

ARRAIL 瑞尔®

Fabulous Smile . Confident You

Arrail Group Limited 瑞爾集團有限公司

(於英屬維爾京群島註冊成立並於開曼群島存續的有限公司)

(Incorporated in the British Virgin Islands with limited liability
and continued in the Cayman Islands)

股份代號 Stock Code: 6639



2022

INTERIM REPORT
中期報告

Company Profile

公司簡介

We are a leading dental services group and have established a nationwide footprint in China, operating both Arrail Dental, a leading premium dental services brand, and Rytime Dental, a middle-end dental services brand.

Our mission is to give each of our patients a healthy and confident smile. Our vision is to become a world-leading dental services group.

We have been providing dental services since we opened our first Arrail Dental clinic in 1999. We offer a diverse range of professional, personalized dental services spanning (i) general dentistry; (ii) orthodontics; and (iii) implantology. Through decades of commitment and endeavors in the dental healthcare industry, we have earned the trust of our patients.

我們是中國領先的口腔醫療服務集團，業務遍及全國，同時運營瑞爾齒科（領先的高端口腔醫療服務品牌）和瑞泰口腔（中端口腔醫療服務品牌）。

我們的使命是給每位患者帶來健康、自信的微笑。我們的願景是成為世界領先的口腔醫療服務集團。

自1999年開設第一家瑞爾齒科診所以來，我們一直提供口腔醫療服務。我們提供各類專業及個性化口腔醫療服務，包括(i)普通牙科；(ii)正畸科；及(iii)種植科。通過數十年來在口腔醫療行業的投入和努力，我們贏得了患者的信任。

Table of Contents

目錄

Corporate Information	公司資料	2
Financial and Business Highlights	財務及業務摘要	5
Management Discussion and Analysis	管理層討論與分析	8
Corporate Governance and Other Information	企業管治及其他資料	37
Report on Review of Interim Financial Information	中期財務資料的審閱報告	51
Interim Condensed Consolidated Income Statement	中期簡明合併損益表	53
Interim Condensed Consolidated Statement of Comprehensive Income/(Loss)	中期簡明合併全面收益／(虧損)表	55
Interim Condensed Consolidated Balance Sheet	中期簡明合併資產負債表	56
Interim Condensed Consolidated Statement of Changes in Equity	中期簡明合併權益變動表	58
Interim Condensed Consolidated Statement of Cash Flows	中期簡明合併現金流量表	60
Notes to the Interim Condensed Consolidated Financial Information	中期簡明合併財務資料附註	62
Definitions and Glossary of Technical Terms	釋義及技術詞彙	109



Corporate Information 公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. ZOU Qifang (鄒其芳) (Chairman)
Ms. Qin Jessie XIN
Mr. ZHANG Jincai (章錦才)
Mr. ZOU Jianlong (鄒劍龍)

Independent Non-executive Directors

Ms. LIU Xiaomei Michelle
Mr. SUN Jian (孫健)
Mr. ZHANG Bang (張磅)

AUDIT COMMITTEE

Mr. ZHANG Bang (張磅) (Chairman)
Ms. LIU Xiaomei Michelle
Mr. SUN Jian (孫健)

REMUNERATION COMMITTEE

Mr. SUN Jian (孫健) (Chairman)
Ms. LIU Xiaomei Michelle
Mr. ZHANG Bang (張磅)

NOMINATION COMMITTEE

Mr. SUN Jian (孫健) (Chairman)
Ms. LIU Xiaomei Michelle
Mr. ZHANG Bang (張磅)

AUTHORISED REPRESENTATIVES

Ms. Qin Jessie XIN
Ms. AU Wai Ching (區慧晶)

COMPANY SECRETARY

Ms. AU Wai Ching (區慧晶)
(associate member of The Hong Kong Chartered Governance Institute
and The Chartered Governance Institute)

董事會

執行董事

鄒其芳先生 (主席)
辛勤女士
章錦才先生
鄒劍龍先生

獨立非執行董事

劉笑梅女士
孫健先生
張磅先生

審計委員會

張磅先生 (主席)
劉笑梅女士
孫健先生

薪酬委員會

孫健先生 (主席)
劉笑梅女士
張磅先生

提名委員會

孫健先生 (主席)
劉笑梅女士
張磅先生

授權代表

辛勤女士
區慧晶女士

公司秘書

區慧晶女士
(香港公司治理公會及特許公司治理公會的會員)

Corporate Information 公司資料

REGISTERED OFFICE

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

註冊辦事處

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

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

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總部及中國主要營業地點

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Hong Kong

香港主要營業地點

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灣仔
皇后大道東248號
大新金融中心40樓

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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103 South Church Street
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Grand Cayman KY1-1002
Cayman Islands

股份過戶登記總處

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

HONG KONG SHARE REGISTRAR

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183 Queen's Road East
Wanchai
Hong Kong

香港股份過戶登記處

香港中央證券登記有限公司
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HONG KONG LEGAL ADVISOR

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Hong Kong

香港法律顧問

凱易律師事務所
香港
中環
皇后大道中15號
置地廣場
告羅士打大廈26樓

Corporate Information 公司資料

AUDITOR

PricewaterhouseCoopers
*Certified Public Accountants and
Registered Public Interest Entity Auditor*
22/F, Prince's Building
Central
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COMPLIANCE ADVISOR

First Shanghai Capital Limited
19/F, Wing On House
71 Des Voeux Road Central
Central
Hong Kong

STOCK CODE

6639

COMPANY'S WEBSITE

www.arrailgroup.com

LISTING DATE

March 22, 2022

PRINCIPAL BANKS

The Hongkong and Shanghai Banking Corporation Limited
(Beijing Branch)
1F, Fortune Financial Center
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Shanghai, the PRC

審計師

羅兵咸永道會計師事務所
執業會計師及註冊公眾利益實體審計師
香港
中環
太子大廈廿二樓

合規顧問

第一上海融資有限公司
香港
中環
德輔道中71號
永安集團大廈19樓

股份代號

6639

公司網站

www.arrailgroup.com

上市日期

2022年3月22日

主要往來銀行

香港上海滙豐銀行有限公司(北京分行)
中國北京市
朝陽區
東三環中路5號
財富金融中心1層

上海浦東發展銀行(靜安支行)
中國上海市
靜安區
石門二路88號

Financial and Business Highlights

財務及業務摘要

Operation efficiency continued to improve, and the EBITDA turned from loss to profit 運營效率持續提升，集團EBITDA扭虧為盈

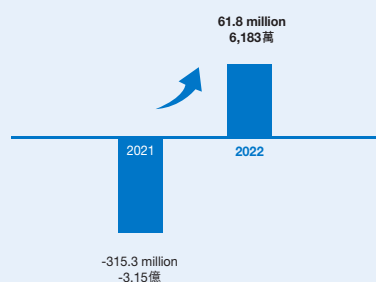


Stable finance and continued Adjusted Net Profit 財務穩健，經調整淨利潤持續為正

The total revenues were RMB**772** million, our gross profit was RMB**167.2** million and our Adjusted Net Profit was RMB**10.7** million
總收入為人民幣**7.72**億元，毛利及經調整淨利潤分別為人民幣**1.67**億及人民幣**10.7**百萬元



The efficiency has been improved significantly, and EBITDA turned from loss to profit 效能提升效果顯著，EBITDA扭虧為盈



122 Scale of store 門店規模

Nine clinics/hospitals were acquired, **one** clinic was newly opened and **one** clinic was upgraded
收購**九**家診所/醫院，新開業一家診所，升級一家診所



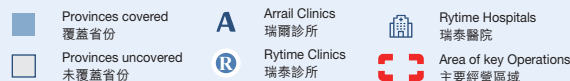
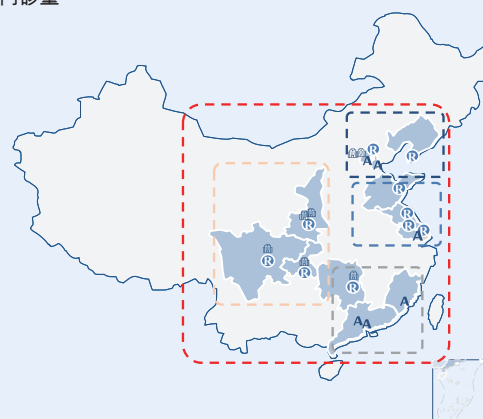
910 Dentists 醫生數量

27 dentists were added
新增**27**名牙醫



765 thousand 76.5 萬人次 patient visits 門診量

repeat visit rates of **48%**, with **24%** of our new patients were referred by our existing patients
覆診率達**48%**，**24%**的新患者由現有患者引薦



Note: for the six months ended September 30
附註： 截至9月30日止六個月

Financial and Business Highlights

財務及業務摘要

We recorded a revenue of RMB771.6 million for the six months ended September 30, 2022, a gross profit of RMB167.2 million and an Adjusted Net Profit (as defined in the Definitions and Glossary of Technical Terms section) of RMB10.7 million for the same period.

During the Reporting Period, our business in various cities was impacted by COVID-19, especially in Shanghai and Beijing from April to June 2022, but we still achieved an Adjusted Net Profit which was attributable to our improvement in operation efficiency and cost control.

Underpinned by our industrial experience and sufficient cash position, we continued to expand our footprint nationwide. During the Reporting Period, we acquired “Tongshan Dental”, a well-known dental group with one dental hospital and eight dental clinics in Wuxi of Jiangsu Province and nearby area. We opened a new dental clinic in Chongqing and upgraded a clinic. As of September 30, 2022, the total dental chairs of our Group reached 1,400, increased by 16% compared to the figure as of March 31, 2022. Besides, two hospitals and four clinics are under construction. We believe these movements will further strengthen our leadership position as a national chain in China’s dental market.

截至2022年9月30日止六個月，我們錄得的收入為人民幣771.6百萬元，而同期的毛利及經調整淨利潤（定義見釋義及技術詞彙一節）則分別為人民幣167.2百萬元及人民幣10.7百萬元。

報告期內，我們多個城市的業務受到了COVID-19的影響，其中上海及北京的業務於2022年4月至6月期間受到的影響最大，但我們仍實現了經調整淨利潤，這歸功於我們提升營運效率並完善成本控制。

憑藉我們的行業經驗及充足的現金狀況，我們在全國範圍內不斷進行擴張。報告期內，我們收購了「通善口腔」，其為一家知名口腔醫療集團，在江蘇省無錫市及週邊地區擁有一家口腔醫院及八家口腔診所。我們在重慶開設了一家新的口腔診所並升級了一家診所。截至2022年9月30日，本集團的牙科椅總數為1,400張，較截至2022年3月31日的數據增長16%。此外，有兩家醫院及四家診所正在建設中。我們相信這些舉措將進一步加強我們作為全國連鎖品牌在中國口腔醫療市場的領導地位。



ARRAIL 瑞尔
Relaxing Smile. Confident You

Management Discussion and Analysis

管理層討論與分析

BUSINESS REVIEW

Overview

We are a leading dental services provider in the premium private dental service market in China. Founded in 1999, we have served approximately 8.7 million patient visits in the past ten years, and have been instrumental in raising public awareness and driving consumer recognition of the importance of dental care and good oral hygiene in China. Our network of dental clinics and hospitals provides a wide array of dental healthcare services across China. We adopt a dual-brand strategy through our “Arrail Dental” and “Rytime Dental” brands to serve customers of different economic and geographic backgrounds. Through decades of commitment and service in the dental healthcare industry, we have earned the trust of our patients, and have successfully established an extensive presence in China, as we are continuing to expand our footprint nationwide. As of September 30, 2022, we had 114 dental clinics and 8 hospitals in 15 cities across China, with 910 experienced dentists. Our mission is to give each of our patients a healthy and confident smile, and our vision is to become a world-leading dental services group.

We expanded our business by opening more clinics and hospitals in Tier-1 and Tier-2 cities across China. In April 2022, we opened one clinic with 16 dental chairs. In October 2022, we opened two clinics with a total of 32 dental chairs. We expanded and upgraded an existing clinic from eight dental chairs to 12 dental chairs. In addition, there were four clinics with a total of 41 dental chairs and two hospitals with a total of 75 dental chairs under construction as of the date of this interim report. To speed up our expansion, we acquired Tongshan Dental with 97 dental chairs in August 2022. We continue to hire competent dentists and enhance our dental professional team. The number of our dentists increased from 883 as of March 31, 2022 to 910 as of September 30, 2022.

業務回顧

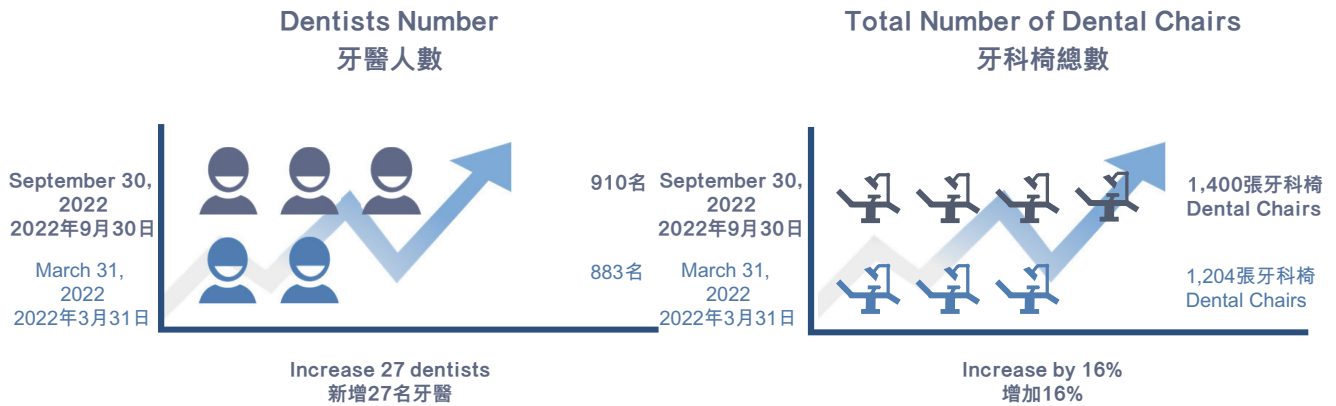
概覽

我們是中國高端民營口腔醫療服務市場的領先口腔醫療服務提供商。自1999年成立以來，在過往十年當中，我們提供接診服務約8.7百萬人次，且在提高和促進中國公眾和消費者對口腔護理和良好口腔衛生的重要性的意識和認識方面發揮著重要作用。我們的口腔診所及醫院網絡在中國提供廣泛的口腔醫療服務。我們通過「瑞爾齒科」及「瑞泰口腔」品牌採取雙品牌戰略，以服務於不同經濟和區域背景的客戶。通過數十年來在口腔醫療行業的投入和服務，我們贏得了患者的信任，且由於我們繼續在全國範圍內拓展我們的版圖，我們已成功在中國建立廣泛的業務。截至2022年9月30日，我們在中國15個城市擁有114家口腔診所及八家醫院，910名資深牙醫。我們的使命是給每位患者帶來健康、自信的微笑，而我們的願景是成為世界領先的口腔醫療服務集團。

我們通過在全國一二線城市開設更多診所及醫院來拓展業務。於2022年4月，我們開設了一家診所，擁有16張牙科椅。於2022年10月，我們開設了兩家診所，共擁有32張牙科椅。我們擴大並升級了一家現有診所，牙科椅數由8張增至12張。此外，截至本中期報告日期，共擁有41張牙科椅的四家診所及共擁有75張牙科椅的兩家醫院正在建設中。為加快擴張，我們於2022年8月收購擁有97張牙科椅的通善口腔。我們繼續聘請富有才幹的牙醫並提升我們的口腔醫療專業團隊。我們的牙醫人數由截至2022年3月31日的883名增加至截至2022年9月30日的910名。

Management Discussion and Analysis

管理層討論與分析



Our Services

Our clinics and hospitals offer a diverse range of professional and customized dental services, consisting of (i) general dentistry; (ii) orthodontics; and (iii) implantology.

