

爱尚大众

武漢大眾口腔醫療股份有限公司
Wuhan Dazhong Dental Medical Co., Ltd.

(A joint stock company with limited liability incorporated in the People's Republic of China) (於中華人民共和國註冊成立的股份有限公司)

Stock Code 股份代號 : 2651

2026 中期報告 INTERIM REPORT



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Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. Yao Xue (姚雪) (*Chairman*)
Ms. Shen Hongmin (沈洪敏)
Mr. Guo Jiaping (郭家平)
Ms. Liu Hongchan (劉紅嬋)

Independent non-executive Directors

Mr. Shu Yijie (疏義傑)
Ms. Huang Suzhen (黃素珍)
Mr. Xie Dong (謝東)

AUDIT COMMITTEE

Ms. Huang Suzhen (黃素珍) (*Chairperson*)
Mr. Shu Yijie (疏義傑)
Mr. Xie Dong (謝東)

REMUNERATION COMMITTEE

Mr. Shu Yijie (疏義傑) (*Chairperson*)
Ms. Huang Suzhen (黃素珍)
Mr. Yao Xue (姚雪)

NOMINATION COMMITTEE

Mr. Yao Xue (姚雪) (*Chairperson*)
Mr. Shu Yijie (疏義傑)
Ms. Huang Suzhen (黃素珍)

AUTHORIZED REPRESENTATIVES

Ms. Liu Hongchan (劉紅嬋)
Mr. Wong Kui Tong (黃鉅棠)
(Appointed on 11 June 2026)
Ms. Pau So Yi (鮑素怡) (Resigned on 11 June 2026)

JOINT COMPANY SECRETARIES

Ms. Xu Liman (許莉曼)
Mr. Wong Kui Tong (黃鉅棠)
(Appointed on 11 June 2026)
Ms. Pau So Yi (鮑素怡) (Resigned on 11 June 2026)

REGISTERED OFFICE

Room 5, 11/F and Rooms 601, 608-612, 6/F
Huayin Building
No. 786 Minzhu Road
Zhongnan Road Sub-District
Wuchang District, Wuhan
Hubei Province
PRC

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

Room 5, 11/F and Rooms 601, 608-612, 6/F
Huayin Building
No. 786 Minzhu Road
Zhongnan Road Sub-District
Wuchang District, Wuhan
Hubei Province
PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit No. 705A, 7/F, New East Ocean Centre
No. 9 Science Museum Road
Tsim Sha Tsui
Hong Kong

H SHARE REGISTRAR

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

HONG KONG LEGAL ADVISER

Edwin Kwok & Co
Rooms 1604-1607, 16/F
New World Tower 1
16-18 Queen's Road Central
Central
Hong Kong

Corporate Information

AUDITOR

Ernst & Young
Certified Public Accountants
Registered Public Interest Entity Auditor
27/F, One Taikoo Place
979 King's Road, Quarry Bay
Hong Kong

COMPLIANCE ADVISER

Haitong International Capital Limited
Suites 3001-3006 and 3015-3016
One International Finance Centre
No. 1 Harbour View Street
Central
Hong Kong

STOCK CODE

2651

COMPANY'S WEBSITE

www.chinadzyl.com

LISTING DATE

9 July 2025

PRINCIPAL BANKS

China Merchants Bank Wuhan Jiyuqiao Branch
No. 108 Heping Avenue
Wuchang District, Wuhan
Hubei Province
PRC

Bank of Communications Wuhan Shuiguohu Branch
No. 108 Zhongbei Road
Wuchang District, Wuhan
Hubei Province
PRC

Financial and Business Highlights

Our revenue decreased by 2.8% from RMB185.8 million for the six months ended 30 June 2025 to RMB180.6 million for the six months ended 30 June 2026. In particular, our revenue from orthodontics services increased by 11.6% and the number of new customers for orthodontics services increased by 17.1%.

Our gross profit decreased by 4.6% from RMB70.3 million for the six months ended 30 June 2025 to RMB67.1 million for the six months ended 30 June 2026. Our gross profit margin decreased from 37.8% for the six months ended 30 June 2025 to 37.1% for the six months ended 30 June 2026.

Our net profit decreased by 19.1% from RMB28.6 million for the six months ended 30 June 2025 to RMB23.1 million for the six months ended 30 June 2026. Our net profit margin decreased from 15.4% for the six months ended 30 June 2025 to 12.8% for the six months ended 30 June 2026.

For the six months ended 30 June 2026, we recorded 356,137 customer visits and 149,571 new customer visits, while for the six months ended 30 June 2025, we recorded 355,181 customer visits and 151,998 new customer visits.

During the Reporting Period, we drove the iteration and upgrading of our management systems and continued to enhance operational efficiency based on an approach of lean management; we have always been customer-focused, actively exploring modes of comfortable diagnosis and treatment and effectively improving customers' sense of security and satisfaction when receiving medical treatment by providing differentiated services; we were committed to optimizing standardized service processes, upgrading smart intraoral scanning equipment, achieving digital integration between data collection and service delivery, and accelerating the digital and intelligent transformation for the entire service chain, thus steadily advancing towards becoming a benchmark in smart healthcare; we have organized the compilation of standardized training materials such as Standard Procedures for Dental Implant Treatment 《種植診療常規》 and Basic Knowledge of Stomatology 《口腔基礎知識》, and have implemented tiered and categorized training programmes centered on fundamental theory and cutting-edge technology to promote the balanced development of our medical team's capabilities, with a view to strengthening our technical foundations; we have also optimized our promotional strategies and developed community-based channels with continuous efforts in order to strengthen our brand influence and trustworthiness in regional markets. Through advancing these measures in a coordinated manner, a solid foundation has been laid for the Group's scaling-up and high-quality development.

Management Discussion and Analysis

BUSINESS REVIEW

OVERVIEW

We are a leading private dental services provider in Central China with a focus on Hubei and Hunan provinces, operating an expanding dental service network under the direct chain model in this thriving market. We provide reliable and accessible dental services to communities, dedicated to serving the general public.

Pursuing a single-brand strategy, all of our dental institutions are operated under the unified brand name “愛尚大眾口腔” together with a trademark of “愛尚大眾” ensuring a cohesive and robust identity across our multi-regional dental service network.

Most of our dental institutions are located in or adjacent to local communities, providing dental services to residents with ease of access. As of 30 June 2026, we operated 92 dental institutions, including 4 for-profit dental hospitals, 78 for-profit dental out-patient departments and 10 for-profit dental clinics covering 8 cities in Hubei and Hunan provinces. Over the years, we have been focusing our dental services on addressing the mass market demands, maintaining strong presence in densely populated Central China.

Our Services

We provide a comprehensive range of dental services, including (i) general dentistry services, (ii) implantology services and (iii) orthodontics services.

General Dentistry Services

General dentistry services generally refer to oral preventive care, treatment of regular oral diseases, and restorative services, encompassing full process from prevention, diagnosis to treatment, with the aim to provide customers with a one-stop oral health solution. As a customer-centric dental services provider located in densely populated areas and adjacent to communities, we focus on the daily oral health of our customers. Through regular oral health management and early intervention of dental diseases, we help customers mitigate the risks of worsening symptoms and avoid costly treatments of serious diseases. As healthy teeth and gums improve the comfort, appearance and confidence of customers, we believe regular oral health management not only tackles customers' basic and general dental problems but also enhances their overall quality of life.

