximately HK$22.4 million for the six months period ended 30 September 2025 (six months ended 30 September 2024: HK$18.6 million).

CAPITAL EXPENDITURE AND COMMITMENTS

For the six months ended 30 September 2024 and 2025, the Group incurred capital expenditures of approximately HK$8.3 million and HK$0.5 million, respectively, primarily due to the purchase of equipment and leasehold improvements for our medical centres.

As at 30 September 2025, the Group had no capital expenditure contracted for but not yet recognised (31 March 2025: Nil).

GEARING RATIO

As at 30 September 2025, the gearing ratio, which is calculated as net debt divided by total capital, is not applicable due to net cash position (31 March 2025: not applicable).

CONTINGENT LIABILITIES

The Group had no material contingent liability as at 30 September 2025 (31 March 2025: Nil).

PLEDGE OF ASSETS

The Group had not pledged any assets as at 30 September 2025 (31 March 2025: Nil).

QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT FINANCIAL RISKS

Exposure to Fluctuation in Exchange Rates

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities which are denominated in a currency that is not our functional currency. We mainly operate in Hong Kong with the majority of the transactions settled in HK$. We closely monitor and manage foreign exchange risk exposures to ensure the exposures do not have significant impact on the operation of the Group. As the Group does not have any significant transactions, assets or liabilities which are settled in currencies other than HK$ during the six months ended 30 September 2024 and 2025, our income and operating cash flows are substantially independent of changes in market foreign exchange rate. We have not used any derivative financial instrument to hedge against our exposure to foreign exchange risk but will closely monitor such risk on an ongoing basis.

Cash Flow and Fair Value Interest Rate Risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. We do not anticipate significant impact resulted from the reasonable possible change in interest rates.

The Group's fair value interest rate risk mainly arises from lease liabilities at fixed interest rates.

LIQUIDITY RISK

We adopt prudent liquidity risk management by maintaining sufficient cash balances to meet our financial commitments when they become due. Accordingly, we believe that we do not have significant liquidity risk.

CAPITAL RISK MANAGEMENT

Our capital structure consists of shareholders' equity and borrowings. In order to maintain or adjust our capital structure, we may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce borrowings. We monitor capital on the basis of the gearing ratio. The gearing ratio is calculated as net debt divided by total equity. The net debt includes the total borrowings including lease liabilities less cash and cash equivalents. As of 31 March 2025 and 30 September 2025, we maintained at net cash position.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 September 2025 (six months ended 30 September 2024: Nil).

EMPLOYEES AND REMUNERATION POLICIES

As at 30 September 2025, the Group employed a total of 109 employees (as at 31 March 2025: 102). The Group ensures that its remuneration packages are comprehensive and competitive from time to time. When determining the emolument payable to the Directors (including the executive Directors), we take into account the experience of the Directors, their level of responsibility and general market conditions. Any discretionary bonus and other merit payments of the Directors are linked to the profit performance of the Group and the individual performance of the Directors. Employees are remunerated with a fixed monthly income plus annual discretionary performance-related bonus.

MAJOR EVENTS AFTER THE REPORTING PERIOD AND/OR THOSE NOT YET REPORTED IN THE PUBLISHED ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2024 OR THE PUBLISHED INTERIM REPORT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2024

Suspension of trading in the shares of the Company and Resumption Guidance

(a) Trading in the shares of the Company on the Stock Exchange has been suspended since 15 April 2025 and remains suspended as at the date of this announcement.

(b) The Company received two sets of resumption guidance from the Stock Exchange on 20 May 2025 and 26 June 2025 respectively ("**Resumption Guidance**") for resumption of trading in the shares of the Company on the Stock Exchange. For details of the Resumption Guidance, please refer to the announcements of the Company dated 30 May 2025 and 30 June 2025.

(c) The Special Committee was established on 30 December 2024 to investigate the purported allegations involving certain corporate governance issues. Subsequently, additional allegations were made in respect of other corporate governance issues (collectively, the "**Corporate Governance Allegations**"). The Resumption Guidance stipulates that the completion of an independent forensic investigation into the Corporate Governance Allegations is one of the conditions for the resumption of trading. The Special Committee was reconstituted on 11 November 2025. As disclosed in the Company's announcement of 14 January 2026, FTI Consulting (Hong Kong) was engaged as the independent forensic accountant to the Special Committee to conduct investigation on the Corporate Governance Allegations ("**FTI Investigation**"). For further details, please refer to the announcements of the Company dated 17 January 2025, 20 January 2025, 12 February 2025, 13 May 2025, 14 July 2025, 14 October 2025, 12 November 2025 and 14 January 2026.