General Dentistry

General dentistry largely refers to the preventive services that all patients should receive on a regular basis, such as tooth cleaning, checking soft tissue, and screening for oral diseases and other potential problems, along with a range of basic restorative treatments, including fillings, crowns, bridges, dentures and more. Our general dentistry services include oral examination, treatment planning, preventive and cosmetic dentistry, endodontics, oral surgery, periodontal treatment, prosthodontics, pedodontics services and patient education.

Orthodontics

Orthodontics is a branch of dentistry that treats malocclusions, a condition in which the teeth are not correctly positioned when the mouth is closed, which may be caused by dental irregularity and disproportionate jaw relationships, among others. Our orthodontists provide orthodontic treatment using a range of medical dental devices, including fixed and/or removable braces, headgear, aligners and other appliances.

我們的服務

我們的診所及醫院提供各類專業及訂製化口腔醫療服務，包括(i)普通牙科；(ii)正畸科；及(iii)種植科。

普通牙科

普通牙科主要指所有患者應定期接受的預防服務，例如洗牙、軟組織檢查及篩查口腔疾病及其他潛在問題，以及一系列基本修復治療，包括補牙、牙冠、牙橋、托牙等。我們的普通牙科服務包括口腔檢查、治療計劃、預防及美容牙科、牙體牙髓科、口腔外科、牙周治療、修復科、兒童口腔科服務以及患者教育。

正畸科

正畸科是治療咬合不正的牙科分支，咬合不正指因牙齒不整齊及頷骨比例不均衡等原因而導致口腔閉合時牙齒未正確定位的情況。我們的正畸科通過使用多種醫療口腔設備提供正畸治療，包括固定及／或隱形矯正、牙齒矯正器、牙套及其他設備。

Management Discussion and Analysis

管理層討論與分析

Implantology

Oral implantology is the branch of dentistry that deals with the permanent implantation of artificial teeth in the jaw when it is determined that a natural tooth must be extracted. With their high level of expertise, our implant dentists are able to treat complex cases and provide customized solutions based on the health of the jawbone and the specific needs of a patient.

Dual-Brand Operations

As of September 30, 2022, we operated a total of 122 clinics and hospitals under the brand names of “Arrail Dental” and “Rytime Dental”, to provide dental services to different demographics across geographic regions.

Arrail Dental



We have been operating under the Arrail Dental brand since 1999, to provide premium dental services primarily to affluent consumers in Tier-1 and emerging Tier-1 cities in China. Arrail clinics are able to charge premium pricing based on their excellent quality of bespoke services and professionals. As of September 30, 2022, we operated a total of 51 Arrail clinics in seven cities in China, namely Beijing, Shanghai, Shenzhen, Guangzhou, Hangzhou, Tianjin and Xiamen. Our Arrail clinics are mainly concentrated in metropolitan areas and located at or in close proximity to prominent landmarks and properties. We plan to further penetrate existing markets to drive stronger monetization under the Arrail Dental brand.

Rytime Dental



We launched our operations under the Rytime Dental brand in 2012, primarily aiming to provide treatments to middle class customers in Tier-1 and key Tier-2 cities in the Northern, Eastern, Southern and Western parts of China. Rytime Dental is positioned to capture the greater middle-end dental services market by offering high-quality dental services at attractive and relatively lower prices. As of September 30, 2022, we operated a total of eight hospitals and 63

種植科

口腔種植科是涉及確定須拔出天然牙齒時而須於頤骨永久種植人造牙齒的牙科分支。憑藉其高水平的專業知識，我們的種植牙醫能根據頤骨的健康狀況及患者的特定需求治療複雜的病例並提供訂製解決方案。

雙品牌經營

截至2022年9月30日，我們以「瑞爾齒科」及「瑞泰口腔」品牌經營共122家診所及醫院，為多個地域的不同人群提供口腔醫療服務。

瑞爾齒科



我們自1999年以來一直以瑞爾齒科品牌開展業務，主要為中國一線及新興一線城市的富裕消費者提供高端口腔醫療服務。瑞爾診所能夠憑藉其卓越的口腔醫療服務質量和患者護理收取溢價。截至2022年9月30日，我們在國內七個城市（即北京、上海、深圳、廣州、杭州、天津及廈門）合共經營51家瑞爾診所。我們的瑞爾診所主要集中在大都市地區，位於或靠近著名的地標和物業。我們計劃進一步加強對現有市場的滲透，使瑞爾齒科品牌具備更強的變現能力。

瑞泰口腔



我們於2012年以瑞泰口腔品牌開展業務，主要為華北、華東、華南以及西區的一線及核心二線城市的中產階層客戶提供治療。瑞泰口腔蓄勢待發，通過具吸引力且相對實惠的價格提供高質量的口腔醫療服務來佔領更大的中端口腔醫療服務市場。截至2022年9月30日，我們在中國10個城市合共經營八家醫院及

Management Discussion and Analysis

管理層討論與分析

Rytime clinics in 10 cities in China. We are able to provide a greater variety of treatments at our dental hospitals, such as giving general anesthesia and performing more complicated oral surgery procedures. Our Rytime Dental dental hospitals and clinics are typically located in the vicinity of residential areas, giving our customers easy access to convenient and quality dental care services. We plan to continue to expand our Rytime Dental network by broadening our reach to targeted regions and cities across China.

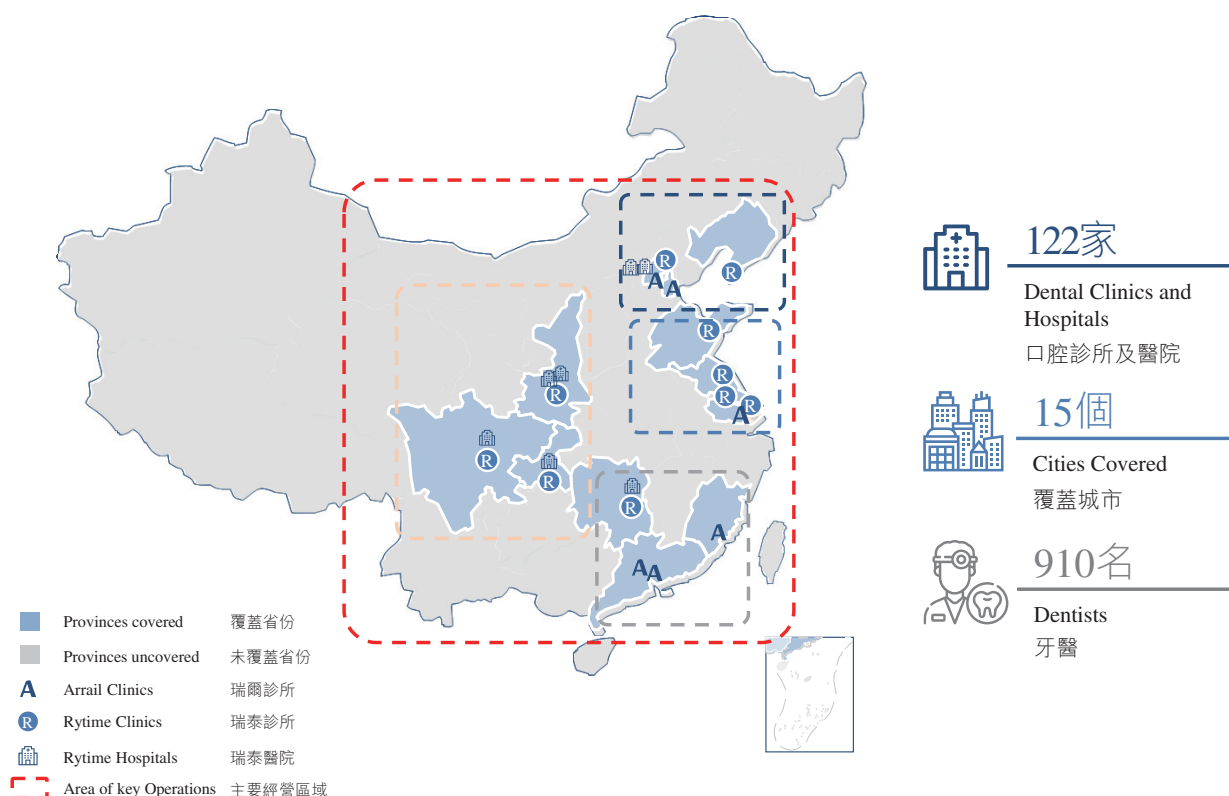
Our Hospitals and Clinics

As of September 30, 2022, we operated (i) 114 dental clinics of which 51 clinics were under the Arrail Dental brand and 63 clinics were under the Rytime Dental brand; and (ii) eight hospitals under the Rytime Dental brand, as illustrated in the map below.

63家瑞泰診所。我們能在我們的口腔醫院提供更廣泛的治療，例如進行全身麻醉及進行更複雜的口腔外科手術。瑞泰口腔的口腔醫院及診所通常位於居民區附近，使我們的客戶可輕鬆獲得便利及優質的口腔護理服務。我們計劃通過在中國目標地區及城市擴充市場據點擴展我們的瑞泰口腔網絡。

我們的醫院及診所

如以下地圖所示，截至2022年9月30日，我們以瑞泰口腔品牌經營(i) 114家口腔診所（其中瑞爾齒科品牌51家及瑞泰口腔品牌63家）；及(ii)八家醫院。



Notes:

- (1) Operating data as of September 30, 2022.
- (2) Including four clinics in Changsha operated under exclusive consultation and service agreements whose financial results are not consolidated into our consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS").

附註：

- (1) 截至2022年9月30日的經營數據。
- (2) 包括位於長沙的四家根據獨家諮詢及服務協議運營的診所，其財務業績按照國際財務報告準則（「國際財務報告準則」）未併入我們的合併財務報表。

Management Discussion and Analysis

管理層討論與分析

As COVID-19 had severer impact to our business compared to the same period last year, the number of our total patients decreased from 398,785 for the six months ended September 30, 2021 to 371,800 for the six months ended September 30, 2022, representing a decrease of 6.8%, and our total patient visits decreased from 805,049 for the six months ended September 30, 2021 to 765,216 for the six months ended September 30, 2022, representing a decrease of 4.9%. The following table sets forth the breakdown by brands in relation to our operating and financial performance.

由於與去年同期相比，COVID-19對我們業務的影響更為嚴峻，患者總人數由截至2021年9月30日止六個月的398,785人減少至截至2022年9月30日止六個月的371,800人，相當於減少6.8%，而總接診人次由截至2021年9月30日止六個月的805,049人次減少至截至2022年9月30日止六個月的765,216人次，相當於減少4.9%。下表載列按品牌劃分的有關經營及財務表現明細。

		For the six months ended September 30, 截至9月30日止六個月	
		2022 2022年	2021 2021年
Total patient visits	總接診人次	765,216	805,049
Arrail Dental	瑞爾齒科	231,750	292,381
Rytime Dental	瑞泰口腔	533,466	512,668
Total number of dental chairs	牙科椅總數	1,400	1,204
Arrail Dental	瑞爾齒科	508	482
Rytime Dental	瑞泰口腔	892	722
Visits per dental chair	每張牙科椅的就診次數	547	669
Arrail Dental	瑞爾齒科	456	607
Rytime Dental	瑞泰口腔	598	710
Revenue per dental chair (RMB in thousands)	每張牙科椅的收入(人民幣千元)	534,207	682,626
Arrail Dental	瑞爾齒科	727,245	870,813
Rytime Dental	瑞泰口腔	424,271	556,994

The decrease of revenue per dental chair for the Reporting Period was partially attributable to the acquisition of Tongshan Dental as it was completed in August 2022 and we can only consolidate its revenue from September 2022.

報告期內每張牙科椅的收入減少，部分是由於收購通善口腔於2022年8月完成，而我們僅能自2022年9月起將其收入合併入賬。

Our repeat visit rates, defined as the percentage of patients that revisited our clinics or hospitals beyond six months after their initial visits, excluding follow-up consultations of the same treatment, were 48.0% for the six months ended September 30, 2022 (47.6% for the six months ended September 30, 2021). Approximately 24% of our new patients were referred by our existing patients for the six months ended September 30, 2022.

截至2022年9月30日止六個月，我們的忠誠客戶覆診率（即首次就診起計六個月後再次到我們的診所或醫院就診的患者的百分比，不包括同一診療的後續問診）為48.0%（截至2021年9月30日止六個月為47.6%）。截至2022年9月30日止六個月，約24%的新患者由現有患者引薦。

Management Discussion and Analysis 管理層討論與分析

Focus on Operation and Improve Efficiency

As a national dental chain enterprise, we continue to pay attention to the sharing of experience in cross-regional store operation and management and the effect of improving operational efficiency. During the Reporting Period, we established 4 working groups on management of complex cases, customer acquisition, customer complaint and evaluation and medical management at the group level, aiming to summarize the best management practices from 122 dental clinics and hospitals in 15 cities across China, and then refine, polish and finally promote and replicate such practices. These measures have increased initial visit rates, repeat visit rates and transaction rates of complex cases in the short to medium term, and will improve the efficiency of operation and management of our stores in the long term.

Steady Expansion of Stores and Brand Upgrade to Consolidate High-end Market Position

As of the date of this interim report, we had officially opened three clinics with 48 new dental chairs in this fiscal year. The construction and opening of the remaining two hospitals and four clinics are expected to be completed in four cities during this fiscal year, and more than 160 dental chairs are expected to be newly added throughout the year. The Company will be able to secure incremental business for the next three years with the increase of these stores.

At the same time, the Company's newly opened "Samsung Tower" store in Beijing is the first store of "Arrail Plus 瑞爾甄選" and also marks a brand new upgrade of the "Arrail Dental" brand. Such store, combining membership system with "Quality Medical Care and Excellent Service", will continue to serve as a brand new boutique store model in Tier-1 and Tier-2 cities in China. The launch of the "Arrail Plus 瑞爾甄選" brand will further consolidate Arrail Group's absolute leading position in the high-end dental market.