Implantology Services

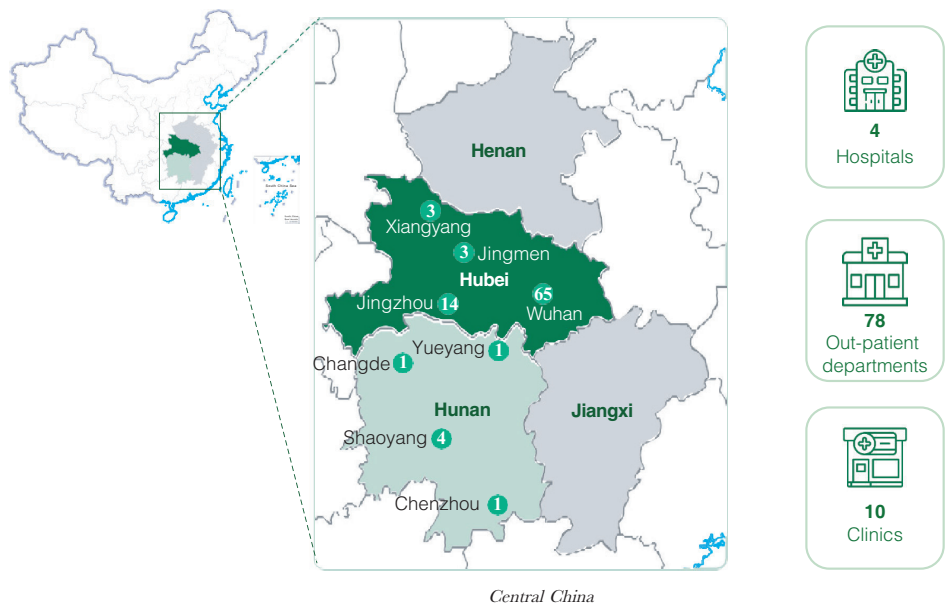
Implantology is a specialty of dentistry that deals with the tooth replacement, which involves implanting artificial teeth root (implants) into the alveolar bone to support the restoration of missing teeth. Our implantology treatments utilize different types of dental equipment and consumables, mainly including cone beam computed tomography machines, implant machines, ultrasonic bone scalpels, implant fixtures, bone grafts, abutments, drills and other dental tools for implants. Our implantology services aim to provide customers with a teeth replacement solution to replace the natural teeth with implants and achieve improved functionality and aesthetics. Through precise surgery and professional care, we can achieve successful implantation with long-term stability of the implants.

Management Discussion and Analysis

Orthodontics Services

Orthodontics is a specialty of dentistry that focuses on the diagnosis, prevention and treatment of dental and jawbone developmental abnormalities. These abnormalities include misaligned teeth, abnormal occlusion and irregularities in the size, shape and position of the jawbone. As an important specialty of dentistry, orthodontics not only focuses on the aesthetic alignment of teeth but also, more importantly, aims to restore and maintain normal function of mouth, such as chewing, speaking and facial aesthetics. Our orthodontic treatments use a range of dental equipment and consumables, mainly including metal brackets, ceramic brackets, clear aligners and other appliances.

Network Coverage



Management Discussion and Analysis

FUTURE PROSPECTS

Industry

As public awareness of health management continues to grow and demographic shifts advance, the dental services market in China is currently undergoing a critical transition from “scale expansion” to “quality-driven competition”. Driven by both policy support and market demand, the overall penetration rate of the industry is expected to increase further and market capacity is anticipated to gradually expand, demonstrating a long-term development trend of structural optimization and service upgrades. According to the Frost & Sullivan Report, the market size of the dental services market in China is projected to reach RMB200.4 billion by 2029.

As a densely populated region with significant development potential, Central China has seen a continuous release of demand for dental services, particularly in the private dental services market, which is expected to maintain a growth rate higher than the national average level, becoming one of the key drivers of industry growth. The supply of services in this regional market has been continuously enriched, and the degree of specialization, standardization and chain operation has gradually deepened, creating sustainable development space for leading brands.

We have established a relatively solid market foundation and brand influence in Central China. Leveraging our strategic layout of deepening regional roots, highly standardized operating system and rapidly replicable business model, we have established significant network effects and economies of scale. Looking ahead, we will continue to leverage our existing brand recognition and service network to respond to the growing demand for high-quality dental services, strengthen our regional penetration and deepen our service offerings, consolidate and enhance our market position, and actively seize industry development opportunities.

Outlook

1. *Strategic focus and regional deepening to consolidate our growth foundation*

We will firmly implement our market strategy of “rooted in Wuhan, covering Hubei, radiating throughout Central China and expanding nationwide”, concentrating our resources on enhancing the operational efficiency and profitability of our core markets in the Central China region. Through refined operations and cost control, we will deeply tap into the development potential of our existing network to build a “base area” with solid performance and efficient operations, laying a firm foundation for future nationwide expansion.

2. *High-quality and efficient expansion to consolidate market position*

We will fully leverage the capital and branding advantages of the Hong Kong listing platform, focus on return on investment, and prudently seek growth opportunities. Our expansion strategy will remain efficiency-oriented, driven by the dual-wheel strategy of organic growth and strategic acquisitions, with a focus on exploring high-quality regional merger and acquisition targets to continuously enhance our market share and competitiveness in local markets. All expansion decisions will be supported by rigorous pre-investment assessments and post-investment management to ensure that new institutions can be rapidly integrated into the Group’s standardized system, generate profits, and achieve high-quality, efficient growth in scale, thereby continuously enhancing our regional market leadership.

Management Discussion and Analysis

3. *Digital and intelligent upgrades to establish competitive barriers*

We regard being “driven by digital intelligence” as the core engine for our future development. We will systematically promote the digitalization of the entire chain of diagnosis and treatment, operations, management and customer service. Key initiatives include introducing AI-assisted diagnosis and treatment tools, upgrading our intelligent operation management systems, and building an integrated customer service management platform. These initiatives will comprehensively enhance medical precision, operational efficiency, customer experience and management standards, transforming our technological advantages into sustainable performance, cost advantages and establishing a new benchmark for smart healthcare.

4. *Refined management to comprehensively empower and enhance efficiency*

Leveraging our Group’s scale advantages, we will deeply integrate resources and implement a standardized and refined management system across all functional management segments. We will also use digital tools to achieve full-process monitoring and closed-loop management. While ensuring medical safety, we are committed to realizing the synergistic effects characterized by “optimal system cost, best customer experience and highest employee efficiency”.

Deepening the development of our talent and incentive systems, we adhere to the dual-wheel strategy of “internal cultivation and external recruitment” to continuously expand the reserve of medical professionals and management talents. We will improve our career promotion channels and remuneration incentive mechanisms, actively explore diversified employee incentive methods, and launch equity incentive plans at appropriate times based on market and operating conditions. This will effectively bind and motivate our core teams and build the Company into a career platform where employees can realize their value.

5. *Brand enhancement and strengthening value communication*

We will strive to elevate our brand from a regionally renowned name to one that is widely trusted by the capital markets. Internally, we will consolidate our brand foundation by continuously improving the quality of our medical services and reputation among our customers. Externally, we will establish a systematic and transparent investor relations management system and carry out refined value communication to clearly convey the Group’s strategic execution progress and long-term value proposition, thereby continuously promoting market recognition and value realization.

FINANCIAL REVIEW

Analysis of Consolidated Statements of Profit or Loss and Comprehensive Income

Our unaudited consolidated financial results for the six months ended 30 June 2026, together with the comparative figures for the six months ended 30 June 2025 are set out below.

Revenue

Our revenue decreased by 2.8% from RMB185.8 million for the six months ended 30 June 2025 to RMB180.6 million for the six months ended 30 June 2026. The decrease was primarily due to a decrease in the revenue from implantology services.

Management Discussion and Analysis

Revenue by dental service category

The following table sets forth our revenue by business line for the periods indicated:

	Six months ended 30 June			
	2026		2025	
	RMB'000	% of revenue	RMB'000	% of revenue
General dentistry services	103,669	57.4	102,010	54.9
Implantology services	43,178	23.9	53,553	28.8
Orthodontics services	33,729	18.7	30,235	16.3
Total	180,576	100.0	185,798	100.0

General dentistry services

Our revenue from general dentistry services increased by 1.6% from RMB102.0 million for the six months ended 30 June 2025 to RMB103.7 million for the six months ended 30 June 2026. The increase was primarily due to an increase in average spending per customer for general dentistry services. The number of customer visits for general dentistry services decreased by 1.2% from 246,000 for the six months ended 30 June 2025 to 243,000 for the six months ended 30 June 2026. Revenue from general dentistry services accounted for 57.4% of our total revenue for the six months ended 30 June 2026, as compared to 54.9 % for the six months ended 30 June 2025.

Implantology services

Our revenue from implantology services decreased by 19.4% from RMB53.6 million for the six months ended 30 June 2025 to RMB43.2 million for the six months ended 30 June 2026. The decrease was primarily due to a decline in average spending per customer for implantology services. The number of customer visits for implantology services increased from 39,000 for the six months ended 30 June 2025 to 40,000 for the six months ended 30 June 2026. Revenue from implantology services accounted for 23.9% of our total revenue for the six months ended 30 June 2026, as compared to 28.8% for the six months ended 30 June 2025.

Orthodontics services

Our revenue from orthodontics services increased by 11.6% from RMB30.2 million for the six months ended 30 June 2025 to RMB33.7 million for the six months ended 30 June 2026. The increase was primarily due to: (i) the increase of the number of customer visits for orthodontics services from 70,000 for the six months ended 30 June 2025 to 73,000 for the six months ended 30 June 2026; and (ii) the increase of the number of customers opting for high-cost orthodontics services resulting in a raise in overall average spending per customer. Revenue from orthodontics services accounted for 18.7% of our total revenue for the six months ended 30 June 2026, as compared to 16.3% for the six months ended 30 June 2025.