(d) Allegations were made against the Company that it made material misstatements in its IPO prospectus and failed to disclose in such prospectus certain re-routing of paid dividends to certain past medical practitioners of the Group for remuneration purposes ("**IPO Allegations**"), as disclosed by the Company on 13 May 2025. The Separate Special Committee was established in May 2025 to investigate the IPO Allegations with an additional member being appointed in June 2025. The Resumption Guidance requires, as a condition for the resumption of trading, an independent forensic investigation into the IPO Allegations. The Separate Special Committee was reconstituted on 11 November 2025, and the additional member appointed in June 2025 resigned with effect from 13 April 2026. As disclosed in the Company's announcement of 5 March 2026, Grant Thornton Advisory Services Limited was appointed as the forensic advisor to the Separate Special Committee to conduct investigation on the IPO Allegations ("**GT Investigation**"). For further details, please refer to the announcements of the Company dated 13 May 2025, 3 July 2025, 14 July 2025, 14 October 2025, 12 November 2025, 14 January 2026, 5 March 2026 and 14 April 2026.

(e) As one of the conditions for the resumption of trading under the Resumption Guidance, an independent internal control review ("**IC Review**") is to be conducted to demonstrate that the Company has in place adequate internal control and procedures to comply with the Listing Rules. For such purpose, the Company appointed one of the Big Four advisory firms ("**IC Adviser**") to conduct IC Review, as disclosed by the Company on 7 April 2026.

Status of FTI Investigation, the GT Investigation and the IC Review

(a) The FTI Investigation was disclosed in the announcements of the Company dated 7 April 2026 and 11 September 2026 respectively, which include, among other things, the background, scope, procedures, key findings and limitations of the FTI Investigation, as well as the opinions of the Special Committee and of the Board on the FTI Investigation.

(b) The GT Investigation was disclosed in the announcement of the Company dated 11 September 2026, which includes, among other things, the background, procedures, limitations and key findings of the GT Investigation, as well as the views of the Separate Special Committee and of the Board on the GT Investigation.

(c) The IC Review was disclosed in the announcement of the Company dated 13 September 2026 which includes, among other things, (a) the background, scope and methodology, limitations, observations and recommendations of the IC Review, (b) the remedial measures taken by the Company, (c) follow-up review conducted by the IC Adviser, including the review on the Company's enhancement measures to address the internal control matters revealed in the FTI Investigation and the GT Investigation, and (d) the views of the Board and the Audit Committee on the IC Review.

Litigations

On 5 February 2025, the Company's indirect wholly-owned subsidiary, Saintford Limited (尚方有限公司), as plaintiff, issued (i) a writ of summons under action number HCA 0198/2025 against WIT Limited, an entity being controlled by Dr. Tse, and (ii) a writ of summons under action number DCCJ 0676/2025 against Dr. Tse. For details of these two legal actions, please refer to the announcement of the Company dated 12 February 2025. Both actions are still active.

A bankruptcy order was made against Dr. Tse by the High Court of Hong Kong under action number HCB 5599/2025 on 3 November 2025, as disclosed in the Company's announcement of 7 November 2025. Following such bankruptcy order, any further proceedings in the DCCJ 0676/2025 action brought by the Company (as creditor) against Dr. Tse (the bankrupt) require leave of the court pursuant to section 12(1) of the Bankruptcy Ordinance (Chapter 6 of the Laws of Hong Kong). Further announcement(s) will be made by the Company as and when appropriate to keep its shareholders and potential investors informed of any material developments concerning the legal actions.

On 22 September 2025, the Company received an originating summons dated 19 September 2025 (the "**OS**") issued at the High Court of Hong Kong by Dr. Tse, as the plaintiff. The OS was issued against the Company under the action number HCMP 1627/2025. A hearing was held on 2 April 2026 and the High Court of Hong Kong pronounced judgment to dismiss the OS including all the reliefs sought by Dr. Tse therein. For further details on the HCMP 1627/2025 action, please refer to the announcements dated 23 September 2025, 27 February 2026 and 2 April 2026, and the circular of the Company dated 5 February 2026.

Change of auditor

Ernst & Young has resigned as the auditor of the Company with effect from 31 March 2026. Crowe was appointed as the new auditor of the Company to fill the casual vacancy and shall hold office until the conclusion of the next annual general meeting of the Company. For further details to the change of auditor, please refer to the announcements of the Company dated 2 April 2026, 14 April 2026 and 11 May 2026.

Non-compliance of Listing Rules

The Company failed to comply with Rules 3.10(1), 3.10A, 3.11 and 3.21 of the Listing Rules, due to insufficient number of independent non-executive Directors and the Company's failure to appoint a replacement within the required period, since the pass away of an independent non-executive Director in February 2024. The Company sought from the Stock Exchange an extension of time to appoint a suitable independent non-executive Director to fill such vacancy. The Company then re-complied with these Rules in May 2024 when it appointed a new independent non-executive Director, as disclosed in the announcements of the Company dated 14 May 2024 and 29 May 2024.