聚焦運營，效能提升

作為全國連鎖口腔企業，我們持續關注跨區域門店運營管理經驗的分享以及運營效能提升的效果。報告期內，我們在集團層面組建複雜病例管理、客戶獲得、客訴評估和醫務管理4個工作小組，希望將來自全國15個城市、122家口腔診所及醫院中的最優管理做法進行提煉匯總，之後進行推敲、打磨、最後進行推廣和複製。這些舉措中短期內提高了初診、覆診率、複雜案例成交率，長期將改善我們門店的運營管理效能。

門店穩健擴張，品牌升級鞏固高端市場地位

截至本中期報告日期，我們在本財年完成了三家診所的正式開業，新增了48張牙科椅。在本財年預計還將在四個城市完成剩餘兩家醫院和四家診所的建設和開業工作，全年預計將新建超過160張牙科椅。隨著這些門店爬坡，將保證公司未來3年的業務增量。

與此同時，公司在北京新開業的「三星大廈」門店，是「Arrail Plus 瑞爾甄選」的首家門店，也標誌著「瑞爾齒科」品牌的全新升級，它將會會員制與「優質醫療、臻選服務」相結合，同時作為一種全新的精品門店模型在國內一、二線城市繼續佈局。「Arrail Plus 瑞爾甄選」品牌的推出，將進一步夯實瑞爾集團在口腔高端市場的絕對龍頭地位。



Management Discussion and Analysis

管理層討論與分析

Rytime Dental Entered a New Market Due to Extensive Growth

“Nationwide chain distribution and cross-regional operation” are the core advantages of Arrail Group, and the brand influence accumulated in the past 23 years has been widely recognized in the domestic dental market. During the Reporting Period, we completed the acquisition of Tongshan Dental, and Arrail Group officially entered the Wuxi dental market in Eastern parts of China. Tongshan Dental, whose founder has been operating in the local area for 20 years, has about 100 dental chairs and more than 60 dentists, is one of the largest private dental chains in Wuxi. The acquisition will generate synergies in many aspects such as “retention/cultivation of dentists team, expansion of the recruitment of professional dentists and improvement of operational efficiency”, and will also significantly increase the market share of Arrail Group in Eastern parts of China.



Social Responsibility and Charity

As cities such as Shanghai, Beijing, Shenzhen and Chengdu in China have been hit by the outbreak of the epidemic, the first-line medical staff of Arrail Group in each city remained on the front line of the fight against the epidemic regardless of the weather, with many of them going to isolation points to support the work, serving the close contacts 24 hours a day and demonstrating the good mental outlook of Arrail Group staff with their actions. During the Reporting Period, Arrail Group sent more than 900 medical staff to participate in the front line of the fight against the epidemic and provided nucleic acid testing to more than 350,000 citizens across the country.

On September 20, 2022, Arrail Group held the 12th “Arrail Cup” Charity Golf Tournament. Since 2011, Arrail Group has been working with China Oral Health Foundation for twelve consecutive years to organize this event, while participating as a volunteer in charity projects, taking care of children’s oral health with practices. Over the past decade, we have provided oral health services to more than 40,000 children in 51 places in 23 provinces and cities across China.

外延增長，瑞泰口腔進入新的市場

「全國連鎖佈局、跨區域運營」是瑞爾集團的核心優勢，過去23年積累的品牌影響力在國內口腔市場受到廣泛認可。報告期內，我們完成收購「通善口腔」，瑞爾集團正式佈局華東無錫口腔市場。通善口腔的創始人在當地經營20年時間，約有100張牙科椅及擁有超過60名口腔醫生，是無錫當地最大的民營口腔連鎖機構之一。該收購事項將在「牙醫團隊留存／培養、擴大專家型牙醫招聘及運營效能提升」等諸多方面產生協同效應，同時也將顯著提升瑞爾集團在華東區域的市場份額。



肩負社會責任，踐行慈善公益

國內城市上海、北京、深圳、成都等地均受到疫情爆發的衝擊，瑞爾集團各個城市一線醫護人員無畏風雨，始終堅守在抗疫的第一線，很多人奔赴隔離點支援工作，與密切接觸人員24小時在一起，夜以繼日的工作，用行動彰顯瑞爾員工的良好精神風貌。報告期內，瑞爾集團派出超過900人的醫護人員參與一線抗疫工作，為全國35萬餘人次提供核酸檢測。

2022年9月20日，瑞爾集團舉辦了第十二屆「瑞爾杯」慈善高爾夫球賽。從2011年至今，瑞爾集團已連續十二年攜手中國牙病防治基金會舉辦該項活動，同時以志願者的身份參與公益項目之中，用實際行動呵護兒童口腔健康。十數年間，已為全國23個省市的51個地方，超過4萬餘名兒童提供了口腔健康服務。

Management Discussion and Analysis

管理層討論與分析



Significant Investments, Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures during the Reporting Period

On April 2, 2022, a subsidiary of the Company entered into an investment agreement to acquire and subscribe 14.1% equity interest of Shenzhen Baocheng Dental Hospital (深圳寶城口腔醫院) (“**Shenzhen Baocheng**”) for a cash consideration of RMB25 million (the “**Baocheng Investment**”). The Baocheng Acquisition does not constitute a connected transaction or a notifiable transaction under the Listing Rules.

On July 8, 2022, a subsidiary of the Company entered into an investment agreement to acquire 51% equity interest of Tongshan Dental (the “**Tongshan Investment**”). For further details on the Tongshan Investment, please refer to the announcement of the Company dated July 8, 2022.

Save as disclosed above, the Company had no significant investments, material acquisitions or disposals of subsidiaries, associates and joint ventures during the Reporting Period.

報告期內重大投資、重大收購及出售子公司、聯營公司及合營公司

於2022年4月2日，本公司一家子公司訂立投資協議，以現金對價人民幣25百萬元收購及認購深圳寶城口腔醫院（「深圳寶城」）14.1%股權（「寶城投資」）。寶城投資不構成上市規則下的關連交易或需予公佈的交易。

於2022年7月8日，本公司一家子公司訂立投資協議，以收購通善口腔51%股權（「通善投資」）。有關通善投資的進一步詳情，請參閱本公司日期為2022年7月8日的公告。

除上文所披露者外，報告期內本公司概無進行重大投資、重大收購及出售子公司、聯營公司及合營公司。

Management Discussion and Analysis

管理層討論與分析

Events after the Reporting Period

In October 2022, the Company purchased wealth management products from GF Global Capital Limited in the amount of US\$17,000,000 (equivalent to RMB120,875,000).

In October 2022, the Company partially redeemed the wealth management products from Growth Vanguard Fund SPC in the amount of US\$16,610,000 (equivalent to RMB119,207,000).

On November 3, 2022, the Group entered into a cooperation agreement with Hangzhou Jarvis Medical Technology Company Limited (“Hangzhou Jarvis”) and Hangzhou Jinyaori Medical Technology Company Limited (“Hangzhou Jinyaori”), pursuant to which the Group agreed to subscribe for 20% of the registered capital of the Hangzhou Jinyaori at the subscription amount of RMB30 million. Upon completion of the subscription, Hangzhou Jinyaori will be owned as to 20% and 80% by the Group and Hangzhou Jarvis respectively. On the same day, the Group entered into a licensing agreement with Hangzhou Jinyaori, pursuant to which the Group shall license certain intellectual property rights to Hangzhou Jinyaori for a term of three years. Please refer to the announcements of the Company dated November 3, 2022 and November 11, 2022 for details.

Save as disclosed above and elsewhere in this interim report, there have been no other material events subsequent to the period ended September 30, 2022.

Future Plans for Material Investments and Capital Assets

The Group intends to utilize the net proceeds raised from the Global Offering for business expansion, optimization of our IT infrastructure and working capital in the manner set out in the Prospectus and the section headed “Future Prospects” below. Save as these, the Group does not have any concrete committed plans for material investments and capital assets in 2022.

報告期後事項

於2022年10月，本公司向廣發全球資本有限公司購買17,000,000美元（相等於人民幣120,875,000元）的理財產品。

於2022年10月，本公司向Growth Vanguard Fund SPC部分贖回16,610,000美元（相等於人民幣119,207,000元）的理財產品。

於2022年11月3日，本集團與杭州佳沃思醫療科技有限公司（「杭州佳沃思」）及杭州金曜日醫療科技有限公司（「杭州金曜日」）訂立合作協議，據此，本集團同意認購杭州金曜日20%註冊資本，認購金額為人民幣30百萬元。於認購事項完成後，杭州金曜日將分別由本集團及杭州佳沃思擁有20%及80%。同日，本集團與杭州金曜日訂立許可協議，據此，本集團許可杭州金曜日使用若干知識產權，為期三年。詳情請參閱本公司日期為2022年11月3日及2022年11月11日的公告。

除上文及本中期報告其他部分另有披露者外，於截至2022年9月30日止期間後，並無任何其他重大事項。

未來重大投資及資本資產計劃

本集團擬按照招股章程及下文「未來前景」一節所載方式將全球發售所籌集的所得款項淨額用於業務擴張、優化我們的信息技術基礎設施及營運資金。除此之外，本集團並未於2022年內制定重大投資及資本資產的任何確切計劃。

Management Discussion and Analysis

管理層討論與分析

Employees and Remuneration

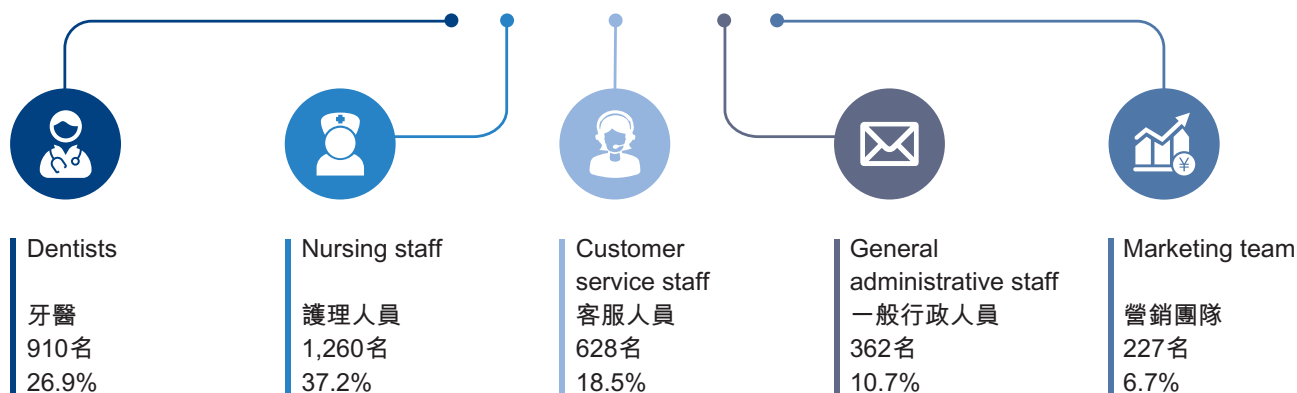
As of September 30, 2022, we had a total of 3,387 full-time employees, all of whom were based in various cities in China. Our employees reflect the geographic footprint we currently serve. The following table sets forth our employees by functions as of September 30, 2022:

僱員及薪酬

截至2022年9月30日，我們擁有合共3,387名全職僱員，均分佈在全國多個城市工作。我們的僱員反映我們目前所服務的地域範圍。下表載列截至2022年9月30日按職能劃分的僱員：

Function	職能	Number of Employees 僱員人數	% %
Dentists	牙醫	910	26.9%
Nursing staff	護理人員	1,260	37.2%
Customer service staff	客服人員	628	18.5%
General administrative staff	一般行政人員	362	10.7%
Marketing team	營銷團隊	227	6.7%
Total	總計	3,387	100%

Employees by Functions 按職能分的僱員



Employee Retention Rates of our dentists of the Company 我們牙醫在本公司的留任率



Management Discussion and Analysis

管理層討論與分析

We offer our employees different remuneration packages based on their positions. Generally, the remuneration structure of our employees includes salary, benefits and bonuses. Our compensation programs are designed to remunerate our employees based on their performance, measured against specified objective criteria. We maintain standard employee benefit plans required by PRC laws and regulations, including housing fund contributions, pension insurance, medical insurance, workplace injury insurance, unemployment insurance, and maternity insurance.

As of September 30, 2022, over 46.8% of our full-time dentists had master's degrees or above and many held titles and qualifications such as chief medical director or medical discipline leader. Our team of dentists have on average 10.4 years of post-qualification experience in the industry. The average monthly revenue generated per dentist who joined us in 2017, 2018, and 2019 during each calendar year, grew at a CAGR of 53%, 31%, and 80% during their respective employment periods up to the end of calendar year 2021. Dentists with more than five, ten and fifteen years of experience with us accounted for 34.6%, 13.0% and 5.8% of our total dentists, which indicates strong employee retention rates.

We have also set up a platform in the BVI to hold incentive shares for a total amount of 119,972,600 shares, representing approximately 20.6% of the total issued share capital of the Company as of September 30, 2022, for the participants under the RSU Scheme. As of September 30, 2022, an aggregate of 616 employees were approved by the Board to be the grantees with a total of 20.6% underlying shares pursuant to the RSU Scheme. We further adopted the 2022 RSU Scheme on September 3, 2022, pursuant to which the underlying Shares will be satisfied by the existing Shares to be acquired by the trustee on the market based on the trading price of the market. As of September 30, 2022, no employees were approved by the Board to be the grantees pursuant to the 2022 RSU Scheme.

During the Reporting Period, our Group did not experience any significant problems with its employees due to labour disputes nor did it experience any difficulty in the recruitment and retention of staff.

我們根據僱員的職位向他們提供不同的薪酬待遇。總體而言，僱員的薪酬架構包括薪金、福利及獎金。我們的薪酬計劃旨在根據僱員的績效（根據規定客觀標準進行衡量）確定僱員的薪酬。我們維持中國法律法規規定的標準僱員福利計劃，包括住房公積金供款、養老金保險、醫療保險、工傷保險、失業保險及生育保險。

截至2022年9月30日，我們超過46.8%的全職牙醫擁有碩士或以上學位，並且許多牙醫持有主治醫師或醫學學科帶頭人等頭銜和資格。我們的牙醫團隊取得資格後平均擁有10.4年的行業經驗。於2017年、2018年及2019年各曆年期間加入我們的每名牙醫產生的月均業績在各自受僱期間直至2021年曆年末以53%、31%及80%的年均複合增長率增長。與我們的僱傭關係超過五年、十年及十五年的牙醫佔我們牙醫總數的34.6%、13.0%及5.8%，顯示出較高的僱員留存率。

我們亦已於英屬維爾京群島設立平台，以根據受限制股份單位計劃為參與者持有合共119,972,600股激勵股份，佔截至2022年9月30日本公司已發行股本總額約20.6%。截至2022年9月30日，根據受限制股份單位計劃，合共616名僱員獲董事會批准成為承授人，可獲授合共20.6%的相關股份。我們於2022年9月3日進一步採納2022年受限制股份單位計劃，據此，相關股份將以受託人於市場上按照市場交易價購買的現有股份支付。截至2022年9月30日，根據2022年受限制股份單位計劃，概無任何僱員獲董事會批准成為承授人。

報告期內，本集團概無因勞工糾紛而與其僱員發生任何重大問題，亦無在招聘及留聘員工方面出現任何困難。

Management Discussion and Analysis

管理層討論與分析

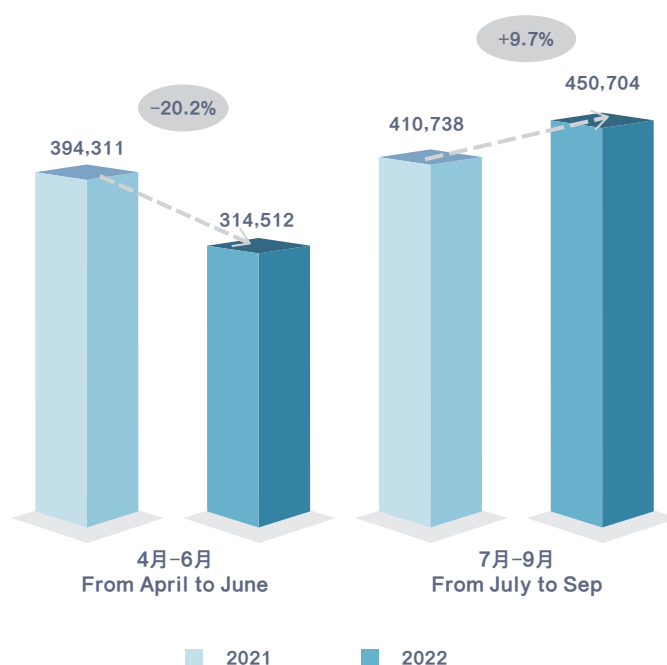
Future Prospects

The development of the dental services market in China is mainly driven by economic development, an ageing population, digitalization, rising public awareness of dental health and other related factors. According to Frost & Sullivan Report, the market size of dental services in China is expected to reach RMB173.9 billion in 2022 and maintains an average annual growth rate of 20%. It is expected to reach RMB300.0 billion by 2025. Based on the experience of overseas developed markets, a chain operation is generally considered to have greater advantages than an individual operation in terms of speed of development. Though the Company's businesses are under the effect of the COVID-19 pandemic, we are of the opinion that the demand for dental services will not vanish and the pandemic will eventually end. As the pandemic enters a normalized stage in China, the operations of our affected clinics have also shown a tendency of rebound. In April to June 2022, the Company recorded a drop in patient visits, down by 20.2% compared to the same period last year, mainly as a result of the temporarily shut down of clinics and hospitals in Beijing and Shanghai due to the pandemic outbreak. But in July to September thereafter, patient visits rebounded by 9.7% compared to the same period last year, showing resilience of our business.