Management Discussion and Analysis

Cost of Sales

Our cost of sales primarily consists of (i) staff costs, mainly including salaries, bonuses and benefit expenses for dentists and other medical professionals working at our dental service network; (ii) costs of consumables and customized products, mainly representing costs to procure dental consumables and customize products used in our dental services, mainly including implant fixtures, porcelain crowns and dental braces; (iii) depreciation and amortization, mainly representing depreciation of right of use assets and medical equipment; (iv) office and property management expenses; and (v) share-based payments to medical professionals employed by us under the Pre-IPO Restricted Share Scheme.

Our cost of sales decreased by 1.7% from RMB115.5 million for the six months ended 30 June 2025 to RMB113.5 million for the six months ended 30 June 2026. The decrease was primarily due to the decrease in depreciation and amortization and share-based payments.

Gross Profit and Gross Profit Margin

Our gross profit decreased by 4.6% from RMB70.3 million for the six months ended 30 June 2025 to RMB67.1 million for the six months ended 30 June 2026. The decrease in our gross profit was primarily due to the decrease in our revenue. Our gross profit margin decreased from 37.8% for the six months ended 30 June 2025 to 37.1% for the six months ended 30 June 2026.

Other Income and Gains

Our other income and gains primarily consists of (i) bank interest income; (ii) government grants mainly representing certain government grants by the relevant government authorities; (iii) rental income, representing income generated from lease of certain properties owned by us or sublease of our right of use assets; and (iv) gains arising from lease termination, representing gains arising from adjustment on the lease terms. Our other income and gains decreased from RMB1.2 million for the six months ended 30 June 2025 to RMB0.8 million for the six months ended 30 June 2026, primarily due to the decrease in gains arising from lease termination.

Selling and Distribution Expenses

Our selling and distribution expenses primarily consist of (i) advertising and promotion expenses; and (ii) staff costs, mainly representing salaries, bonuses and benefit expenses for our branding and marketing staff. Our selling and distribution expenses increased by 7.5% from RMB16.3 million for the six months ended 30 June 2025 to RMB17.6 million for the six months ended 30 June 2026, primarily due to the increase in advertising and promotion expenses.

Management Discussion and Analysis

Administrative Expenses

Our administrative expenses primarily consist of (i) staff costs, mainly representing salaries, bonuses and benefit expenses for our management and administrative personnel; (ii) depreciation and amortization; (iii) consultation and professional service expenses; (iv) office expenses; (v) listing expenses; (vi) share-based payment expenses for Restricted Shares granted to our directors and employees under the Pre-IPO Restricted Share Scheme; and (vii) entertainment expenses. Our administrative expenses decreased by 26.2% from RMB16.6 million for the six months ended 30 June 2025 to RMB12.2 million for the six months ended 30 June 2026, primarily due to the decrease of listing expenses and share-based payments.

Finance Costs

Our finance costs mainly consist of interest on lease liabilities, representing interest recognized in association with our lease liabilities. Our finance costs decreased by 37.2% from RMB2.4 million for the six months ended 30 June 2025 to RMB1.5 million for the six months ended 30 June 2026, primarily due to the decrease in interest on lease liabilities.

Enterprise Income Tax

Our enterprise income tax expense decreased from RMB3.0 million for the six months ended 30 June 2025 to RMB2.1 million for the six months ended 30 June 2026, primarily due to the decrease in profit before tax during the Reporting Period.

Net Profit

As a result of the foregoing, our net profit decreased by 19.1% from RMB28.6 million for the six months ended 30 June 2025 to RMB23.1 million for the six months ended 30 June 2026. Our net profit margin (i.e., the percentage of net profit to revenue during the Reporting Period) decreased from 15.4% for the six months ended 30 June 2025 to 12.8% for the six months ended 30 June 2026.

Management Discussion and Analysis

Prepayments, Other Receivables and Other Assets

Our prepayments, other receivables and other assets increased from RMB12.1 million as of 31 December 2025 to RMB34.8 million as of 30 June 2026. In particular, the current portion of our prepayments, other receivables and other assets increased from RMB9.1 million as of 31 December 2025 and RMB26.1 million as of 30 June 2025 to RMB31.3 million as of 30 June 2026, primarily due to the increase in prepaid advertising and promotion expenses and prepayment for materials.

Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognized for non-controlling interests and any fair value of our previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. As of 30 June 2026, the carrying amount of our goodwill remained stable at RMB63.1 million (as of 31 December 2025: RMB63.1 million).

Contingent Liabilities

As at 30 June 2026 and 31 December 2025, the Group had no material contingent liabilities.

Management Discussion and Analysis

Liquidity, Financial Resources and Capital Structure

During the Reporting Period, we financed our capital expenditure and working capital requirements mainly through cash generated from operations and net proceeds from the Global Offering. Our cash and deposits decreased from RMB251.5 million as at 31 December 2025 to RMB238.8 million as at 30 June 2026, primarily due to the payment of the final dividend to Shareholders for the year ended 31 December 2025. As at 30 June 2026 and 31 December 2025, we had no bank loans and we had obtained undrawn bank loan facilities of RMB50.0 million.

As at 30 June 2026, we had net current assets of RMB194.5 million, as compared to net current assets of RMB213.9 million as at 31 December 2025; as at 30 June 2026, our liquidity as represented by current ratio⁽¹⁾ was 3.2 times, compared to 3.4 times as at 31 December 2025; as we had no bank loans and other borrowings, the gearing ratio (total bank loans and other borrowings to total equity) was 0% as at 30 June 2026 (31 December 2025: 0%).

The primary objectives of the Group's capital management are to maintain the Group's stability and growth, safeguard its normal operations and maximize Shareholders' value.

Note: (1) Current ratio = total current assets/total current liabilities

Capital Expenditures

Our capital expenditures primarily consisted of expenditures on (i) property, plant and equipment; (ii) acquisition of subsidiaries; and (iii) other intangible assets. Our capital expenditures decreased from RMB8.6 million for the six months ended 30 June 2025 to RMB4.7 million for the six months ended 30 June 2026, primarily due to the decrease in our expenditures on property, plant and equipment.

Contractual Commitments

As at 30 June 2026 and 31 December 2025, our capital commitments in respect of contracts for property, plant and equipment, intangible assets, etc. were nil.

Pledge of Assets

As at 30 June 2026 and 31 December 2025, we did not have any pledged assets.

Foreign Exchange Risk

As we primarily operate our business in the PRC with most transactions settled in RMB, however, some of our assets (in particular, the net proceeds from the Global Offering) are denominated in Hong Kong dollars. As at the end of the Reporting Period, these Hong Kong dollar-denominated assets accounted for more than 50% of the Group's total cash and deposit, constituting significant assets denominated in a currency other than the functional currency; therefore, the Group is exposed to a certain degree of foreign exchange risk. Fluctuations in the exchange rate between the Hong Kong dollar against RMB may have a potential impact on the Group's financial position. The Board will from time to time review analyses prepared by our accounting department and assess whether there will be any material adverse impact on our financial performance and whether we should enter into any hedging or derivative financial instruments to manage such foreign exchange risk exposures. As at 30 June 2026, the Group did not engage in hedging activities for managing the foreign exchange risk.

Material Acquisitions and Disposals of Subsidiaries, Associates or Joint Ventures

During the Reporting Period, there were no material acquisitions or disposals of our subsidiaries, associates or joint ventures.

Management Discussion and Analysis

Events After the Reporting Period

Other than the Placing as defined and detailed in the section headed “Placing and Use of Proceeds”, the Group does not have any material subsequent events after 30 June 2026 and up to the date of this interim report.

Future Plans for Material Investments and Capital Assets

We intend to use the net proceeds from the Global Offering and from the Placing according to the plans set out in the section headed “Use of Proceeds from the Global Offering” and the section headed “Placing and Use of Proceeds” in this interim report.

Save as disclosed above, we did not have any material investments and any future plans for material investments or increasing capital assets as at 30 June 2026.