The Company also failed to comply with Rules 3.10, 3.10A, 3.21, 3.25 and 3.27A of the Listing Rules, due to insufficient number of independent non-executive Directors, and its failures to comply with the composition and minimum membership requirements of the audit committee, the remuneration committee and the nomination committee, following the resignation of an independent non-executive Director in November 2024. The Company then re-complied with (i) Rules 3.10, 3.10A, 3.21 partially and 3.27A in June 2025 and (ii) with Rules 3.25 and 3.27A in September 2025, and (iii) fully complied with Rule 3.21 in November 2025, respectively, when it appointed sufficient number of non-executive Directors and independent non-executive Directors to fill the vacancies, as respectively disclosed in the announcements of the Company dated 25 June 2025, 1 September 2025 and 11 November 2025.

OUTLOOK AND STRATEGIES

Our principal business objective is to achieve sustainable growth, further strengthen our position in the ophthalmic services market and create long-term value for our shareholders by executing the following strategies:

- We will continue to strengthen our market position in Hong Kong in providing ophthalmic services.

- We plan to acquire equity interests in eye-related clinics, outpatient department or hospitals in the People's Republic of China ("**PRC**") to expand our presence into the PRC under our brand of "Clarity".

- We plan to identify suitable collaboration partners for collaboration and expansion.

- We plan to acquire interests in ophthalmic-related businesses.

FUTURE PLAN FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed above and under the section headed "Future Plans and Use of Proceeds" in the prospectus of the Company dated 31 January 2022 (the "**Prospectus**"), the Group did not have any other plans for material investments or capital assets during the reporting period and up to the date of this announcement.

LIQUIDITY AND CAPITAL STRUCTURE

During the six months ended 30 September 2024 and 2025, our operations were generally financed from internally generated cash flows. The Directors believe that in the long term, our operations will be funded by internally generated cash flows and, if necessary, additional equity financing and bank borrowings. As at 30 September 2025, we had cash and cash equivalents (including time deposits) of HK$107.8 million (31 March 2025: HK$132.6 million), most of which were denominated in Hong Kong dollars.

During the six months ended 30 September 2024 and 2025, the Group did not use any financial instruments, currency borrowings or other hedging instruments for hedging purposes.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. As at 30 September 2025, the gearing ratio is not applicable due to net cash position (31 March 2025: not applicable).

The current ratio (calculated as current assets over current liabilities) was 4.4 times as at 30 September 2025 compared with 4.1 times as at 31 March 2025.

As at 30 September 2025, the Group reported net current assets of HK$91.3 million, as compared with HK$108.6 million as at 31 March 2025.

Net cash used in operating activities amounted to approximately HK$18.2 million during the six months ended 30 September 2025, compared with approximately HK$1.9 million during the six months ended 30 September 2024. The increase in net cash used was mainly attributable to the higher loss before income tax and net working capital outflows during the 2025 Interim Period.

Net cash generated from investing activities amounted to approximately HK$0.1 million during the 2025 Interim Period, compared with net cash used in investing activities of approximately HK$21.0 million during the six months ended 30 September 2024. The 2025 Interim Period mainly included interest received of approximately HK$1.3 million and proceeds from disposal of plant and equipment of approximately HK$0.2 million, offset by purchases of plant and equipment of approximately HK$0.5 million and an increase in time deposits with original maturity of more than three months of approximately HK$1.0 million.

Net cash used in financing activities amounted to approximately HK$7.7 million during the six months ended 30 September 2025, compared with approximately HK$11.8 million during the six months ended 30 September 2024. The cash used in financing activities during the 2025 Interim Period mainly comprised lease payments of approximately HK$7.7 million, including principal payments of approximately HK$7.5 million and interest payments of approximately HK$0.2 million.

SIGNIFICANT INVESTMENTS, ACQUISITION AND DISPOSALS

Except for investment in subsidiaries, there were no significant investments held by the Group during the 2025 Interim Period.

The Group had no other material acquisitions or disposal of subsidiaries, associates and joint ventures during the reporting period.

OTHER INFORMATION

CORPORATE GOVERNANCE

The Board is committed to maintaining high corporate governance standards.

Save as disclosed in this announcement, during the 2025 Interim Period and up to the date of this interim results announcement, the Company has complied with all applicable code provisions as set forth in part 2 in the CG Code. The Company will continue to review and enhance its corporate governance practices to ensure compliance with the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix C3 of the Listing Rules as its code of conduct in respect of the securities dealing by the Directors. Following specific enquiry of all current Directors, each of the Directors confirmed that they have complied with the Model Code throughout the 2025 Interim Period.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the 2025 Interim Period.