未來前景

中國口腔醫療服務市場的發展主要受經濟發展、人口老齡化、數字化、公眾對於口腔健康意識的提升及其他相關因素驅動。根據弗若斯特沙利文的報告，中國口腔醫療服務市場之規模預期在2022年達人民幣1,739億元及保持年均20%的增長。預計在2025年達到人民幣3,000億元。根據海外發達市場的經驗看，連鎖經營較個體機構在發展速度上有較大的優勢。儘管目前公司的業務受到COVID-19疫情的影響，但是我們認為，口腔醫療的需求不會消失，疫情也終會過去。隨着國內疫情進入常態化階段，受影響的門店的運營呈現出反彈的趨勢。於2022年4月至6月，本公司接診人次有所減少，較去年同期減少20.2%，主要是因為受疫情爆發影響，我們暫時關閉了北京和上海的診所及醫院。但在接下來的7月至9月，接診人次較去年同期回升9.7%，表明我們的業務正在快速恢復中。

Patients Visits during the period
所示期間接診人次變化情況



Management Discussion and Analysis

管理層討論與分析

During the Reporting Period, policies on the collective purchase of implantology and orthodontics in China were frequently introduced and interpreted differently by the market. We believe that the collective purchase will benefit more people and enhance the penetration rate of the implantology and orthodontics market, and the market is expected to usher in the release phase. At the same time, behind the release, insisting on moderate medical treatment, giving patients the most suitable treatment plan and strictly controlling medical quality shall be the principles that medical service providers adhere to in the long term. In the past period, several cities in China have been hit by the outbreak of the epidemic, and store operations in different cities have been affected to varying degrees, particularly challenging the operations of some large-scale clinics/hospitals opening after 2019 and affecting the growth cycle of single stores. As the epidemic will eventually be overcome, by virtue of the unchanging desire for a better life, the stronger pursuit of becoming “healthier and more beautiful” and the ongoing demand for dental treatment of Chinese people, we believe that as long as we have stable customers and teams, the Company’s performance will rebound and resume growth. As the largest premium dental chain group in China, the Company will further benefit from to the core advantages of “Talent, Brand, System” and seize the huge opportunities arising from the development of the dental market.

In the future, the Company is expected to:

- 1) *Continue to take medical quality management as a lifeline for enterprise development*

Like many industries, quality control is always the essence of the development of an industry, which also applies to the dental industry. The Company takes medical quality as a lifeline for enterprise development and ensures medical quality through various systems, such as dentist recruitment, professional training and development, medical red line management system, specialized case classification, dentist classification, complex medical condition discussion, and multidisciplinary treatment, so as to provide customers with professional dental services.

報告期內，國內種植和正畸集採的政策頻繁出台，市場解讀不一，我們認為集採將使更多人受益，提升種植和正畸市場的滲透率，市場預期將迎來放量階段。與此同時，放量的背後，堅持適度醫療，給患者最適合的治療方案、嚴格把控醫療質量，應是醫療服務機構長期堅守的原則。在過去一段時間，國內多個城市受到疫情爆發衝擊，在不同城市的門店運營均受到不同程度的影響，尤其對一些2019年後開業的大規模門診／醫院的運營帶來挑戰，影響了單店的爬坡週期。但疫情終究會過去，國內人民對美好生活的嚮往不會改變，對變得「更健康、更美」的追求越發強烈，對口腔治療的需求亦不會消失，我們相信只要客戶穩定、團隊穩定、公司業績就會實現反彈並恢復增長。本公司作為國內最大的高端口腔連鎖醫療集團，將進一步受惠於「人才、品牌、系統」的核心優勢，抓緊這次口腔醫療市場發展的重大機遇。

關於未來，本公司預期將：

- 1) *持續將醫療質量管理作為企業發展的生命線*

如同各個行業，質量控制永遠是行業發展的本質，口腔醫療行業亦如此。本公司視醫療質量為企業發展的生命線，通過牙醫招聘、專業帶教培養及發展、醫療紅線管理制度、專科病例分級、牙醫分級、複雜病例討論及跨多學科會診等多項制度確保醫療質量，為客戶提供專業口腔醫療服務。

Management Discussion and Analysis

管理層討論與分析

2) *Intensify talent development with brand influence*

The Company will adhere to “empowerment and assistance” as its talent development principle. In respect of medical affairs, we will increase the recruitment of specialists and senior dentists while insisting on on-campus recruiting; and in respect of operations, it will make greater efforts in the selection of management personnel and the construction of a talent echelon, and will focus on identifying outstanding management personnel with strong self-motivation, high learning ability and development potential.

3) *Continuously improve operating efficiency*

The Company will continue to focus on the improvement of operating efficiency. From the core indicators, including revenue per chair and performance per dentist, to various other indicators of operation in respect of customer acquisition, conversion, average customer unit price and customer satisfaction, etc., the Company will make real-time analysis and conclusions with its self-developed SaaS system “5i5ya” (吾愛吾牙) to be updated with the operation condition of its clinics and dentists in a timely manner. With standardized chain operations, the Company expects to improve the average value of the overall performance and reduce the variability among clinics.

4) *Enhance Corporate Culture*

Corporate culture endows our Company with a unique working atmosphere, which will in turn regulate and affect everyone's behavior and way of doing things. As the corporate culture and core competitive edge of the Company, “integrity, professionalism and being a good person” is vital for the Company to achieve cross-regional development and become a national chain dental institution. It is one of the “moats” of the Company. In the future, the Company will unswervingly promote and maintain the construction of its corporate culture.

2) 藉助品牌影響力，加大人才培養力度

本公司將堅持「賦能、幫扶」作為人才培養的原則。在醫務方面，我們在堅持校園招聘的同時，加大對專科牙醫及資深牙醫的招聘力度；在運營方面，我們在管理人員的選拔，加大建設人才梯隊化之力度，重點選拔自驅力強、學習能力高及有發展潛力的優秀管理人員。

3) 不斷提升運營效能

本公司持續關注運營效能的提升，從核心指標包括每張牙科椅的收入及每名牙醫的業績到其他有關客戶獲得、轉化、平均客單價及客戶滿意度等，利用自主研发的SaaS系統「吾愛吾牙」進行實時分析及匯總，及時掌握門店及醫生的運營動向。本公司希望通過標準化連鎖運營模式提升整體效能均值及縮小診所之間的差異。

4) 夯實企業文化

企業文化賦予本公司獨特的工作氛圍，其亦規範並影響每一個人的行為及做事方式。「誠信、專業、做好人」作為本公司的企業文化，是本公司的核心競爭優勢，也是實現跨區域發展，成為全國連鎖口腔醫療機構的重要因素，亦是本公司的「護城河」之一。未來，本公司將堅定不移地推動並維繫本公司之企業文化建設。

Management Discussion and Analysis

管理層討論與分析

5) *Continue to strengthen the development of Environmental, Social and Governance policies*

The Company will improve the environmental management methods to save energy and reduce emissions, and focus on the management and recycling of medical wastes; the Company will assume its social responsibilities by organizing various public welfare activities, such as continuing to provide free dental diagnosis to communities, helping the less fortunate and the disabled, supporting the pandemic prevention and making charitable donations, to protect the interests of all stakeholders; and the Company will continue to improve and reinforce corporate governance and standardized public company management, optimize governance structure, strengthen internal control and risk management, further enhance the communications with the Stock Exchange and other regulators and shareholders, maintain the transparency of information, and constantly create value for the Shareholders.

Impact of COVID-19

To contain the spread of COVID-19, the local governments imposed various restrictions on business and social activities, including travel restrictions and mandated temporary shutdowns of business operations across certain regions. During the Reporting Period, we have undergone temporary closures of clinics and hospitals in 14 cities we operated. Particularly from April to June 2022, COVID-19 took a toll on our operation in Beijing and Shanghai. As a result, we had a decrease in patient visits from April to June 2022 by 20.2% compared to same period last year. However, patient visits increased by 9.7% from July to September compared to same period last year as a result of business rebound.

5) 繼續加強環境、社會及管治工作建設

本公司將強化環境管理方法，節能減排，注重醫療廢物的管理與回收等工作；本公司將舉辦各類公共福利活動以踐行社會責任，包括繼續大力開展基層義診、扶貧助殘、防疫支援、愛心捐贈等公益活動，保障所有利益相關者的權益；本公司還將不斷改進及加強企業管治及上市公司規範化管理，優化治理架構，加強內部控制及風險管理，進一步加強與聯交所及其他監管機構及與股東的溝通，保持信息透明化，持續為股東創造價值。

COVID-19的影響

為控制COVID-19的傳播，地方政府對企業及社會活動實施多項限制，包括出行限制及強制暫時停止若干區域的商業運營。報告期內，我們暫時關閉了在14個城市所經營的多家診所和醫院。尤其是在2022年4月至6月期間，COVID-19使我們北京和上海的業務遭受了重大損失。因此，2022年4月至6月的接診人次較去年同期減少了20.2%。然而，隨著業務恢復，7月至9月的接診人次較去年同期增加了9.7%。

Management Discussion and Analysis

管理層討論與分析

For the six months ended September 30, 2022, 74 of our clinics and hospitals with altogether 780 dental chairs were temporarily closed ranging from 1 day to 70 days due to COVID-19 outbreak, which impacted our capacity to provide services and prohibited our patients from visiting us. For example, in April and May 2022, all the clinics in Shanghai were closed. In May and June 2022, 19 clinics and hospitals in Beijing were closed for an average of two weeks. In May 2022, two clinics in Jiangsu were closed for about one month. In April and September 2022, three clinics in Dalian were altogether closed for about one and a half months. In August 2022, six clinics in Chongqing and three clinics and hospitals in Xi'an were closed for about one week. In September 2022, eight clinics in Chengdu were closed for about two weeks. In addition, many patients postponed their dental treatment plan due to COVID-19 outbreak.

After the Reporting Period, 16 of our clinics and hospitals were closed for about half a week due to COVID-19 outbreak, while 57 of our clinics and hospitals, mainly located in Beijing, Chongqing and Shenzhen, were closed for one to three weeks in November 2022 due to COVID-19 outbreak.

Having considered that (i) the governmental authorities have devoted significant resources and efforts to contain the regional COVID-19 outbreaks, and (ii) we do not plan to, nor are we aware of any government policy to, permanently shut down any of our existing hospitals or clinics in the affected areas, the Directors believe that although we may continue to experience slowdowns in patient visit growth and revenue growth in the short term, the sporadic regional outbreak of COVID-19 is unlikely to have a material adverse impact on our business, results of operations and financial conditions as a whole in the long term.

We are closely monitoring the development of the COVID-19 pandemic and continuously evaluating any potential impact on our business, results of operations and financial condition.

截至2022年9月30日止六個月，由於COVID-19爆發，我們的74家診所及醫院合共780張牙科椅暫時關閉1天至70天，這影響了我們提供服務的能力，也使我們的患者無法前來就診。例如，於2022年4月及5月，我們關閉了位於上海的所有診所。於2022年5月及6月，北京的19家診所和醫院平均關閉了兩週。於2022年5月，江蘇的兩家診所關閉了一個月左右。於2022年4月及9月，大連的三家診所合共關閉了一個半月左右。於2022年8月，重慶的六家診所及西安的三家診所和醫院均關閉了一週左右。於2022年9月，成都的八家診所關閉了兩週左右。此外，由於COVID-19爆發，很多患者推遲了他們的口腔治療計劃。

於報告期後，我們的16家診所及醫院因COVID-19爆發而關閉約半週，而我們主要位於北京、重慶及深圳的57家診所及醫院於2022年11月因COVID-19爆發關閉一至三週。

考慮到(i)政府機關已投放大量資源及精力以控制區域性COVID-19爆發，及(ii)我們並無計劃或獲悉任何政府政策要求永久關閉受影響地區內任何現有的醫院或診所，董事相信，儘管短期而言我們的接診人次增長及收入增長可能持續放緩，長期而言零星出現區域性COVID-19爆發不太可能對我們整體的業務、經營業績及財務狀況造成重大不利影響。

我們正密切監察COVID-19疫情的發展並持續評估對業務、經營業績及財務狀況的任何潛在影響。

Management Discussion and Analysis

管理層討論與分析

FINANCIAL REVIEW

Overview

The following discussion is based on, and should be read in conjunction with, the financial information and the notes included elsewhere in this interim report.

Revenue

During the Reporting Period, we primarily generated revenues from operating dental clinics and hospitals across the PRC. Our revenues decreased by 8.3% from RMB841.3 million for the six months ended September 30, 2021, to RMB771.6 million for the six months ended September 30, 2022. This was primarily attributable to the decrease in our patient visits by 4.9% compared to the same period last year due to COVID-19 impact, especially in Beijing and Shanghai from April to June 2022.

Revenues by Dental Service Offerings

We offer a diverse range of professional and customized dental services, covering mainly three dental sectors: (i) general dentistry; (ii) orthodontics; and (iii) implantology. The following table sets forth a breakdown of our revenues by types of dental services, both in absolute amount and as a percentage of our total revenues, for the periods indicated.

For the six months ended September 30, 截至9月30日止六個月					
		2022 2022年		2021 2021年	
		RMB 人民幣	% %	RMB 人民幣	% %
(RMB in thousands, except for percentages) (人民幣千元，百分比除外)					
General dentistry	普通牙科	409,479	53.1%	448,807	53.3%
Orthodontics	正畸科	181,181	23.5%	199,680	23.7%
Implantology	種植科	156,570	20.3%	174,067	20.7%
Others ⁽¹⁾	其他 ⁽¹⁾	24,344	3.1%	18,785	2.3%
Total	總計	771,574	100.0%	841,339	100.0%

Note:

(1) Primarily include revenues generated from sale of dental materials in our ordinary course of business and the operation of our denture manufacturing plants.