Employees and Remuneration Policy

As at 30 June 2026, we had a total of 1,022 employees, all of whom were based in the PRC (as at 31 December 2025: 1,015 employees). The remuneration package we provide to employees mainly includes basic salaries and bonuses. We conduct annual performance reviews for them, and the review results will be used in their salary determination, bonus awards and promotion assessments. We highly value the recruitment, management, training and retainment of our employees, especially medical professionals. In particular, we arrange diversified training sessions for our employees, including pre-job training, training on basic medical theory, basic medical knowledge, and basic medical skills, advanced training and special training focused on selected specialties. We also encourage our employees to participate in a wide range of academic exchange activities and professional studies to enrich their technical know-how and develop their capabilities and skills. In addition, our on-the-job tutoring enables young medical professionals to closely and systematically learn the valuable academic theories and clinical experiences from experienced medical professionals. We also adopted the Pre-IPO Restricted Share Scheme in July 2017 to incentivize employees and align their interests with ours. Employee benefit expenses mainly include salaries, bonuses and allowances we provide to employees in the PRC. For the Reporting Period, employee benefit expenses amounted to RMB73.3 million (six months ended 30 June 2025: RMB75.4 million). In particular, under the employee incentive schemes, our share-based payment expenses were nil for the Reporting Period (six months ended 30 June 2025: RMB0.9 million).

Pre-IPO Restricted Share Scheme

The Pre-IPO restricted share scheme (the “**Restricted Share Scheme**”) was adopted on 27 July 2017 and amended on 28 October 2024 by the Company, the principal terms of which are set out in the section headed “D. Pre-IPO Restricted Share Scheme” in Appendix VI to the Prospectus. The purposes of the Restricted Share Scheme are to (i) establish a long-term effective incentive mechanism to enhance our employees’ sense of responsibility and promote continuous and healthy development of our Company, and (ii) provide incentives to our Directors, Supervisors, senior management, key employees and consultants to recognize their contributions to our Company and align their interests with our Company’s long-term development. The Company has not set a term for the Restricted Share Scheme, but it will terminate on the date the grantee no longer holds any incentive shares.

Management Discussion and Analysis

Participants of the Scheme

The participant of the Restricted Share Scheme is any person belong to any of (i) senior management of the Group; (ii) key employees and consultants; and (iii) other employees who, in the opinion of the Board, have great contribution to our Group's operating performance and future development and should be incentivized.

Maximum Number of Shares Available for Subscription

The number of Restricted Shares issued under the Restricted Share Scheme is 5,750,740 Shares, representing approximately 11.37% of the Company's total issued share capital as of the date of this report. Pursuant to the Restricted Share Scheme, the Restricted Shares were issued in a single tranche prior to the listing to the three employee stock ownership platforms, the general partner and limited partners of which are the participants of the Restricted Share Scheme including (i) Wuhan Xinglin, (ii) Wuhan Taolin and (iii) Wuhan Zhulin. As the Restricted Share Scheme constitutes a share scheme that is funded only by existing Shares and no Shares are available for issue under the Restricted Share Scheme as at the date of this report. There is no maximum limit of Restricted Shares which may be granted to each participant subject to the compliance of the Listing Rules.

Vesting Period and Purchase Price of the Restricted Share

The Restricted Shares granted to grantees vested when the completion of public offering.

The purchase price of the Restricted Shares shall be determined by our Company with reference to the latest net assets, profitability and development potential of our Company set forth in the restricted share agreement.

During the Reporting Period, no Restricted Shares of the Company were granted, vested, cancelled or lapsed under the Restricted Share Scheme, and as at 30 June 2026, all Restricted Shares that have been granted have been fully vested, with no Restricted Shares remaining unvested.

Corporate Governance and Other Information

INTERESTS OR SHORT POSITIONS OF THE DIRECTORS AND CHIEF EXECUTIVE IN SHARES, UNDERLYING SHARES AND DEBENTURES OF OUR COMPANY OR ANY OF ITS ASSOCIATED CORPORATIONS

As at the Latest Practicable Date, to the best knowledge of the Directors after making reasonable enquiry, the interests and/or short positions (as applicable) of our Directors and chief executive in the Shares, underlying shares and debentures of our Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would be required (i) to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and/or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) to be notified to our Company and the Stock Exchange pursuant to the Model Code, were as follows:

(i) Interests in the Shares of Our Company

Name	Position	Nature of interest	Number of Shares	Description of Shares	Approximate percentage of the number of Shares of that class ⁽¹⁾	Approximate percentage of the total issued Shares of our Company ⁽¹⁾
Mr. Yao ⁽²⁾	Chairman of the Board and executive Director	Interest in controlled corporation	31,324,102	Unlisted Shares	96.82%	61.93%
		Beneficial interest	475,800	Unlisted Shares	1.47%	0.94%
		Interest of concert party	31,774,102	Unlisted Shares	98.21%	62.82%
Ms. Shen ⁽²⁾	Executive Director, vice chairman of the Board and general manager	Interest in controlled corporation	31,324,102	Unlisted Shares	96.82%	61.93%
		Beneficial interest	450,000	Unlisted Shares	1.39%	0.89%
		Interest of concert party	31,799,902	Unlisted Shares	98.29%	62.87%

Notes:

- (1) The percentage is for illustrative purpose only and may be subject to discrepancies. The calculation is based on a total number of 50,579,042 Shares in issue as at the Latest Practicable Date (comprising 18,226,140 H Shares and 32,352,902 Unlisted Shares).
- (2) As at the Latest Practicable Date, Mr. Yao and Ms. Shen held 475,800 Unlisted Shares and 450,000 Unlisted Shares in our Company, respectively; Mr. Yao and Ms. Shen held 51,300,000 shares and 36,500,000 shares in Zhongshan Medical Investment, respectively, representing approximately 44.11% and 31.38% of the equity interest in Zhongshan Medical Investment, respectively; Zhongshan Medical Investment held 31,324,102 Unlisted Shares in our Company. Pursuant to an acting-in-concert agreement entered into between Mr. Yao and Ms. Shen on 3 June 2014, Mr. Yao and Ms. Shen agreed to act in concert in respect of their voting rights in Zhongshan Medical Investment and our Company.

See “History, Development and Corporate Structure – Our Major Corporate Development – Early Development” in the Prospectus for details. Therefore, Mr. Yao and Ms. Shen were deemed to be interested in the Shares directly held by Zhongshan Medical Investment and each other by virtue of the SFO.

- (3) All interest(s) represented long position(s).

Corporate Governance and Other Information

(ii) Interests in Our Associated Corporation

Name	Position	Nature of interest	Name of associated corporation	Number of Shares	Approximate percentage of shareholding
Mr. Yao ⁽¹⁾	Chairman of the Board and executive Director	Beneficial interest	Zhongshan Medical Investment	51,300,000	44.11%
		Interest of concert party	Zhongshan Medical Investment	36,500,000	31.38%
Ms. Shen ⁽¹⁾	Executive Director, vice chairman of the Board and general manager	Beneficial interest	Zhongshan Medical Investment	36,500,000	31.38%
		Interest of concert party	Zhongshan Medical Investment	51,300,000	44.11%
Ms. Liu Hongchan	Executive Director, vice general manager and secretary of the Board	Beneficial interest	Zhongshan Medical Investment	1,500,000	1.29%
		Interest of spouse ⁽²⁾	Zhongshan Medical Investment	1,900,000	1.63%

Notes:

- (1) As at the Latest Practicable Date, Mr. Yao and Ms. Shen held 51,300,000 shares and 36,500,000 shares in Zhongshan Medical Investment, respectively, representing approximately 44.11% and 31.38% of the equity interest in Zhongshan Medical Investment, respectively. Pursuant to an acting-in-concert agreement entered into between Mr. Yao and Ms. Shen on 3 June 2014, Mr. Yao and Ms. Shen agreed to act in concert in respect of their voting rights in Zhongshan Medical Investment. See “History, Development and Corporate Structure – Our Major Corporate Development – Early Development” in the Prospectus for details. Therefore, each of them was deemed to be interested in the equity interest in Zhongshan Medical Investment held by each other by virtue of the SFO.
- (2) As at the Latest Practicable Date, Mr. Liu Baoping (劉保平), the spouse of Ms. Liu Hongchan, held 1,900,000 shares in Zhongshan Medical Investment, representing approximately 1.63% of the equity interest in Zhongshan Medical Investment. Under the SFO, Ms. Liu Hongchan was deemed to be interested in the equity interest in Zhongshan Medical Investment held by Mr. Liu Baoping.
- (3) All interest(s) represented long position(s).

As at the Latest Practicable Date, save as disclosed above, to the best knowledge of the Directors after making reasonable enquiry, none of the Directors or chief executive had any interests and/or short positions in the Shares, underlying shares and debentures of our Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would be required (i) to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and/or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) to be notified to our Company and the Stock Exchange pursuant to the Model Code.