USE OF PROCEEDS FROM THE LISTING

The shares of HK$0.01 each of the Company were listed on the Stock Exchange on 18 February 2022 with 125,000,000 new shares issued at an issue price of HK$1.6 per share. The net proceeds from the initial public offering (the "**IPO**") amounted to approximately HK$181.9 million, after deduction of the underwriting commission and other expenses. The Company applied the proceeds from the IPO in accordance with the proposed applications as set out in the section headed "Future Plans and Use of Proceeds — Use of Proceeds" Prospectus which is also set out below.

The remaining unutilised net proceeds as at 30 September 2025 were held in bank and it is intended that they will be applied in the manner consistent with the proposed allocations as set out in the Prospectus.

As at 30 September 2025, the Company utilised proceeds from the IPO of approximately HK$90.6 million. The following table sets out the breakdown of the use of proceeds from the IPO:

	Percentage of net proceeds	Estimated net proceeds allocated as disclosed in the Prospectus *(HK$ million)*	Allocated net proceeds from IPO *(HK$ million)*	Net proceeds utilised in FY2023 *(HK$ million)*	Net proceeds utilised in FY2024 *(HK$ million)*	Net proceeds utilised in FY2025 *(HK$ million)*	Net proceeds utilised during the six months ended 30 September 2025 *(HK$ million)*	Estimated time for utilising the allocated net proceeds *(HK$ million)*	Remaining amount *(HK$ million)*
Establishing two new medical centres in Hong Kong for the provision of ophthalmic services	44.8%	110.0	81.5	8.9	43.1	13.0	3.0	By 31 March 2027	13.5
Acquiring majority and/or minority equity interests in one to two eye-related clinics, outpatient department or hospitals in selected cities in the Greater Bay Area	30.5%	75.0	55.5	–	–	–	–	By 31 March 2027	55.5
Setting up an eye-related clinic for the provision of ophthalmic medical services in the PRC with suitable collaboration partners	14.7%	36.0	26.7	–	–	4.4	–	By 31 March 2028	22.3
Working capital	10.00%	24.6	18.2	–	18.2	–	–	N/A	–
TOTAL	**100%**	**245.6**	**181.9**	**8.9**	**61.3**	**17.4**	**3.0**		**91.3**

Notes:

(1) The net proceeds from IPO, after deducting the underwriting commission and other expenses of approximately HK$18.1 million, amounted to approximately HK$181.9 million, which is lower than the estimated net proceeds of approximately HK$245.6 million as disclosed in the Prospectus. The difference of approximately HK$63.7 million has been adjusted in the same manner and in the same proportion to the use of proceeds as disclosed in the section headed "Future Plans And Use Of Proceeds" in the Prospectus.

(2) In view of the challenges faced by the Group in its business operations and the uncertainty surrounding the availability of suitable acquisition opportunities in the Greater Bay Area, as well as potential collaboration partners in the PRC, the Board has extended the estimated timeline for utilising the allocated but unutilised net proceeds as at 31 March 2025. As a result, there has been a delay in the estimated timeline for utilising the allocated net proceeds compared to the timeline previously disclosed in the Prospectus.

The Board considers that the extension of the expected timeline for using the unutilised net proceeds will not have any material adverse impact on the existing business and operations of the Group and is in the best interest of the Company and its shareholders as a whole. Save as disclosed in this announcement, there are no other changes to the plan for utilising the proceeds from the IPO as at the date of this announcement.

The expected time for utilising the remaining net proceeds is based on the best estimation of the present and future business market situations made by the Group. It may be subject to further change based on the future development of the market conditions.

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

The audit committee of the Board comprises four independent non-executive Directors, namely, Mr. Wang Can, Ms. Ci Ying, Dr. Chen Poujian and Mr. Xu Anliang.

The audit committee of the Board has reviewed with the management the accounting principles, practices adopted by the Group and discussed risk management and internal control and financial reporting matters including the review of the unaudited condensed consolidated interim financial information for the 2025 Interim Period with the Directors. The Group's condensed consolidated interim financial statements have not been audited, but the Group's independent auditor has carried out a review of the unaudited interim results in accordance with the Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA.

PUBLICATION OF RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement will be published on the websites of the Stock Exchange at www.hkexnews.hk and the Company's website at www.claritymedic.com. The interim report of the Company for the 2025 Interim Period will be dispatched to the shareholders of the Company and made available on the websites of the Stock Exchange and the Company in due course.

By order of the Board
CLARITY MEDICAL GROUP HOLDING LIMITED
JIANG Bo
Executive Director and Chief Executive Officer

Hong Kong, 15 September 2026

As at the date of this announcement, the Board comprises Mr. JIANG Bo as executive Director, Mr. CHEN Jiarong, Professor WANG Qinmei and Mr. SUN Peng as non-executive Directors, Mr. WANG Can, Ms. CI Ying, Dr. CHEN Poujian and Mr. XU Anliang as independent non-executive Directors.