財務回顧

概覽

以下討論乃基於本中期報告其他部分所載財務資料及其附註，並應與之一併閱讀。

收入

報告期內，我們主要通過在中國各地運營口腔診所及醫院獲得收入。我們的收入由截至2021年9月30日止六個月的人民幣841.3百萬元減少8.3%至截至2022年9月30日止六個月的人民幣771.6百萬元。這主要是由於受到COVID-19影響，我們的接診人次較去年同期減少4.9%，其中北京和上海的業務於2022年4月至6月期間受到的影響最大。

按口腔醫療服務產品劃分的收入

我們提供各類專業及訂製化口腔醫療服務，主要涵蓋三個牙科分部：(i)普通牙科；(ii)正畸科；及(iii)種植科。下表載列我們於所示期間按口腔醫療服務類型劃分的收入明細，以絕對金額及佔我們總收入的百分比列示。

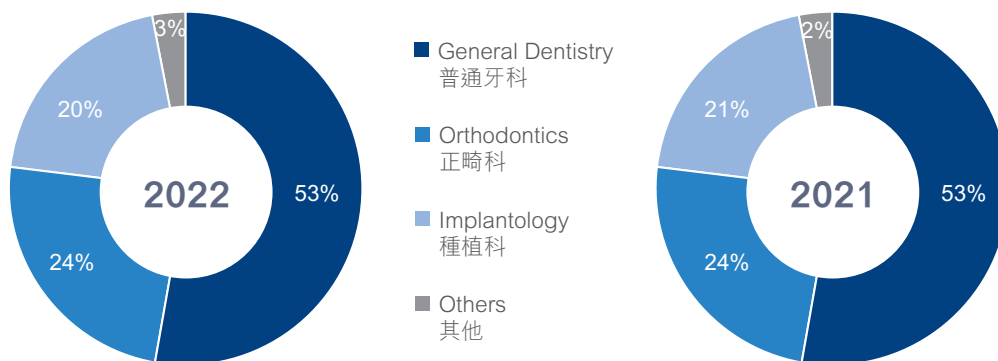
附註：

(1) 主要包括於日常業務過程中自銷售齒科材料及運營義齒製作廠房產生的收入。

Management Discussion and Analysis

管理層討論與分析

Revenues by Dental Service Offerings
按口腔醫療服務產品劃分的收入



Note: for the six months ended September 30
附註：截至9月30日止六個月

Revenues generated from (i) general dentistry decreased by 8.8% from RMB448.8 million for the six months ended September 30, 2021 to RMB409.5 million for the six months ended September 30, 2022; (ii) orthodontics decreased by 9.3% from RMB199.7 million for the six months ended September 30, 2021 to RMB181.2 million for the six months ended September 30, 2022; and (iii) implantology decreased by 10.1% from RMB174.1 million for the six months ended September 30, 2021 to RMB156.6 million for the six months ended September 30, 2022.

我們(i)普通牙科產生的收入由截至2021年9月30日止六個月的人民幣448.8百萬元減少8.8%至截至2022年9月30日止六個月的人民幣409.5百萬元；(ii)正畸科產生的收入由截至2021年9月30日止六個月的人民幣199.7百萬元減少9.3%至截至2022年9月30日止六個月的人民幣181.2百萬元；及(iii)種植科產生的收入由截至2021年9月30日止六個月的人民幣174.1百萬元減少10.1%至截至2022年9月30日止六個月的人民幣156.6百萬元。

Management Discussion and Analysis

管理層討論與分析

Revenues by Brand

We adopt a dual-brand strategy through our Arrail Dental and Rytime Dental brands to provide differentiated dental services to different target markets. As of September 30, 2022, we operated 51 dental clinics in Tier-1 cities under the Arrail Dental brand, and operated 63 dental clinics and eight dental hospitals primarily in Tier-1 and key Tier-2 cities under the Rytime Dental brand. The following table sets forth a breakdown of our revenues by brands, both in absolute amount and as a percentage of our total revenues, for the periods indicated.

按品牌劃分的收入

我們透過瑞爾齒科及瑞泰口腔品牌採納雙品牌戰略，向不同目標市場提供差異化口腔醫療服務。截至2022年9月30日，我們以瑞爾齒科品牌在一線城市運營51家口腔診所，並以瑞泰口腔品牌主要在一線及核心二線城市運營63家口腔診所及八家口腔醫院。下表載列於所示期間我們按品牌劃分的收入明細，以絕對金額及佔我們總收入的百分比列示。

For the six months ended September 30, 截至9月30日止六個月

		2022		2021	
		2022年		2021年	
		RMB	%	RMB	%
		人民幣	%	人民幣	%
(RMB in thousands, except for percentages) (人民幣千元，百分比除外)					
Arrail Dental	瑞爾齒科	384,982	49.9%	432,188	51.4%
Rytime Dental	瑞泰口腔	386,592	50.1%	409,151	48.6%
Total	總計	771,574	100.0%	841,339	100.0%

Cost of Sales

Our cost of sales primarily consists of (i) employee benefits expenses; (ii) depreciation and amortization; and (iii) dental materials used. Employee benefits expenses primarily consist of salaries, benefits and bonuses, including social security costs and housing benefits. Depreciation and amortization expenses primarily consist of depreciation of our medical equipment, office equipment and furniture, leasehold improvements, and right-of-use assets, representing the leases of dental clinics and hospitals. Dental material used primarily consist of purchase costs of raw materials and consumables mainly comprising customized dentures, dental braces, implant and dental crowns for implantology, orthodontics and restorations.

銷售成本

我們的銷售成本主要包括(i)僱員福利開支；(ii)折舊及攤銷；及(iii)所用齒科材料。僱員福利開支主要包括薪金、福利及花紅，包括社會保障成本及住房福利。折舊及攤銷開支主要包括醫療設備、辦公設備及傢具、租賃物業裝修及使用權資產（口腔診所及醫院的租賃）的折舊。所用齒科材料主要包括原材料及耗材（主要包括種植科、正畸及修復使用的訂製假牙、牙套、植牙及牙冠）的採購成本。

Management Discussion and Analysis

管理層討論與分析

The following table sets forth a breakdown of our cost of sales by nature, both in absolute amounts and as a percentage of total cost of sales, for the periods indicated.

下表載列我們於所示期間按性質劃分的銷售成本明細，以絕對金額及佔總銷售成本的百分比列示。

For the six months ended September 30,
截至9月30日止六個月

		2022 2022年		2021 2021年	
		RMB 人民幣	% %	RMB 人民幣	% %
(RMB in thousands, except for percentages) (人民幣千元，百分比除外)					
Employee benefits expenses	僱員福利開支	311,511	51.5%	352,833	54.0%
Depreciation and amortization	折舊及攤銷	122,112	20.2%	109,139	16.7%
Dental materials used	所用齒科材料	124,154	20.5%	127,645	19.5%
Consulting fees	諮詢費	16,353	2.7%	21,193	3.2%
Office and property management expenses	辦公及物業管理開支	23,473	3.9%	22,803	3.5%
Others ⁽¹⁾	其他 ⁽¹⁾	6,797	1.2%	20,269	3.1%
Total		604,400	100.0%	653,882	100.0%

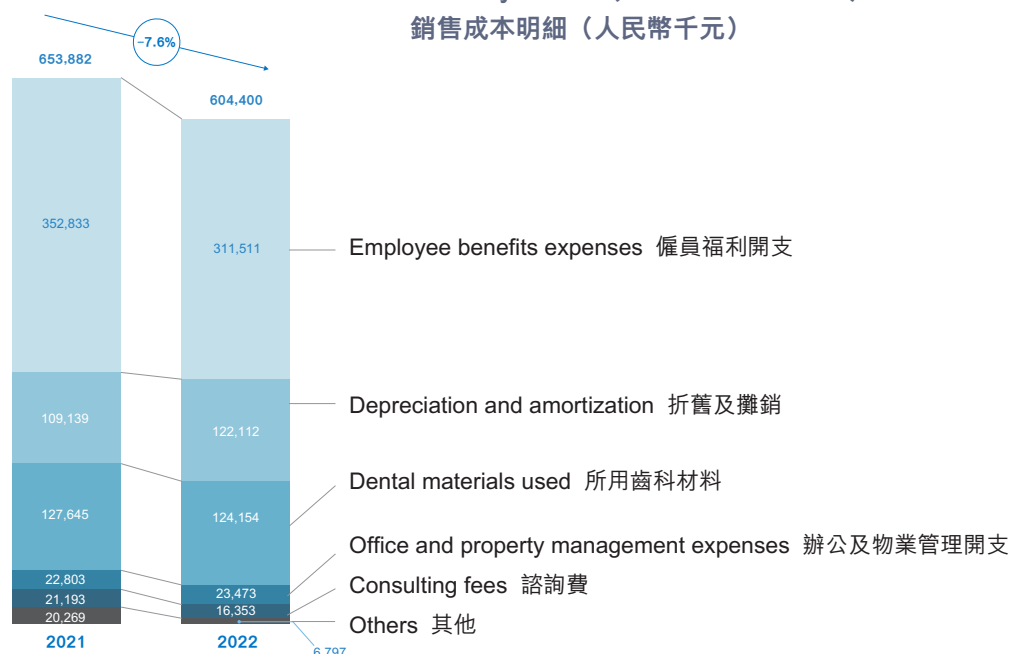
Note:

附註：

(1) Primarily include rental expenses, travelling expenses, training expenses and utility expenses.

(1) 主要包括租金開支、差旅開支、培訓開支及水電費。

Cost of Sales by nature (RMB in thousands)
銷售成本明細（人民幣千元）



Note: for the six months ended September 30

附註：截至9月30日止六個月

Management Discussion and Analysis

管理層討論與分析

Our cost of sales decreased by 7.6% from RMB653.9 million for the six months ended September 30, 2021, to RMB604.4 million for the six months ended September 30, 2022, primarily due to the decrease of labor cost, dental materials used and consulting fees in line with revenue decrease.

Gross Profit

Our gross profit decreased by 10.8% from RMB187.5 million for the six months ended September 30, 2021 to RMB167.2 million for the six months ended September 30, 2022, primarily due to the decrease of revenue.

Selling and Distribution Expenses

Our selling and distribution expenses primarily consist of (i) employee benefits expenses for our sales and marketing staff; (ii) advertising and marketing expenses; and (iii) consulting fees. The following table sets forth a breakdown of our selling and distribution expenses, both in absolute amounts and as a percentage of total cost of revenues, for the periods indicated.

我們的銷售成本由截至2021年9月30日止六個月的人民幣653.9百萬元減少7.6%至截至2022年9月30日止六個月的人民幣604.4百萬元，主要是由於人工成本、所用齒科材料及諮詢費均有所減少，與收入減少一致。

毛利

我們的毛利由截至2021年9月30日止六個月的人民幣187.5百萬元減少10.8%至截至2022年9月30日止六個月的人民幣167.2百萬元，主要是由於收入減少。

銷售及經銷開支

我們的銷售及經銷開支主要包括(i)銷售及營銷人員的僱員福利開支；(ii)廣告及營銷開支；及(iii)諮詢費。下表載列我們於所示期間的銷售及經銷開支明細，以絕對金額及佔總收入成本的百分比列示。

For the six months ended September 30, 截至9月30日止六個月

		2022 2022年		2021 2021年	
		RMB 人民幣	% %	RMB 人民幣	% %
(RMB in thousands, except for percentages) (人民幣千元，百分比除外)					
Employee benefits expenses	僱員福利開支	22,705	49.9%	19,104	49.8%
Advertising and marketing expenses	廣告及營銷開支	18,645	41.0%	16,307	42.5%
Consulting fees	諮詢費	2,447	5.4%	1,162	3.0%
Others ⁽¹⁾	其他 ⁽¹⁾	1,696	3.7%	1,804	4.7%
Total	總計	45,493	100.0%	38,377	100.0%

Note:

- (1) Primarily include travelling expenses, training expenses and recruitment expenses.

附註：

- (1) 主要包括差旅開支、培訓開支及招聘開支。

Management Discussion and Analysis

管理層討論與分析

Our selling and distribution expenses increased by 18.5% from RMB38.4 million for the six months ended September 30, 2021 to RMB45.5 million for the six months ended September 30, 2022, primarily due to the increased headcounts in marketing team and more marketing and promoting activities carried out in the Reporting Period.

我們的銷售及經銷開支由截至2021年9月30日止六個月的人民幣38.4百萬元增加18.5%至截至2022年9月30日止六個月的人民幣45.5百萬元，主要是由於報告期內營銷團隊人員增加以及開展的營銷推廣活動增多。

Administrative Expenses

Our administrative expenses primarily consist of (i) share-based compensation expenses; (ii) employee benefits expenses for our directors, senior management and other administrative staff; (iii) listing expenses; (iv) consulting fees; and (v) depreciation and amortization. The following table sets forth a breakdown of our administrative expenses, both in absolute amounts and as a percentage, for the periods indicated.

行政開支

我們的行政開支主要包括(i)股份酬金開支；(ii)董事、高級管理層及其他行政人員的僱員福利開支；(iii)上市開支；(iv)諮詢費；及(v)折舊及攤銷。下表載列我們於所示期間的行政開支明細，以絕對金額及所佔百分比列示。

For the six months ended September 30, 截至9月30日止六個月

		2022 2022年		2021 2021年	
		RMB	%	RMB	%
		人民幣	%	人民幣	%
(RMB in thousands, except for percentages) (人民幣千元，百分比除外)					
Share-based compensation expenses	股份酬金開支	100,641	55.3%	—	—
Employee benefits expenses	僱員福利開支	46,103	25.3%	50,859	49.4%
Listing expenses	上市開支	—	—	20,017	19.4%
Consulting fees	諮詢費	13,150	7.2%	10,466	10.2%
Depreciation and amortization	折舊及攤銷	10,123	5.6%	8,180	7.9%
Office and property management expenses	辦公及物業管理開支	2,257	1.2%	2,631	2.6%
Others ⁽¹⁾	其他 ⁽¹⁾	9,639	5.4%	10,865	10.5%
Total	總計	181,913	100.0%	103,018	100.0%

Note:

附註：

(1) Primarily include auditor's remuneration, travelling expenses, training expenses and recruitment expenses.