Corporate Governance and Other Information

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN THE SHARES AND UNDERLYING SHARES

As at the Latest Practicable Date, so far as the Directors are aware after making reasonable enquiry, the persons (other than the Directors or chief executive of the Company) who held interests and/or short positions (as applicable) in the Shares or underlying shares which would be required to be notified to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or to be recorded in the register required to be kept by our Company pursuant to section 336 of the SFO were set out in the table below:

Name of Shareholder	Nature of Interest	Number	Description of Shares	Approximate percentage of the number of Shares of that class ⁽¹⁾	Approximate percentage of the total issued Shares of our Company ⁽¹⁾
Zhongshan Medical Investment ⁽²⁾	Beneficial interest	31,324,102	Unlisted Shares	96.82%	61.93%
Wuhan Xinglin	Beneficial interest	2,740,740	H Shares	15.04%	5.42%
Yao Qi ⁽³⁾	Interest in controlled corporation	2,740,740	H Shares	15.04%	5.42%
Wuhan Taolin	Beneficial interest	1,505,000	H Shares	8.26%	2.98%
Ma Zhenrong ⁽⁴⁾	Interest in controlled corporation	1,505,000	H Shares	8.26%	2.98%
Wuhan Zhulin	Beneficial interest	1,505,000	H Shares	8.26%	2.98%
Peng Chong ⁽⁵⁾	Interest in controlled corporation	1,505,000	H Shares	8.26%	2.98%
Sigma Fibonacci Limited ⁽⁶⁾	Beneficial interest	1,409,100	H Shares	7.73%	2.79%
Sigma Global Fund SPC ⁽⁶⁾	Interest in controlled corporation	1,409,100	H Shares	7.73%	2.79%
Wong Chi-Kit ⁽⁶⁾	Interest in controlled corporation	1,409,100	H Shares	7.73%	2.79%

Notes:

- (1) The percentage is for illustrative purpose only and may be subject to discrepancies. The calculation is based on a total number of 50,579,042 Shares in issue as at the Latest Practicable Date (comprising 18,226,140 H Shares and 32,352,902 Unlisted Shares).
- (2) As at the Latest Practicable Date, Mr. Yao and Ms. Shen held 51,300,000 shares and 36,500,000 shares in Zhongshan Medical Investment, respectively, representing approximately 44.11% and 31.38% of the equity interest in Zhongshan Medical Investment, respectively. Pursuant to an acting-in-concert agreement entered into between Mr. Yao and Ms. Shen on 3 June 2014, Mr. Yao and Ms. Shen agreed to act in concert in respect of their voting rights in Zhongshan Medical Investment. See "History, Development and Corporate Structure – Our Major Corporate Development – Early Development" in the Prospectus for details. Therefore, each of them was deemed to be interested in the equity interest in Zhongshan Medical Investment held by each other by virtue of the SFO.
- (3) As at the Latest Practicable Date, Yao Qi is the general partner of Wuhan Xinglin. Therefore, Yao Qi is deemed to be interested in the Shares directly held by Wuhan Xinglin by virtue of the SFO.
- (4) As at the Latest Practicable Date, Ma Zhenrong is the general partner of Wuhan Taolin. Therefore, Ma Zhenrong is deemed to be interested in the Shares directly held by Wuhan Taolin by virtue of the SFO.
- (5) As at the Latest Practicable Date, Peng Chong is the general partner of Wuhan Zhulin. Therefore, Peng Chong is deemed to be interested in the Shares directly held by Wuhan Zhulin by virtue of the SFO.
- (6) Information was obtained from the website of the Stock Exchange (<http://www.hkexnews.hk/di/di.htm>).
- (7) All interest(s) represented long position(s).

As at the Latest Practicable Date, save as disclosed above, so far as the Directors are aware after making reasonable enquiry, no other persons (other than the Directors or chief executive of the Company) held interests and/or short positions in the Shares or underlying shares of our Company which would be required to be notified to our Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or to be recorded in the register required to be kept pursuant to section 336 of the SFO.

Corporate Governance and Other Information

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 listed securities of the Company (including the sale of treasury shares, if any). As of the Latest Practicable Date, the Company did not hold any treasury shares.

Compliance with the Model Code for Securities Transactions

The Company has adopted the Model Code as its code of conduct regarding Directors' securities transactions. Having made specific enquiry of all Directors, they have complied with the Model Code during the Reporting Period.

Compliance with the Corporate Governance Code

The Company is committed to maintaining and promoting stringent corporate governance. The principle of the Company's corporate governance is to promote effective internal control measures, uphold a high standard of ethics, transparency, responsibility and integrity in all aspects of business, to ensure that its affairs are conducted in accordance with applicable laws and regulations and to enhance the transparency and accountability of the Board to all Shareholders.

The Board is of the view that, during the Reporting Period, the Company has complied with all applicable code provisions as set out in the Corporate Governance Code. The Board will continue to enhance its corporate governance practices appropriate to the conduct and growth of its business and to review such practices from time to time to ensure that they comply with statutory and professional standards and align with the latest development.

Compliance with Relevant Laws and Regulations

During the Reporting Period, the Company has complied in all material respects with the applicable laws, regulations and regulatory requirements in the jurisdictions where the Company operates, including the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), the Listing Rules, the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and the Corporate Governance Code relating to, among other things, the disclosure of information and corporate governance.

Interim Dividend and Capitalization Issue

The Board resolved not to declare any interim dividend for the Reporting Period (six months ended 30 June 2025: Nil).

Corporate Governance and Other Information

The Board has resolved to propose a capitalization issue plan to issue Shares to the Shareholders on the basis of 2 capitalization shares for every 10 existing Shares by way of capitalization of the Company's capital reserve (the **"Capitalization Issue"**).

As at the Latest Practicable Date, the registered and issued share capital of the Company was RMB50,579,042, comprising 18,226,140 H Shares and 32,352,902 Unlisted Shares. On the basis that an aggregate of 50,579,042 Shares were in issue, immediately upon the completion of the Capitalization Issue, the capitalization shares (the **"Capitalization Shares"**) will comprise 3,645,228 H Shares and 6,470,580 Unlisted Shares, in which the total of 10,115,808 Capitalization Shares will be credited as fully paid by way of conversion of the capital reserve of the Company in the amount of RMB10,115,808. Prior to the record date for determining entitlement to the Capitalization Issue, if there is any change in the total share capital of the Company, the Company shall maintain the capitalization ratio unchanged and adjust the total amount of capitalized share capital accordingly. Immediately upon completion of the Capitalization Issue, the total number of Shares in issue of the Company will increase to 60,694,850 Shares.

Conditions of the Proposed Capitalization Issue

The Capitalization Issue is conditional on the satisfaction of the following conditions:

- (a) The Capitalization Issue has been approved by the Shareholders by way of a special resolution at an extraordinary general meeting (**"EGM"**);
- (b) the Listing Committee of the Stock Exchange has granted approval for the listing of, and permission to deal in, the new H Shares; and
- (c) compliance with the relevant legal procedures and requirements under the Company Law of the People's Republic of China that are applicable to the Capitalization Issue.

Status of the Capitalization Shares

The Capitalization Shares will be issued on a pro-rata basis, and any fractional Shares (if any) will be rounded down to the nearest whole unit. No fractional new Shares shall be allotted to the Shareholders and fractional entitlements (if any) will be aggregated and sold for the benefit of the Company.

Corporate Governance and Other Information

The Board also proposed to change the registered capital and amend the Articles of Association to reflect the change in registered capital as a result of the proposed Capitalization Issue. The change in the registered capital and amendments to the Articles of Association will be subject to the shareholders' approval by way of a special resolution at the EGM.

A circular containing, among other things, detailed arrangements regarding the proposed Capitalization Issue together with the notices of the EGM will be despatched in due course.

Corporate Governance and Other Information

Audit Committee and Review of Interim Financial Results

As of the Latest Practicable Date, the Audit Committee comprises three independent non-executive Directors, namely Ms. Huang Suzhen (黃素珍), Mr. Shu Yijie (疏義傑), Mr. Xie Dong (謝東). Ms. Huang Suzhen is the chairperson of the Audit Committee and possesses the appropriate qualifications required under Rules 3.10(2) and 3.21 of the Listing Rules. The Audit Committee is primarily responsible for reviewing and supervising the Group's financial reporting process, risk management and internal control systems with terms of reference in compliance with relevant PRC laws and regulations and Rule 3.21 of the Listing Rules and paragraph D.3 of Part 2 of the Corporate Governance Code.

The unaudited interim results of the Group for the Reporting Period and this interim report have been reviewed by the Audit Committee. The Audit Committee has also reviewed the accounting principles adopted by the Group and discussed auditing, internal control, risk management and financial reporting matters. The Audit Committee is of the view that appropriate accounting policies have been adopted in the preparation of the relevant results, the applicable requirements under the Listing Rules have been complied with, and adequate disclosure has been made.

Changes in the Information of Directors

During the Reporting Period, there were no changes in the information of Directors and chief executive that are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

Use of Proceeds from the Global Offering

The H Shares were listed on the Stock Exchange by way of Global Offering on 9 July 2025. A total of 10,861,800 H Shares were issued at an offer price of HK\$20 per Share, with gross proceeds of approximately HK\$217.24 million. After deduction of related expenses, the net proceeds from the Global Offering were approximately HK\$178.17 million (the "**Net Proceeds**").

Corporate Governance and Other Information

For the Reporting Period, the intended use of the Net Proceeds is consistent with that previously disclosed in “Future Plans and Use of Proceeds” in the Prospectus. The following table sets out the utilization of the Net Proceeds for the Reporting Period:

Intended use of Net Proceeds	Approximate percentage of Net Proceeds	Planned amount of Net Proceeds to be used (approximately HK\$ million)	Unutilized Net Proceeds up to 1 January 2026 (approximately HK\$ million)	Utilized Net Proceeds during the Reporting Period (approximately HK\$ million)	Unutilized Net Proceeds as of 30 June 2026 (approximately HK\$ million)	Expected timeline for full utilization of the remaining Net Proceeds ⁽¹⁾
Establishing new dental institutions	35%	62.36	61.44	0.41	61.03	By 31 December 2029
Acquiring dental institutions	25%	44.54	44.54	0.20	44.34	By 31 December 2029
Upgrading and renovating some of our existing dental institutions	10%	17.82	14.08	1.66	12.42	By 31 December 2029
Optimizing our information technology infrastructure and information technology systems	10%	17.82	16.20	0.80	15.40	By 31 December 2029
Developing our medical professional team	10%	17.82	10.12	3.67	6.45	By 31 December 2029
Working capital and general corporate purposes	10%	17.82	13.03	11.94	1.08	By 31 December 2029
Total⁽²⁾	100%	178.17	159.40	18.68	140.72	

Notes:

- (1) The expected timeline for full utilization of the remaining Net Proceeds set out in the table above is based on the Group’s best estimate of the future market conditions, which may be subject to change as a result of the development in current and future market conditions.
- (2) Totals may not be the exact sum of numbers shown here due to rounding.

If the Net Proceeds are not immediately utilized for the above purposes, the Company will only deposit the Net Proceeds in short-term interest-bearing accounts with licensed commercial banks and/or other recognized financial institutions (as defined in the SFO or applicable laws and regulations of other jurisdictions).

The Placing and Use of Proceeds

On 24 June 2026, the Company and Sunhigh Financial Holdings Limited entered into a placing agreement, pursuant to which a total of 1,200,000 new H Shares were placed at a price of HK\$10.00 per Share subject to the terms and conditions of the placing agreement (the “**Placing**”). Completion of the Placing took place on 15 July 2026. The gross proceeds and net proceeds (after deducting placing commission and other relevant costs and expenses of the Placing) from the Placing were HK\$12.00 million and approximately HK\$11.00 million, respectively. For details of the Placing, please refer to the announcements dated 24 June 2026 and 15 July 2026 (the “**Placing Announcements**”).

As completion of the Placing took place after the Reporting Period, none of the net proceeds were utilized during the Reporting Period. As at the Latest Practicable Date, the intended use of proceeds from the Placing remained consistent with those disclosed in the Placing Announcements.

Interim Condensed Consolidated Statements of Profit or Loss and Comprehensive Income

For the six months ended 30 June 2026

		Six months ended 30 June	
	Notes	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
REVENUE	4	180,576	185,798
Cost of sales		(113,515)	(115,530)
Gross profit		67,061	70,268
Other income and gains		758	1,153
Selling and distribution expenses		(17,576)	(16,345)
Administrative expenses		(12,238)	(16,581)
Research and development expenses		(3,263)	(3,934)
Other expenses		(7,942)	(538)
Finance costs		(1,520)	(2,420)
PROFIT BEFORE TAX	5	25,280	31,603
Income tax expense	6	(2,147)	(3,001)
PROFIT FOR THE PERIOD		23,133	28,602
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		23,133	28,602
Attributable to:			
Owners of the parent		12,318	15,880
Non-controlling interests		10,815	12,722
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted (RMB)	8	0.25	0.41

Interim Condensed Consolidated Statements of Financial Position

30 June 2026

	Notes	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment	9	60,142	65,312
Right-of-use assets		69,864	75,492
Goodwill		63,090	63,090
Other intangible assets		1,921	2,049
Prepayments, other receivables and other assets		3,434	2,985
Deferred tax assets		1,255	1,154
Total non-current assets		199,706	210,082
CURRENT ASSETS			
Inventories		4,041	2,413
Trade receivables	10	7,015	7,415
Prepayments, other receivables and other assets		31,325	9,100
Financial assets at fair value through profit or loss		–	34,494
Cash and deposit		238,798	251,476
Total current assets		281,179	304,898
Current Liabilities			
Trade payables	11	18,155	9,778
Other payables and accruals		22,026	26,553
Contract liabilities		17,267	21,902
Lease liabilities		25,288	27,517
Tax payable		3,939	5,231
Total current liabilities		86,675	90,981
NET CURRENT ASSETS		194,504	213,917
TOTAL ASSETS LESS CURRENT LIABILITIES		394,210	423,999

Interim Condensed Consolidated Statements of Financial Position

30 June 2026

	Notes	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000
NON-CURRENT LIABILITIES			
Contract liabilities		2,335	2,333
Deferred tax liabilities		75	64
Lease liabilities		42,750	47,331
Total non-current liabilities		45,160	49,728
Total liabilities		131,835	140,709
Net assets		349,050	374,271
EQUITY			
Equity attributable to owners of the parent			
Share capital	12	49,379	49,379
Reserves		249,304	270,748
		298,683	320,127
Non-controlling interests		50,367	54,144
Total equity		349,050	374,271

Interim Condensed Consolidated Statements of Changes in Equity

For the six months ended 30 June 2026

	Attributable to owners of the parent									
	Share capital	Treasury shares	Capital reserve	Surplus reserve	Share-based payment reserve	Other reserve	Retained profits	Total	Non-controlling interests	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	(note 12)									
As at 1 January 2026	49,379	-	184,399	21,407	14,594	966	49,382	320,127	54,144	374,271
Total comprehensive income for the period	-	-	-	-	-	-	12,318	12,318	10,815	23,133
IPO issuance expenses	-	-	(765)	-	-	-	-	(765)	-	(765)
Dividends declared for 2025	-	-	-	-	-	-	(32,985)	(32,985)	-	(32,985)
Dividends paid to non-controlling shareholders	-	-	-	-	-	-	-	-	(14,571)	(14,571)
Capital injection from non-controlling shareholders	-	-	-	-	-	-	-	-	469	469
Capital reduction in a subsidiary	-	-	-	-	-	-	-	-	(490)	(490)
Other changes in equity ⁽¹⁾	-	-	-	-	-	-	(12)	(12)	-	(12)
As at 30 June 2026	49,379	-	183,634	21,407	14,594	966	28,703	298,683	50,367	349,050

Note:

- (1) Other changes in equity: The employee shareholding platform was deconsolidated as the Restricted Shares granted to grantees vested at the date of the completion of public offering.