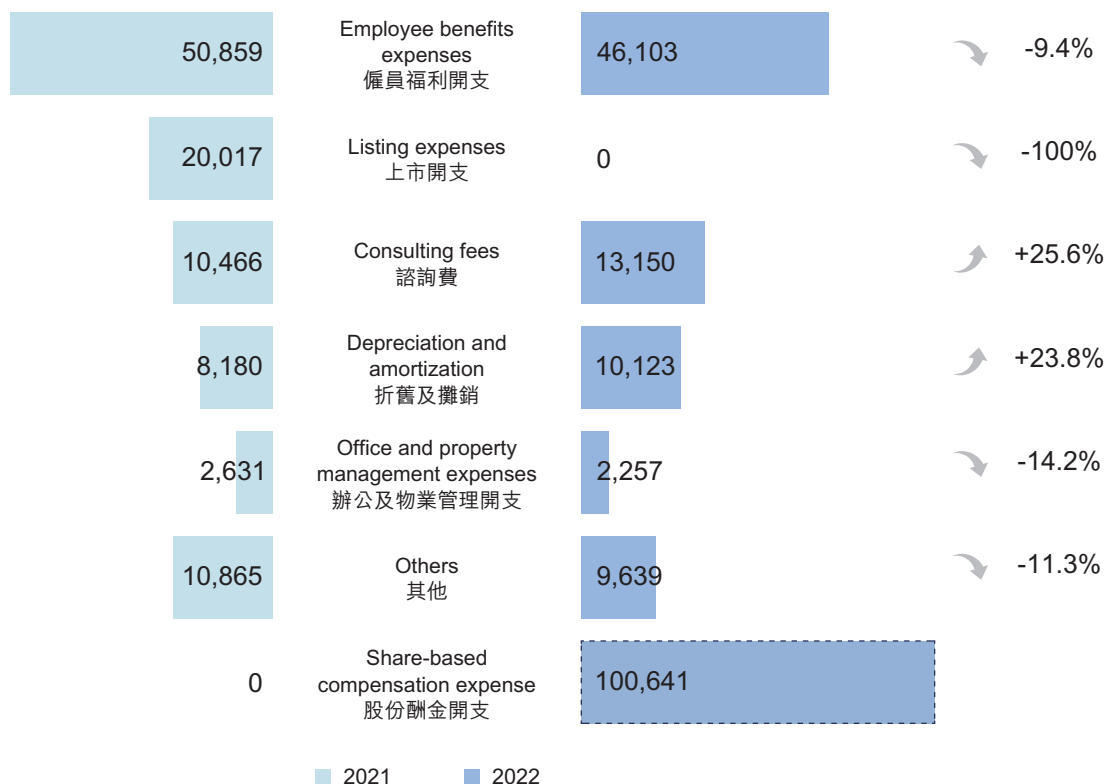
(1) 主要包括審計師薪酬、差旅開支、培訓開支及招聘開支。

Management Discussion and Analysis

管理層討論與分析

Administrative Expenses during the Period (RMB in thousands)

所示期間行政開支變動情況（人民幣千元）



Note: for the six months ended September 30

附註：截至9月30日止六個月

Our administrative expenses increased by 76.6% from RMB103.0 million for the six months ended September 30, 2021 to RMB181.9 million for the six months ended September 30, 2022, primarily due to share-based compensation expenses of RMB100.6 million in connection with the grant of RSUs to our employees pursuant to the RSU Scheme, offset by (i) the decrease of listing expenses; and (ii) decrease of employee benefit expense as we made more effort to control expenditures and improve efficiency.

我們的行政開支由截至2021年9月30日止六個月的人民幣103.0百萬元增加76.6%至截至2022年9月30日止六個月的人民幣181.9百萬元，主要是由於我們根據受限制股份單位計劃向僱員授出受限制股份單位有關的股份酬金開支人民幣100.6百萬元，被(i)上市開支減少；及(ii)因我們加大力度控制支出及提升效率而導致的僱員福利開支減少所抵銷。

Management Discussion and Analysis

管理層討論與分析

Research and Development Expenses

Our research and development expenses primarily consist of (i) employee benefits expenses for our research and development staff; and (ii) consulting fees. The following table sets forth a breakdown of our research and development expenses, both in absolute amounts and as a percentage, for the periods indicated.

研發開支

我們的研發開支主要包括(i)我們研發人員的僱員福利開支；及(ii)諮詢費。下表載列我們於所示期間的研發開支明細，以絕對金額及所佔百分比列示。

For the six months ended September 30,
截至9月30日止六個月

		2022 2022年		2021 2021年	
		RMB 人民幣	% %	RMB 人民幣	% %
(RMB in thousands, except for percentages) (人民幣千元，百分比除外)					
Employee benefits expenses	僱員福利開支	8,906	83.0%	9,044	87.6%
Consulting fees	諮詢費	1,475	13.8%	1,137	11.0%
Depreciation and amortization	折舊及攤銷	132	1.2%	53	0.5%
Others ⁽¹⁾	其他 ⁽¹⁾	215	2.0%	85	0.9%
Total	總計	10,728	100.0%	10,319	100.0%

Note:

(1) Primarily include travelling expenses, property management expenses and utility expenses.

附註：

(1) 主要包括差旅開支、物業管理開支及水電費。

Our research and development expenses increased by 4.0% from RMB10.3 million for the six months ended September 30, 2021 to RMB10.7 million for the six months ended September 30, 2022, primarily attributable to the increase of consulting fees for the development of our information technology system.

我們的研發開支由截至2021年9月30日止六個月的人民幣10.3百萬元增加4.0%至截至2022年9月30日止六個月的人民幣10.7百萬元，主要是由於資訊科技系統開發方面的諮詢費增加。

Net (Impairment Loss)/Reversal of Impairment Loss on Financial Assets

Net reversal of impairment loss/(impairment loss) on financial assets refer to impairment charges recorded based on the difference between the cash flows contractually due and all the cash flows that we expect to receive from trade and other receivables. Our impairment loss on financial assets was RMB1.2 million for the six months ended September 30, 2022, compared to net reversal of impairment loss on financial assets of RMB4.5 million for the six months ended September 30, 2021, primarily due to the increase of account receivables.

金融資產淨(減值虧損)/減值虧損撥回

金融資產淨減值虧損撥回/(減值虧損)指根據合同到期的現金流量與我們預期自貿易及其他應收款項收到的所有現金流量之間的差額所記錄的減值費用。截至2022年9月30日止六個月，我們的金融資產減值虧損為人民幣1.2百萬元，而截至2021年9月30日止六個月則為金融資產淨減值虧損撥回人民幣4.5百萬元，主要是由於應收賬款增加。

Management Discussion and Analysis

管理層討論與分析

Operating Loss

For the six months ended September 30, 2022, our operating loss was RMB71.7 million, compared to an operating profit of RMB43.1 million for the six months ended September 30, 2021, mainly due to (i) share-based compensation expenses for RSU granted on October 1, 2021; and (ii) the decrease of revenue. Excluding the share-based compensation expenses, our operating profit would be RMB28.9 million.

Net Finance Costs

Our net finance costs decreased from RMB26.3 million for the six months ended September 30, 2021 to RMB16.2 million for the six months ended September 30, 2022, primarily attributable to (i) the decrease of transaction costs on the issuance of Series-E convertible redeemable preferred shares of RMB9.2 million; (ii) the increase of interest income from bank deposits; and (iii) the decrease of interest expense on borrowings due to repayment of bank loans.

Fair Value Changes of Convertible Redeemable Preferred Shares

As convertible redeemable preferred shares were converted to ordinary shares upon the Listing, we do not record fair value change of convertible redeemable preferred shares for the six months ended September 30, 2022.

Loss for the Period

As a result of the foregoing, our loss for the period decreased from RMB464.2 million for the six months ended September 30, 2021 to RMB90.0 million for the six months ended September 30, 2022.

Property, Plant and Equipment

Our property, plant and equipment primarily consist of (i) medical equipment; (ii) office equipment and furniture; (iii) motor vehicles; and (iv) leasehold improvements. Our property, plant and equipment increased from RMB297.8 million as of March 31, 2022 to RMB311.8 million as of September 30, 2022, mainly due to clinics upgrades, opening and the acquisition of Tongshan Dental.

經營虧損

截至2022年9月30日止六個月，我們的經營虧損為人民幣71.7百萬元，而截至2021年9月30日止六個月則為經營利潤人民幣43.1百萬元，主要是由於(i)與2021年10月1日所授出受限制股份單位有關的股份酬金開支；及(ii)收入減少。剔除股份酬金開支，我們的經營利潤將為人民幣28.9百萬元。

淨財務成本

我們的淨財務成本由截至2021年9月30日止六個月的人民幣26.3百萬元減少至截至2022年9月30日止六個月的人民幣16.2百萬元，主要是由於(i)發行E輪可轉換可贖回優先股的交易成本減少人民幣9.2百萬元；(ii)銀行存款利息收入增加；及(iii)償還銀行貸款令借款利息開支減少。

可轉換可贖回優先股的公允價值變動

因可轉換可贖回優先股於上市後轉換為普通股，我們不會記入可轉換可贖回優先股截至2022年9月30日止六個月的公允價值變動。

期內虧損

由於上述原因，我們的期內虧損由截至2021年9月30日止六個月的人民幣464.2百萬元減少至截至2022年9月30日止六個月的人民幣90.0百萬元。

物業、廠房及設備

我們的物業、廠房及設備主要包括(i)醫療設備；(ii)辦公設備及傢具；(iii)汽車；及(iv)租賃物業裝修。我們的物業、廠房及設備由截至2022年3月31日的人民幣297.8百萬元增加至截至2022年9月30日的人民幣311.8百萬元，主要是由於診所升級、開業及收購通善口腔。

Management Discussion and Analysis

管理層討論與分析

Right-of-use Assets

Our right-of-use assets represent leases of dental clinics, hospitals, and office space in accordance with IFRS 16. Our right-of-use assets decreased from RMB703.5 million as of March 31, 2022 to RMB700.1 million as of September 30, 2022, primarily due to the depreciation of the right-of-use assets, partially offset by the additions.

Net Current Assets

We had net current assets of RMB921.9 million as of September 30, 2022, compared to RMB884.4 million as of March 31, 2022, primarily attributable to the decrease of current liabilities.

Trade Receivables

Trade receivables are primarily amounts due from customers for dental materials sold and dental services performed in the ordinary course of business. Trade receivables are classified as current assets if they are expected to be collected in one year or less. We typically charge our individual patients upon rendering our services. In addition, for our corporate clients, we usually grant them a credit period ranging from 10 to 60 days.

Our trade receivables increased from RMB71.3 million as of March 31, 2022 to RMB83.8 million as of September 30, 2022. Our trade receivables turnover days were 20 days for year ended March 31, 2022, and 23 days for the six months ended September 30, 2022. The increase of turnover days was mainly due to increase in account receivables from commercial and governmental medical insurance programs.

Other Receivables

Our other receivables primarily consist of (i) loans to related parties; (ii) rental and other deposits; and (iii) loans to employees, net of loss allowance. Our other receivables included in current assets increased by 355.1% from RMB25.6 million as of March 31, 2022 to RMB116.5 million as of September 30, 2022, primarily due to the loan to a related party of RMB79.1 million.

使用權資產

根據國際財務報告準則第16號，我們的使用權資產指口腔診所、醫院及辦公場所的租賃。我們的使用權資產由截至2022年3月31日的人民幣703.5百萬元減少至截至2022年9月30日的人民幣700.1百萬元，主要由於使用權資產折舊，部分被添置所抵銷。

淨流動資產

截至2022年9月30日，我們的淨流動資產為人民幣921.9百萬元，而截至2022年3月31日則為人民幣884.4百萬元，主要是由於流動負債減少。

貿易應收款項

貿易應收款項主要為就日常業務過程中銷售的齒科材料及提供的口腔醫療服務應收客戶的款項。倘貿易應收款項預期於一年或以內收回，則分類為流動資產。我們通常在提供服務時向個人患者收費。此外，就企業客戶而言，我們通常授予介乎10至60天的信貸期。

我們的貿易應收款項由截至2022年3月31日的人民幣71.3百萬元增加至截至2022年9月30日的人民幣83.8百萬元。截至2022年3月31日止年度及截至2022年9月30日止六個月，我們的貿易應收款項週轉天數分別為20天及23天。週轉天數增加主要是由於來自商業及政府醫療保險計劃的應收賬款增加。

其他應收款項

我們的其他應收款項主要包括(i)向關聯方提供貸款；(ii)租賃及其他按金；及(iii)向僱員提供貸款，並已扣除虧損撥備。我們計入流動資產的其他應收款項由截至2022年3月31日的人民幣25.6百萬元增加355.1%至截至2022年9月30日的人民幣116.5百萬元，主要是由於向關聯方提供貸款人民幣79.1百萬元。

Management Discussion and Analysis

管理層討論與分析

Trade and Other Payables

Our trade payables primarily represent the amount due to our suppliers. Our suppliers typically granted us a credit period of 90 days.

Our trade payables increased by 7.9% from RMB74.2 million as of March 31, 2022 to RMB80.0 million as of September 30, 2022, primarily due to longer payment term to some suppliers. Our trade payables turnover days increased from 58 days for the year ended March 31, 2022 to 59 days for the six months ended September 30, 2022 accordingly.

Other Payables

Our other payables primarily consist of (i) employee benefits payable; (ii) payables due to related parties and shareholders; and (iii) taxes payables. Our other payables decreased by 10.9% from RMB198.9 million as of March 31, 2022 to RMB177.3 million as of September 30, 2022, primarily due to (i) settlement of unpaid consideration of RMB36.5 million to acquire additional interest of a subsidiary; (ii) settlement of annual bonus to employees; and (iii) partial settlement of listing fees, offset by the increase in unpaid consideration for the acquisition of Tongshan Dental.

Financial Assets at Fair Value through Profit or Loss

Our financial assets at fair value through profit or loss primarily represent our investments in wealth management products with an aggregate principal amount of approximately RMB246.2 million and unlisted debt and equity instruments of RMB50.7 million. The Group invested in wealth management products subscribed to Growth Vanguard Fund SPC amounting to US\$31,040,000 at fixed annualized return rate of 1.2%. The wealth management product is subject to a lock-up period of one month and can be redeemed by the Company at any time upon expiration of the lock-up period. On September 21, 2022, the Company acquired the wealth management products from GF Global Capital Limited amounting to US\$3,000,000 (equivalent to RMB21,299,000). The unlisted debt instruments represent 8.22% equity interest in Hangzhou Jarvis Medical Technology Company Limited and 10% equity interest in Shenzhen Baocheng Dental Hospital.

貿易及其他應付款項

我們的貿易應付款項主要為應付供應商款項。我們的供應商通常給予我們90天的信貸期。

我們的貿易應付款項由截至2022年3月31日的人民幣74.2百萬元增加7.9%至截至2022年9月30日的人民幣80.0百萬元，主要是由於部分供應商的付款期限較長。因此，我們的貿易應付款項週轉天數由截至2022年3月31日止年度的58天增加至截至2022年9月30日止六個月的59天。

其他應付款項

我們的其他應付款項主要包括(i)應付僱員福利；(ii)應付關聯方及股東款項；及(iii)應付稅項。我們的其他應付款項由截至2022年3月31日的人民幣198.9百萬元減少10.9%至截至2022年9月30日的人民幣177.3百萬元，主要是由於(i)結清收購子公司額外權益的未支付代價人民幣36.5百萬元；(ii)結清向僱員發放的年終獎；及(iii)結清部分上市費用，被收購通善口腔的未支付代價增加所抵銷。

按公允價值計入損益的金融資產

我們按公允價值計入損益的金融資產主要指我們於理財產品的投資，本金總額約為人民幣246.2百萬元，以及非上市債務及權益工具人民幣50.7百萬元。本集團就向Growth Vanguard Fund SPC認購的理財產品投入31,040,000美元，固定年化回報率為1.2%。該理財產品的鎖定期為一個月，本公司可於鎖定期屆滿後隨時贖回有關理財產品。於2022年9月21日，本公司向廣發全球資本有限公司購買3,000,000美元（相等於人民幣21,299,000元）的理財產品。非上市債務工具指於杭州佳沃思醫療科技有限公司的8.22%股權及於深圳寶城口腔醫院的10%股權。

Management Discussion and Analysis

管理層討論與分析

Prepayments

Our prepayments primarily consist of (i) prepayments for braces; (ii) incremental cost of obtaining contracts, representing the commissions to dentists; (iii) prepayments for inventories other than braces; (iv) payment for equipments; and (v) short-term lease prepayments. Our prepayments increased by 19.9% from RMB148.4 million as of March 31, 2022 to RMB178.0 million as of September 30, 2022, primarily due to prepayments for equipments and decorations as a result of clinic and hospital under construction and upgrading.

Foreign Exchange Exposure

Since we operate mainly in the PRC with most of the transactions settled in Renminbi, our management considers that our business is not exposed to significant foreign exchange risk as there are no significant assets or liabilities which are denominated in the currencies other than our functional currency. During the Reporting Period, the Group's currency translation differences mainly arise from the translation of the financial statements of the Company from its functional currency in United States dollars to the reporting currency in Renminbi.

Our Directors would from time to time review the analysis prepared by our account department and assess whether there is any material and 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.

Contingent Liabilities

As of September 30, 2022, we did not have any material contingent liabilities, guarantees, or legal, arbitration or administrative proceedings pending or threatened against us that we expect would materially adversely affect our financial position or results of operations.

預付款項

我們的預付款項主要包括(i)牙套預付款項；(ii)獲得合同的增量成本，即醫生佣金；(iii)存貨(牙套除外)預付款項；(iv)設備付款；及(v)短期租賃預付款項。我們的預付款項由截至2022年3月31日的人民幣148.4百萬元增加19.9%至截至2022年9月30日的人民幣178.0百萬元，主要是由於預付診所和醫院建設及升級產生的設備及裝修款項。

外匯風險

由於我們主要在中國經營業務，大部分交易均以人民幣結算，由於我們並無以功能貨幣以外的貨幣計值的重大資產或負債，故管理層認為我們的業務並無面臨重大外匯風險。報告期內，本集團的貨幣換算差額主要由本公司財務報表中功能貨幣美元兌呈報貨幣人民幣的換算所產生。

董事會將不時審閱我們會計部編製的分析，並評估是否會對我們的財務表現產生任何重大不利影響，以及我們是否應訂立任何對沖或衍生金融工具來管理該等外匯風險敞口。

或然負債

截至2022年9月30日，我們並無任何重大或然負債、擔保或向我們作出尚未了結或面臨威脅的法律、仲裁或行政程序，從而預期對我們的財務狀況或經營業績造成重大不利影響。

Management Discussion and Analysis

管理層討論與分析

Liquidity and Financial Resources and Capital Structure

During the Reporting Period, we financed our operations and other capital expenditure requirements primarily through cash generated from our operations and proceeds raised from the Company's series-E round of financing and the Listing. As of September 30, 2022, we had cash and cash equivalents of RMB601.4 million, as compared with RMB1,052.3 million as of March 31, 2022. As of September 30, 2022, we had time deposits with original maturity over three months of RMB248.5 million, as compared with RMB14.0 million as of March 31, 2022.

There is no material change in the capital structure of the Company during the Reporting Period. The capital of the Company comprises only ordinary shares.

Capital Expenditures

Capital expenditures represent purchase of property, plant and equipment and intangible assets. For the six months ended September 30, 2022, we incurred additions in property, plant and equipment and intangible assets of RMB95.8 million, compared to RMB66.4 million for the six months ended September 30, 2021, primarily due to clinics upgrades, opening and the acquisition of Tongshan Dental. We intend to fund our planned capital expenditures through a combination of the net proceeds from the Global Offering, bank facilities and other borrowings, as well as cash generated from operations.

Borrowings and Gearing Ratio

During the Reporting Period, we incurred borrowings which were primarily denominated in Renminbi, to finance our business acquisition, capital expenditure, and working capital requirements. As of September 30, 2022, we had obtained undrawn bank loan facilities of RMB374.1 million.

As of September 30, 2022, the gearing ratio (calculated as total borrowings divided by total equity and multiplied by 100%) is 9.0%.

Charge on Asset

As of September 30, 2022, we pledged US\$21.0 million (equivalent to RMB149.2 million) to a bank as the collateral for bank loans of RMB112.3 million.

流動資金及財務資源以及資本架構

報告期內，我們主要通過我們的經營所得現金以及本公司E輪融資及上市所籌集的所得款項為運營及其他資本支出需求提供資金。截至2022年9月30日，我們的現金及現金等價物為人民幣601.4百萬元，而截至2022年3月31日則為人民幣1,052.3百萬元。截至2022年9月30日，我們原到期日超過三個月的定期存款為人民幣248.5百萬元，而截至2022年3月31日則為人民幣14.0百萬元。

本公司資本架構於報告期內並無重大變動。本公司資本僅包括普通股。

資本支出

資本支出指購買物業、廠房及設備以及無形資產。截至2022年9月30日止六個月，我們產生物業、廠房及設備以及無形資產添置人民幣95.8百萬元，而截至2021年9月30日止六個月則為人民幣66.4百萬元，主要由於診所升級、開業及收購通善口腔。我們擬透過結合全球發售淨所得款項、銀行融資及其他借款以及經營所得現金為我們的計劃資本支出提供資金。

借款及資本負債比率

報告期內，我們通過借款為業務收購、資本支出及營運資金需求撥付資金，其主要以人民幣呈列。截至2022年9月30日，我們已獲得未提取銀行貸款額度人民幣374.1百萬元。

截至2022年9月30日，資本負債比率（按借款總額除以總權益再乘以100%計算）為9.0%。

資產抵押

截至2022年9月30日，我們向一家銀行抵押21.0百萬美元（相等於人民幣149.2百萬元）作為人民幣112.3百萬元銀行貸款的抵押品。

Corporate Governance and Other Information

企業管治及其他資料

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

As of September 30, 2022, the interests and short positions of the Directors or chief executives of our Company and their associates in any of the Shares, underlying Shares and debentures of our Company or its associated corporation (within the meaning of Part XV of the SFO), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

Long Positions in the Shares of the Company

董事及最高行政人員於本公司及其任何相聯法團的股份、相關股份及債權證中的權益及淡倉

截至2022年9月30日，本公司董事或最高行政人員及彼等聯繫人於本公司或其相聯法團（定義見證券及期貨條例第XV部）的任何股份、相關股份及債權證中擁有須記錄於本公司根據證券及期貨條例第352條存置的登記冊的權益及淡倉或根據標準守則已知會本公司及聯交所的權益及淡倉載列如下：

於本公司股份的好倉

Name of Director or Chief Executive	Nature of Interest	Number of Shares/ Underlying Shares Held 所持有的股份／ 相關股份數目	Approximate Percentage of Shareholding Interest ⁽¹⁾ 持股權益概約 百分比 ⁽¹⁾
董事或最高行政人員姓名	權益性質		
Mr. ZOU Qifang 鄒其芳先生	Beneficial owner 實益擁有人	4,916,475(L)	0.85%
	Beneficial owner ⁽²⁾ 實益擁有人 ⁽²⁾	10,196,300(L)	1.75%
	Interest in controlled corporations ⁽³⁾ 於受控法團權益 ⁽³⁾	9,920,675(L)	1.71%
	Founder of discretionary trust ⁽⁴⁾ 酌情信託成立人 ⁽⁴⁾	48,671,025(L)	8.37%
	Interest of a party to an agreement ⁽⁵⁾ 協議訂約方權益 ⁽⁵⁾	119,972,600(L)	20.63%
Ms. XIN Qin Jessie 辛勤女士	Beneficial owner ⁽²⁾ 實益擁有人 ⁽²⁾	1,125,000(L)	0.19%
	Founder of discretionary trust ⁽⁶⁾ 酌情信託成立人 ⁽⁶⁾	1,250,000(L)	0.21%
Mr. ZHANG Jincai 章錦才先生	Beneficial owner ⁽²⁾ 實益擁有人 ⁽²⁾	1,500,000(L)	0.26%
Mr. ZOU Jianlong 鄒劍龍先生	Beneficial owner ⁽²⁾ 實益擁有人 ⁽²⁾	3,813,650(L)	0.66%

Corporate Governance and Other Information

企業管治及其他資料

Notes:

1. Calculated based on 581,591,950 total issued Shares of the Company as of September 30, 2022.
2. Referring to the Shares underlying the restricted share units granted to each of the Directors under the RSU Scheme as of September 30, 2022.
3. Beier Holdings Limited holds 9,920,075 Shares directly, which is wholly owned by Mr. ZOU Qifang. Therefore, Mr. Zou is deemed to be interested in the Shares held by Beier Holdings Limited under the SFO.
4. Mingda International Limited holds 18,500,000 Shares directly, which is in turn wholly owned by Rise Day Holdings Limited. On the other hand, Rise Day Holdings Limited holds 30,171,025 Shares directly, which is in turn wholly owned by United Culture Assets Limited, a BVI company wholly owned by an independent trustee entrusted by Mr. Zou. A family trust was established over United Culture Assets Limited for the benefits of Mr. Zou and his family members accordingly, of which Mr. Zou acts as the protector and settlor. Therefore, Mr. Zou is deemed to be interested in the Shares held by each of them under the SFO.
5. The Board has set up Arrail Sunshine as a platform in the BVI to hold incentive shares in a total amount of 119,972,600 Shares of the Company, for the participants under the RSU Scheme adopted by the Company on August 3, 2021. The voting rights of Arrail Sunshine is held by Mr. ZOU Qifang by way of proxy. Therefore, Mr. ZOU is deemed to be interested in the Shares held by Arrail Sunshine under the SFO.
6. Mismic Limited holds 1,250,000 Shares, which is a BVI company wholly owned by an independent trustee entrusted by Ms. Xin for a family trust established for the benefits of Ms. Xin and her family members. Therefore, Ms. Xin is deemed to be interested in the Shares held by it under the SFO.
7. The letter "L" denotes the person's long position in the Shares.

Save as disclosed above, as of September 30, 2022, none of the Directors or chief executives of the Company or their associates had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations.

附註：

1. 根據截至2022年9月30日本公司已發行股份總數581,591,950股計算。
2. 指截至2022年9月30日根據受限制股份單位計劃授予每位董事的限制性股份單位涉及的股份。
3. Beier Holdings Limited直接持有9,920,075股股份，而Beier Holdings Limited由鄒其芳先生全資擁有。因此，根據證券及期貨條例，鄒先生被視為於Beier Holdings Limited持有的股份中擁有權益。
4. Mingda International Limited直接持有18,500,000股股份，而Mingda International Limited由Rise Day Holdings Limited全資擁有。此外，Rise Day Holdings Limited直接持有30,171,025股股份，而Rise Day Holdings Limited由United Culture Assets Limited（一家由鄒先生委託的獨立受託人全資擁有的英屬維爾京群島公司）全資擁有。以鄒先生及其家族成員為受益人的家族信託通過United Culture Assets Limited相應設立，其中鄒先生為保護人及財產授予人。因此，根據證券及期貨條例，鄒先生被視為於彼等各自持有的股份中擁有權益。
5. 董事會已於英屬維爾京群島設立Arrail Sunshine作為平台，以根據本公司於2021年8月3日採納的受限制股份單位計劃為參與者持有合共119,972,600股本公司股份的激勵股份。Arrail Sunshine的投票權由鄒其芳先生以代理方式持有。因此，根據證券及期貨條例，鄒先生被視為於Arrail Sunshine持有的股份中擁有權益。
6. Mismic Limited（一家由辛女士為以辛女士及其家族成員為受益人設立的家族信託而委託的獨立受託人全資擁有的英屬維爾京群島公司）持有1,250,000股股份。因此，根據證券及期貨條例，辛女士被視為於彼持有的股份中擁有權益。
7. 字母「L」代表該人士於股份的好倉。

除上文所披露者外，截至2022年9月30日，本公司董事或最高行政人員或彼等聯繫人概無或被視為於本公司或其任何相聯法團的股份、相關股份或債權證中擁有任何權益或淡倉。

Corporate Governance and Other Information

企業管治及其他資料

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

As of September 30, 2022, so far as the Directors are aware, the following persons (other than the Directors or chief executives of the Company or their associates) had interests or short positions in the Shares or underlying Shares of the Company as recorded in the register required to be kept by the Company pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO or will, directly or indirectly, be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at the general meetings of the Company or any other members of the Group:

Long Positions in the Shares of the Company

主要股東於本公司股份及相關股份的權益及淡倉

截至2022年9月30日，就董事所知，以下人士（本公司董事或最高行政人員或彼等聯繫人除外）於本公司股份或相關股份擁有須記錄於本公司根據證券及期貨條例第XV部第2及3分部的條文存置的登記冊的權益或淡倉，或將直接或間接於附帶權利可在所有情況下於本公司或本集團任何其他成員公司股東大會上投票的任何類別股本面值中擁有5%或以上權益：

於本公司股份的好倉

Name of substantial shareholder 主要股東名稱	Nature of interest 權益性質	Shares/Underlying Shares Held as of September 30, 2022 截至2022年9月30日 所持有的股份／相關股份	
		Number of Shares 股份數目	Approximate percentage ⁽¹⁾ 概約百分比 ⁽¹⁾
Rise Day Holdings Limited	Beneficial owner 實益擁有人	30,171,025(L)	5.19%
	Interest in controlled corporations ⁽²⁾ 於受控法團權益 ⁽²⁾	18,500,000(L)	3.18%
United Culture Assets Limited	Interest in controlled corporations ⁽²⁾ 於受控法團權益 ⁽²⁾	48,671,025(L)	8.37%
Trident Trust Company (HK) Limited	Trustee ⁽²⁾ 受託人 ⁽²⁾	48,671,025(L)	8.37%
Arrail Sunshine Holdings Limited	Trustee ⁽³⁾ 受託人 ⁽³⁾	119,972,600(L)	20.63%
KASTLE LIMITED 嘉士圖有限公司	Trustee ⁽⁴⁾ 受託人 ⁽⁴⁾	122,357,100(L)	21.04%
Elbrus Investments Pte. Ltd.	Beneficial owner ⁽⁵⁾ 實益擁有人 ⁽⁵⁾	58,237,675(L)	10.01%
Temasek Life Sciences Private Limited	Interest in controlled corporation ⁽⁵⁾ 於受控法團權益 ⁽⁵⁾	58,237,675(L)	10.01%
Fullerton Management Pte Ltd	Interest in controlled corporation ⁽⁵⁾ 於受控法團權益 ⁽⁵⁾	58,237,675(L)	10.01%

Corporate Governance and Other Information

企業管治及其他資料

Name of substantial shareholder 主要股東名稱	Nature of interest 權益性質	Shares/Underlying Shares Held as of September 30, 2022 截至2022年9月30日 所持有的股份／相關股份	
		Number of Shares 股份數目	Approximate percentage ⁽¹⁾ 概約百分比 ⁽¹⁾
Temasek Holdings (Private) Limited	Interest in controlled corporation ⁽⁵⁾ 於受控法團權益 ⁽⁵⁾	58,237,675(L)	10.01%
Total Success Investment Ltd.	Beneficial owner ⁽⁶⁾ 實益擁有人 ⁽⁶⁾	55,228,900(L)	9.50%
19 Growth Capital Fund LP	Interest in controlled corporation ⁽⁶⁾ 於受控法團權益 ⁽⁶⁾	55,228,900(L)	9.50%
Empire Choice International Limited	Interest in controlled corporation ⁽⁶⁾ 於受控法團權益 ⁽⁶⁾	55,228,900(L)	9.50%
Roger K C Young	Interest in controlled corporation ⁽⁶⁾ 於受控法團權益 ⁽⁶⁾	55,228,900(L)	9.50%
19 Growth Capital Fund GP Inc.	Interest in controlled corporation ⁽⁶⁾ 於受控法團權益 ⁽⁶⁾	55,228,900(L)	9.50%
John Paul Buckley	Interest in controlled corporation ⁽⁶⁾ 於受控法團權益 ⁽⁶⁾	55,228,900(L)	9.50%
Zheng Zhang	Interest in controlled corporation ⁽⁶⁾ 於受控法團權益 ⁽⁶⁾	55,228,900(L)	9.50%
Broad Street Investments Holding (Singapore) Pte. Ltd.	Beneficial owner 實益擁有人	36,719,500(L)	6.31%
BSPI Holdings, L.L.C.	Interest in controlled corporation ⁽⁷⁾ 於受控法團權益 ⁽⁷⁾	36,719,500(L)	6.31%
Broad Street Principal Investments, L.L.C.	Interest in controlled corporation ⁽⁷⁾ 於受控法團權益 ⁽⁷⁾	44,063,400(L)	7.58%
BSPI Intermediate Holdings, L.L.C.	Interest in controlled corporation ⁽⁷⁾ 於受控法團權益 ⁽⁷⁾	36,719,500(L)	6.31%
Broad Street Principal Investments Superholdco LLC	Interest in controlled corporation ⁽⁷⁾ 於受控法團權益 ⁽⁷⁾	44,063,400(L)	7.58%