Interim Condensed Consolidated Statements of Changes in Equity

For the six months ended 30 June 2026

	Attributable to owners of the parent									
	Share capital	Treasury shares	Capital reserve	Surplus reserve	Share-based payment reserve	Other reserve	Retained profits	Total	Non-controlling interests	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	(note 12)									
As at 1 January 2025	38,517	(15,438)	38,718	19,259	10,254	966	23,355	115,631	43,378	159,009
Total comprehensive income for the period	–	–	–	–	–	–	15,880	15,880	12,722	28,602
Dividends paid to non-controlling shareholders	–	–	–	–	–	–	–	–	(44)	(44)
Share-based payments (note 13)	–	–	–	–	867	–	–	867	–	867
As at 30 June 2025	38,517	(15,438)	38,718	19,259	11,121	966	39,235	132,378	56,056	188,434

Interim Condensed Consolidated Statements of Cash Flows

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	25,280	31,603
Adjustments for:		
Finance costs	1,520	2,420
Interest income form time deposit	(208)	–
Loss on disposal of items of property, plant and equipment	168	213
Losses/(gains) arising from lease modification	152	(1,164)
Depreciation of property, plant and equipment	8,420	11,082
Amortisation of other intangible assets	178	169
Depreciation of right-of-use assets	13,746	15,809
Provision for impairment of trade receivables and other receivables	124	233
Share-based payment expenses	–	867
Foreign exchange loss	2,602	–
Fair value losses on financial assets at fair value through profit or loss	79	–
	52,061	61,232
Increase in inventories	(1,628)	(938)
Decrease/(increase) in trade receivables	414	(2,222)
Increase in prepayments, other receivables and other assets	(22,968)	(562)
Increase in trade payables	8,377	2,245
Decrease in contract liabilities	(4,633)	(17,506)
Decrease in other payables and accruals	(5,185)	(2,430)
Cash generated from operations	26,438	39,819
Income tax paid	(3,529)	(4,212)
Net cash flows from operating activities	22,909	35,607
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of items of property, plant and equipment	(4,611)	(7,924)
Proceeds from disposal of property, plant and equipment	1,108	486
Purchases of wealth management products	(110,351)	–
Proceeds from disposal of wealth management products	144,766	–
Addition to other intangible assets	(50)	(627)
Purchase of time deposit	(124,341)	–
Proceeds from redemption of time deposits	4,000	–
Interest income form time deposit	20	–
Net cash flows used in investing activities	(89,459)	(8,065)

Interim Condensed Consolidated Statements of Cash Flows

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(32,067)	(19,397)
Dividends paid to non-controlling shareholders	(14,424)	(44)
Capital injection from non-controlling shareholders	469	–
Capital reduction in a subsidiary	(490)	–
Acquisition of non-controlling interests	(180)	–
Principal portion of lease payments	(15,080)	(15,154)
Payment of listing expenses	(1,259)	(5,727)
Interest paid	(1,520)	(2,420)
Partial disposal of interests in the subsidiaries without loss of control	496	–
Net cash flows used in financing activities	(64,055)	(42,742)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(130,605)	(15,200)
Cash and cash equivalents at beginning of period	247,471	95,046
Effect of foreign exchange rate changes, net	(2,372)	–
CASH AND CASH EQUIVALENTS AT END OF PERIOD	114,494	79,846
ANALYSIS OF BALANCES OF CASH AND DEPOSIT		
Cash and bank balances	114,494	79,846
Time deposit	124,304	–
Cash and deposit as stated in the statement of financial position and statement of cash flows	238,798	79,846

Notes to Interim Condensed Consolidated Financial Information

30 June 2026

1. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2026 has been prepared in accordance with IAS 34 Interim Financial Reporting. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025.

2. CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is not organized into business units based on their services and only has one reportable operating segment. Management monitors the operating results of the Group's operating segment as a whole for the purpose of making decisions about resource allocation and performance assessment.

Geographical information

All of the Group's revenue was derived from customers located in Mainland China and all of the Group's non-current assets were located in Mainland China, and therefore geographical segment information is not presented in accordance with IFRS 8 Operation Segments.

Notes to Interim Condensed Consolidated Financial Information

30 June 2026

4. REVENUE

An analysis of revenue is as follows:

	Six months ended 30 June	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Revenue from contracts with customers	180,576	185,798

Revenue from contracts with customers

(a) Disaggregated revenue information

	Six months ended 30 June	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Type of goods or services		
General dentistry services	103,669	102,010
Implantology services	43,178	53,553
Orthodontics services	33,729	30,235
Total	180,576	185,798
Geographical market		
Mainland China	180,576	185,798
Timing of revenue recognition		
Services transferred over time	180,495	185,738
Goods transferred at a point in time	81	60
Total	180,576	185,798

Notes to Interim Condensed Consolidated Financial Information

30 June 2026

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging:

	Six months ended 30 June	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Cost of inventories, consumables and customised products sold	26,802	25,113
Impairment of trade receivables	(14)	111
Impairment of prepayment financial assets included in prepayments, other receivables and other assets	138	122

6. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Chinese Mainland

Under the Law of PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the EIT rate of PRC subsidiaries is 25% unless subject to tax exemption set out below.

The Company was accredited as a "High and New Technology Enterprise" in 2020 and the qualification was subsequently renewed in 2023. "High and New Technology Enterprise" qualifications are subject to review by the relevant authority in the PRC every three years. The Company will submit its application for re-certification (review) as a High and New Technology Enterprise for the year 2026 as scheduled. Based on the nature of the Company's business and the progress of its research and development activities, the management expects that the Company will be able to meet the criteria for certification as a High and New Technology Enterprise and is highly likely to pass this review. Therefore, in preparing these interim financial statements, the Company has provisionally provided for enterprise income tax expense for the period from January to June 2026 at the preferential tax rate of 15%.

Certain subsidiaries of the Group meet the criteria for small and micro enterprises as specified in the Announcement of the Ministry of Finance and the State Taxation Administration on Tax Policies to Further Support the Development of Small and Micro Enterprises and Individual Industrial and Commercial Proprietors (Announcement No. 12 of the Ministry of Finance and the State Taxation Administration in 2023) (《財政部稅務總局關於進一步支持小微企業和個體工商戶發展有關稅費政策的公告》(財政部稅務總局公告 2023 年第 12 號)) (i.e., annual taxable income not exceeding RMB3 million, number of employees not exceeding 300 and total assets not exceeding RMB50 million). The annual taxable income of such subsidiaries is calculated at a reduced rate of 25% and included in taxable income, and they are subject to enterprise income tax at a rate of 20%. In accordance with the aforementioned policy, the relevant subsidiaries of the Group have provided for enterprise income tax at an effective tax rate of 5% for the six months ended 30 June 2026.

Notes to Interim Condensed Consolidated Financial Information

30 June 2026

6. INCOME TAX (CONTINUED)

Chinese Mainland (CONTINUED)

Current income tax for the six months ended 30 June 2026 and 2025 are as follows:

	Six months ended 30 June	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Current – Chinese Mainland		
Charge for the period	2,057	2,920
Under provision in prior years	180	–
Deferred	(90)	81
Total tax charge	2,147	3,001

7. DIVIDENDS

During the six months ended 30 June 2026, pursuant to “2025 Annual Profit Distribution Plan” approved by the Company’s Shareholders at the annual general meeting, the Company has paid a final dividend of RMB32,985,200 in aggregate for the year ended 31 December 2025.

Notes to Interim Condensed Consolidated Financial Information

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

The calculation of the basic earnings per share amounts is based on the profit for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares outstanding during the period. As the Group had no potentially dilutive ordinary shares outstanding during the period, no adjustment has been made on the basic earnings per share amounts presented for the period.

The calculation of basic and diluted earnings per share is based on:

	Six months ended 30 June	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Earnings		
Profit attributable to ordinary equity holders of the parent:	12,318	15,880
Less: profit attributable to treasury shares	–	2,371
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation	12,318	13,509
Shares		
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	49,379	32,767

9. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group acquired assets at a cost of RMB4,526,000 (six months ended 30 June 2025: RMB7,607,000).

During the six months ended 30 June 2026, the Group disposed of assets for a cost of RMB1,276,000 (six months ended 30 June 2025: RMB1,025,000).

Notes to Interim Condensed Consolidated Financial Information

30 June 2026

10. TRADE RECEIVABLES

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

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000
Within 3 months	6,686	7,001
3 months to 6 months	58	43
6 months to 1 year	271	371
Total	7,015	7,415

11. TRADE PAYABLES

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

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000
Within 3 months	14,300	6,362
3 months to 6 months	2,981	2,541
6 months to 1 year	346	302
More than 1 year	528	573
Total	18,155	9,778

The trade payables are non-interest-bearing and are normally settled on the terms of 30 to 90 days.

Notes to Interim Condensed Consolidated Financial Information

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12. SHARE CAPITAL

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000
Issued and fully paid: 49,379,042 ordinary shares (2025: 49,379,042)	49,379	49,379

13. SHARE-BASED PAYMENTS

The Group adopted a restricted share scheme (“**Employee Incentive Scheme**”) which became effective in 2017, for the purpose of attracting and retaining directors, senior management and employees who promote the success of the Group’s operations. Two of the Controlling Shareholders, Ms. Shen Hongmin and Zhongshan Medical Investment, have transferred 5,750,740 shares of the Company to Wuhan Xinglin, Wuhan Zhulin and Wuhan Taolin for cash consideration. Wuhan Xinglin, Wuhan Zhulin and Wuhan Taolin are used as restricted share platforms to facilitate the administration of the Employee Incentive Scheme. Pursuant to the Employee Incentive Scheme, the subscription price ranging from RMB2.00 per share to RMB7.72 per share for restricted shares were paid by the employees to the general partner or limited partners of the platforms at the respective grant date of such scheme.

The following restricted shares were outstanding under the Employee Incentive Scheme during the period:

	Six months ended 30 June	
	2026 (unaudited)	2025 (unaudited)
At beginning of period	5,750,740	5,350,740
Granted during the period	–	400,000
At end of period	5,750,740	5,750,740

Under the Employee Incentive Scheme, the Group recognised nil share-based payment expense during the six months ended 30 June 2026 (for the six months ended 30 June 2025: RMB867,000).

Notes to Interim Condensed Consolidated Financial Information

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14. CONTINGENT LIABILITIES

As at 30 June 2026 and 31 December 2025, the Group did not have any material contingent liabilities.

15. CONTRACTUAL COMMITMENTS

As at 30 June 2026 and 31 December 2025, the Group had nil contractual commitment.

16. RELATED PARTY TRANSACTIONS

(a) Name and relationship

The directors of the Group are of the view that the following companies are related parties that had transactions or balances with the Group during the period:

Name of related parties	Relationship with the Group
Nanjing Pharmaceutical Hubei Co., Ltd.	An entity controlled by one of the Company's Shareholders
Hubei Zhongshan Medical Investment Management Co., Ltd.	An entity controlled by one of the Company's Shareholders

Notes to Interim Condensed Consolidated Financial Information

30 June 2026

16. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Transactions with related parties

The Group had the following transactions with related parties during the period:

	Note	Six months ended 30 June	
		2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Purchases of goods ⁽ⁱ⁾		628	501
Rental payments		176	338
Total		804	839

Note:

- (i) The transactions with the related parties were made in accordance with the terms and conditions mutually agreed by the parties involved. The balances with the related parties are trade in nature, unsecured, interest-free and payable on demand.

(c) Compensation of key management personnel of the Group:

	Six months ended 30 June	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Wages, salaries and allowances	2,535	2,090
Share-based payment expenses	–	106
Pension scheme contributions	31	20
Other employee benefits	40	73
Total compensation paid to key management personnel	2,606	2,289

Notes to Interim Condensed Consolidated Financial Information

30 June 2026

17. NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

On 24 June 2026, the Company and Sunhigh Financial Holdings Limited entered into a placing agreement, pursuant to which a total of 1,200,000 new H Shares were placed at a price of HK\$10.00 per Share subject to the terms and conditions of the placing agreement (the “**Placing**”). Completion of the Placing took place on 15 July 2026. The gross proceeds and net proceeds (after deducting placing commission and other relevant costs and expenses of the Placing) from the Placing were HK\$12.00 million and approximately HK\$11.00 million, respectively. For details of the Placing, please refer to the announcements dated 24 June 2026 and 15 July 2026 (the “**Placing Announcements**”).

18. APPROVAL OF THE INTERIM FINANCIAL INFORMATION

The unaudited interim condensed consolidated financial information was approved and authorised for issue by the board of directors on 28 August 2026.

Definitions

“Audit Committee”	the audit committee of the Board
“Board” or “Board of Directors”	the board of Directors of the Company
“China” or “PRC”	the People’s Republic of China, but for the purpose of this interim report and for geographical reference only and except where the context requires, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Company” or “our Company”	Wuhan Dazhong Dental Medical Co., Ltd. (武漢大眾口腔醫療股份有限公司), formerly known as Wuhan Dazhong Dental Clinic Co., Ltd. (武漢大眾口腔門診部股份有限公司) and Wuhan Dazhong Dental Clinic Co., Ltd. (武漢大眾口腔門診部有限公司), established as a limited liability company in the PRC on 10 July 2007 and converted into a joint stock company with limited liability on 24 December 2014
“Controlling Shareholder(s)”	has the meaning ascribed thereto under the Listing Rules and, unless the context otherwise requires, refers to Mr. Yao, Ms. Shen and Zhongshan Medical Investment
“Corporate Governance Code”	Part 2 of the Corporate Governance Code contained in Appendix C1 to the Listing Rules
“direct chain model”	under the direct chain model, chain institutions are wholly owned or having the majority of equity interests controlled by the headquarters, operating under the unified management and direct supervision of the headquarters
“Director(s)”	director(s) of our Company
“Global Offering”	the Hong Kong public offering and the international offering of the Company
“Group”, “our Group”, “our”, “we” or “us”	our Company and its subsidiaries or, where the context so requires, our Company and any one or more of its subsidiaries
“H Share(s)”	the overseas listed foreign Share(s) in the share capital of the Company with nominal value of RMB1.00 each, to be subscribed for and traded in Hong Kong dollars and to be listed on the Stock Exchange
“HK\$” or “Hong Kong dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“IAS”	International Accounting Standards

Definitions

“IFRS”	International Financial Reporting Standards as issued by the International Accounting Standards Board, which include IFRS Accounting standards, IAS Standards and Interpretations developed by the IFRS Interpretations Committee (IFRIC Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC Interpretations)
“Latest Practicable Date”	27 August 2026, being the latest practicable date for the purpose of ascertaining certain information contained in this interim report prior to its publication
“Listing”	listing of our H Shares on the main board of the Stock Exchange
“Listing Date”	9 July 2025, being the date on which the H Shares were listed on the main board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules
“MOF”	Ministry of Finance of the PRC (中華人民共和國財政部)
“Mr. Yao”	Mr. Yao Xue (姚雪), our executive Director, chairman of the Board and one of our Controlling Shareholders
“Ms. Shen”	Ms. Shen Hongmin (沈洪敏) (formerly known as Shen Hongmin (沈宏敏)), our executive Director, vice chairman of the Board, general manager and one of our Controlling Shareholders
“Nomination Committee”	the nomination committee of the Board
“Partnership Program”	a partnership program of our Group designed for attracting seasoned medical professionals, as well as administrative and marketing talents to join and work with us, under which we mainly invite seasoned dentists to become minority Shareholders of our dental institutions
“PRC GAAP”	<i>PRC Accounting Standards and Accounting Regulations for Business Enterprise</i> 《中國企業會計準則》, as amended, supplemented or otherwise modified from time to time

Definitions

“Pre-IPO Restricted Share Scheme”	the pre-IPO restricted share scheme adopted by our Company on 27 July 2017 and amended on 28 October 2024, the principal terms of which are summarized in “Appendix VI – Statutory and General Information – D. Pre – IPO Restricted Share Scheme” in the Prospectus
“Prospectus”	the prospectus of the Company dated 30 June 2025
“Remuneration Committee”	the remuneration committee of the Board
“Reporting Period”	the six months ended 30 June 2026
“Restricted Share(s)”	the Share(s) granted under the Pre-IPO Restricted Share Scheme with transfer restrictions, and have been converted into H Shares upon the completion of the Global Offering and the conversion of Unlisted Shares into H Shares
“RMB” or “Renminbi”	the lawful currency of the PRC
“Series A Investment”	the series A investment in our Group as described in “History, Development and Corporate Structure” in the Prospectus
“Series B Investment”	the series B investment in our Group as described in “History, Development and Corporate Structure” in the Prospectus
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Shareholder(s)”	holder(s) of our Shares
“Share(s)”	shares in the share capital of our Company, with a nominal value of RMB1.00 each, comprising Unlisted Shares and H Shares
“STA”	State Taxation Administration of the PRC (中華人民共和國國家稅務總局)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Unlisted Shares”	Shares of our Company with a nominal value of RMB1.00 each, which are subscribed for and paid up in Renminbi, and are not currently listed or traded on any stock exchange

Definitions

“United States” or “U.S.”	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
“US\$”, “USD” or “US dollars”	United States dollars, the lawful currency of the United States
“Wuhan Taolin”	Wuhan Taolin Management Consulting Partnership (Limited Partnership) (武漢桃林管理諮詢合夥企業(有限合夥)), a limited partnership established in the PRC on 7 July 2017 and an employee stock ownership platform of our Company
“Wuhan Xinglin”	Wuhan Xinglin Management Consulting Partnership (Limited Partnership) (武漢杏林管理諮詢合夥企業(有限合夥)), a limited partnership established in the PRC on 17 October 2014 and an employee stock ownership platform of our Company
“Wuhan Zhulin”	Wuhan Zhulin Management Consulting Partnership (Limited Partnership) (武漢竹林管理諮詢合夥企業(有限合夥)), a limited partnership established in the PRC on 14 July 2017 and an employee stock ownership platform of our Company
“Zhongshan Medical Investment”	Hubei Zhongshan Medical Investment Management Co., Ltd. (湖北中山醫療投資管理有限公司), a limited liability company established in the PRC on 10 October 2004 and one of our Controlling Shareholders
“%”	per cent

爱尚大众