Corporate Governance and Other Information

企業管治及其他資料

Name of substantial shareholder 主要股東名稱	Nature of interest 權益性質	Shares/Underlying Shares Held as of September 30, 2022 截至2022年9月30日 所持有的股份／相關股份	
		Number of Shares 股份數目	Approximate percentage ⁽¹⁾ 概約百分比 ⁽¹⁾
GOLDMAN SACHS & CO. LLC	Interest in controlled corporation ⁽⁷⁾ 於受控法團權益 ⁽⁷⁾	44,063,400(L)	7.58%
The Goldman Sachs Group, Inc.	Interest in controlled corporation ⁽⁷⁾ 於受控法團權益 ⁽⁷⁾	44,063,400(L)	7.58%
高盛集團有限公司 KPCB China Fund, L.P.	Beneficial owner 實益擁有人	31,406,450(L)	5.40%
KPCB China Associates, Ltd.	Interest in controlled corporation ⁽⁸⁾ 於受控法團權益 ⁽⁸⁾	33,482,400(L)	5.76%
Qiming Corporate GP II, Ltd.	Interest in controlled corporation ⁽⁹⁾ 於受控法團權益 ⁽⁹⁾	29,650,225 (L)	5.10%
Qiming GP II, L.P.	Interest in controlled corporation ⁽⁹⁾ 於受控法團權益 ⁽⁹⁾	29,258,725 (L)	5.03%

Notes:

- (1). Calculated based on 581,591,950 total issued Shares of the Company as of September 30, 2022.
- (2). Mingda International Limited holds 18,500,000 Shares directly, which is in turn wholly owned by Rise Day Holdings Limited. Under the SFO, Rise Day Holdings Limited is deemed to be interest in the Shares held by Mingda International Limited. On the other hand, Rise Day Holdings Limited is held by United Culture Assets Limited, which is a BVI company wholly owned by an independent trustee entrusted by Mr. ZOU Qifang. A family trust was established over United Culture Assets Limited for the benefits of Mr. Zou and his family members accordingly, of which Mr. Zou acts as the protector and settlor, and Trident Trust Company (HK) Limited is the trustee of the family trust. Therefore, Trident Trust Company (HK) Limited and United Culture Assets Limited are deemed to be interested in the Shares held by Rise Day Holdings Limited under the SFO.

附註：

- (1). 根據截至2022年9月30日本公司已發行股份總數581,591,950股計算。
- (2). Mingda International Limited直接持有18,500,000股股份，而Mingda International Limited由Rise Day Holdings Limited全資擁有。根據證券及期貨條例，Rise Day Holdings Limited被視為於Mingda International Limited持有的股份中擁有權益。此外，Rise Day Holdings Limited由United Culture Assets Limited（一家由鄒其芳先生委託的獨立受託人全資擁有的英屬維爾京群島公司）擁有。以鄒先生及其家族成員為受益人的家族信託通過United Culture Assets Limited相應設立，其中鄒先生為保護人及財產授予人，而Trident Trust Company (HK) Limited為該家族信託的受託人。因此，根據證券及期貨條例，Trident Trust Company (HK) Limited及United Culture Assets Limited被視為於Rise Day Holdings Limited持有的股份中擁有權益。

Corporate Governance and Other Information

企業管治及其他資料

- (3). Arrail Sunshine is a platform in the BVI set up by the Board to hold incentive shares in a total amount of 119,972,600 Shares of the Company, for the participants under the RSU Scheme adopted by the Company on August 3, 2021. The voting rights of Arrail Sunshine is held by Mr. ZOU Qifang by way of proxy.
- (4). KASTLE LIMITED, a company incorporated in Hong Kong, is the trustee (which is independent of and not a connected person of the Company) appointed by the Company for the administration of the RSU Scheme and 2022 RSU Scheme. KASTLE LIMITED is deemed to be interested in 119,972,600 Shares held by Arrail Sunshine and 2,384,500 Shares held by Arrail Revival Holdings Limited, the platform holding underlying Shares for 2022 RSU Scheme, under the SFO.
- (5). Elbrus Investments Pte. Ltd. is a company incorporated in Singapore, which is wholly owned by Temasek Life Sciences Private Limited, which is in turn wholly owned by Fullerton Management Pte Ltd, which is in turn wholly owned by Temasek Holdings (Private) Limited. Under the SFO, each of Temasek Life Sciences Private Limited, Fullerton Management Pte Ltd and Temasek Holdings (Private) Limited is deemed to be interested in the Shares held by Elbrus Investments Pte. Ltd.
- (6). Total Success Investment Ltd. is an investment holding company incorporated in the Cayman Islands and is wholly owned by 19 Growth Capital Fund LP, a limited partnership registered in the State of Delaware. Empire Choice International Limited is the limited partner of 19 Growth Capital Fund LP, which is wholly owned by Roger K C Young. 19 Growth Capital Fund GP Inc. is the general partner of 19 Growth Capital Fund LP, and 19 Growth Capital Fund GP Inc. is owned as to 60% by John Paul Buckley and 40% by Zheng Zhang. Under the SFO, 19 Growth Capital Fund LP, Empire Choice International Limited, Roger K C Young, 19 Growth Capital Fund GP Inc., John Paul Buckley and Zheng Zhang are deemed to be interested in the Shares held by Total Success Investment Ltd..
- (3). Arrail Sunshine為董事會於英屬維爾京群島設立的平台，以根據本公司於2021年8月3日採納的受限制股份單位計劃為參與者持有合共119,972,600股本公司股份的激勵股份。Arrail Sunshine的投票權由鄒其芳先生以代理方式持有。
- (4). 嘉士圖有限公司，一家於香港註冊成立的公司，為本公司委任以管理受限制股份單位計劃及2022年受限制股份單位計劃的受託人（獨立於本公司且並非本公司關連人士）。根據證券及期貨條例，嘉士圖有限公司被視為分別於Arrail Sunshine持有的119,972,600股股份及Arrail Revival Holdings Limited（持有2022年受限制股份單位計劃相關股份的平台）持有的2,384,500股股份中擁有權益。
- (5). Elbrus Investments Pte. Ltd.為一家於新加坡註冊成立的公司，由Temasek Life Sciences Private Limited全資擁有，而Temasek Life Sciences Private Limited由Fullerton Management Pte Ltd全資擁有，Fullerton Management Pte Ltd由淡馬錫控股（私人）有限公司全資擁有。根據證券及期貨條例，Temasek Life Sciences Private Limited、Fullerton Management Pte Ltd及淡馬錫控股（私人）有限公司均被視為於Elbrus Investments Pte. Ltd.持有的股份中擁有權益。
- (6). Total Success Investment Ltd. 為一家於開曼群島註冊成立的投資控股公司，由19 Growth Capital Fund LP（為一家在特拉華州註冊的有限合夥企業）全資擁有。Empire Choice International Limited是19 Growth Capital Fund LP的有限合夥人，及由Roger K C Young全資擁有。19 Growth Capital Fund GP Inc.是19 Growth Capital Fund LP的一般合夥人，而19 Growth Capital Fund GP Inc.由John Paul Buckley及Zheng Zhang分別擁有60%及40%的權益。根據證券及期貨條例，19 Growth Capital Fund LP、Empire Choice International Limited、Roger K C Young、19 Growth Capital Fund GP Inc.、John Paul Buckley及Zheng Zhang被視為於Total Success Investment Ltd.持有的股份中擁有權益。

Corporate Governance and Other Information

企業管治及其他資料

- (7). Broad Street Investments Holding (Singapore) Pte. Ltd., a company incorporated under the laws of the Republic of Singapore, is wholly owned by BSPI Holdings, L.L.C.. Stonebridge 2017 (Singapore) Pte. Ltd. holds 7,343,900 Shares directly, which is a company incorporated under the laws of the Republic of Singapore. Stonebridge 2017 (Singapore) Pte. Ltd. is held by multiple employee funds of The Goldman Sachs Group, Inc., among which, the general partner of the funds is a wholly owned subsidiary of The Goldman Sachs Group, Inc.. Under the SFO, each of BSPI Holdings, L.L.C. (as the sole shareholder of Broad Street Investments Holding (Singapore) Pte. Ltd.), Broad Street Principal Investments, L.L.C. and BSPI Intermediate Holdings, L.L.C. (each as a 50% shareholder of BSPI Holdings, L.L.C.), Broad Street Principal Investments, L.L.C. (as the sole shareholder of BSPI Intermediate Holdings, L.L.C.), Broad Street Principal Investments Superholdco LLC (as the sole shareholder of Broad Street Principal Investments, L.L.C.), GOLDMAN SACHS & CO. LLC and The Goldman Sachs Group, Inc. (as the sole shareholder of Broad Street Principal Investments Superholdco LLC) are deemed to be interested in the Shares held by Broad Street Investments Holding (Singapore) Pte. Ltd.. In addition, each of Broad Street Principal Investments, L.L.C., Broad Street Principal Investments Superholdco LLC, GOLDMAN SACHS & CO. LLC and The Goldman Sachs Group, Inc. are also deemed to be interested in the Shares held by Stonebridge 2017 (Singapore) Pte. Ltd..
- (7). Broad Street Investments Holding (Singapore) Pte. Ltd. 為一家根據新加坡共和國法例註冊成立的公司，由BSPI Holdings, L.L.C.全資擁有。Stonebridge 2017 (Singapore) Pte. Ltd. (為一家根據新加坡共和國法例註冊成立的公司)直接持有7,343,900股股份。Stonebridge 2017 (Singapore) Pte. Ltd.由高盛集團有限公司的多隻僱員基金持有，其中這些基金的普通合夥人為高盛集團有限公司的全資子公司。根據證券及期貨條例，BSPI Holdings, L.L.C. (作為Broad Street Investments Holding (Singapore) Pte. Ltd.的唯一股東)、Broad Street Principal Investments, L.L.C.及BSPI Intermediate Holdings, L.L.C. (各自作為BSPI Holdings, L.L.C.的50%股東)、Broad Street Principal Investments, L.L.C. (作為BSPI Intermediate Holdings, L.L.C.的唯一股東)、Broad Street Principal Investments Superholdco LLC (作為Broad Street Principal Investments, L.L.C.的唯一股東)、GOLDMAN SACHS & CO. LLC及高盛集團有限公司 (作為Broad Street Principal Investments Superholdco LLC的唯一股東) 均被視為於Broad Street Investments Holding (Singapore) Pte. Ltd.持有的股份中擁有權益。此外，Broad Street Principal Investments, L.L.C.、Broad Street Principal Investments Superholdco LLC、GOLDMAN SACHS & CO. LLC及高盛集團有限公司亦均被視為於Stonebridge 2017 (Singapore) Pte. Ltd.持有的股份中擁有權益。
- (8). KPCB China Fund, L.P. ("KPCB CF") holds 31,406,450 Shares directly and KPCB China Founders Fund, L.P. ("KPCB CFF") holds 2,075,950 Shares directly, which both are exempted limited partnerships established under the laws of Cayman Islands and are venture capital funds. The general partner of KPCB CF and KPCB CFF is KPCB China Associates, Ltd., which is a Cayman Islands exempted company. The voting and investment power of shares held by KPCB CF and KPCB CFF is exercised by the board of KPCB China Associates, Ltd, which consists of Tina Lin-chi Ju, Theodore Schlein, Brook Byers, L. John Doerr and Raymond Lane. Under the SFO, KPCB China Associates, Ltd. is deemed to be interested in the Shares held by KPCB CF and KPCB CFF.
- (8). KPCB China Fund, L.P. (「KPCB CF」) 直接持有31,406,450股股份及KPCB China Founders Fund, L.P. (「KPCB CFF」) 直接持有2,075,950股股份，彼等均為根據開曼群島法例成立的獲豁免有限合夥企業，屬於風險投資基金。KPCB CF及KPCB CFF的普通合夥人為開曼群島獲豁免公司KPCB China Associates, Ltd.。KPCB CF及KPCB CFF所持股份的投票及投資權由KPCB China Associates, Ltd.的董事會行使，該董事會由Tina Lin-chi Ju、Theodore Schlein、Brook Byers、L. John Doerr及Raymond Lane組成。根據證券及期貨條例，KPCB China Associates, Ltd.被視為於KPCB CF及KPCB CFF持有的股份中擁有權益。

Corporate Governance and Other Information

企業管治及其他資料

- (9). Each of Qiming Venture Partners II, L.P., Qiming Venture Partners II-C, L.P. and Qiming Managing Directors Fund II, L.P. (collectively the “Qiming Funds”) is registered as an exempted limited partnership in the Cayman Islands, and holds 26,902,975 Shares, 2,355,750 Shares and 391,500 Shares, respectively, directly. Qiming GP II, L.P. is the general partner of both Qiming Venture Partners II, L.P. and Qiming Venture Partners II-C, L.P., whereas Qiming Corporate GP II, Ltd. is the general partner of both Qiming GP II, L.P. and Qiming Managing Directors Fund II, L.P.. The voting and investment power of shares held by the Qiming Funds is exercised by Qiming Corporate GP II, Ltd.. Under the SFO, each of Qiming GP II, L.P. and Qiming Corporate GP II, Ltd. is deemed to be interested in the Shares held by Qiming Venture Partners II, L.P.. In addition, Qiming Corporate GP II, Ltd. is also deemed to be interested in the Shares held by Qiming Managing Directors Fund II, L.P..

Save as disclosed above, as at September 30, 2022, no person, other than the Directors or chief executives of the Company whose interests are set out in the section headed “Directors’ and Chief Executives’ Interests and Short Positions in Shares and Underlying Shares and Debentures of the Company and Any of its Associated Corporations” above, had any interests or short positions in the Shares or underlying Shares as recorded in the register required to be kept under section 336 of the SFO.

- (9). Qiming Venture Partners II, L.P.、Qiming Venture Partners II-C, L.P.及Qiming Managing Directors Fund II, L.P. (統稱「Qiming基金」) 各自在開曼群島註冊為獲豁免有限合夥企業，及分別直接持有26,902,975股股份、2,355,750股股份及391,500股股份。Qiming GP II, L.P.為Qiming Venture Partners II, L.P.及Qiming Venture Partners II-C, L.P.的普通合夥人，而Qiming Corporate GP II, Ltd.則為Qiming GP II, L.P.及Qiming Managing Directors Fund II, L.P.的普通合夥人。Qiming基金所持股份的投票及投資權由Qiming Corporate GP II, Ltd.行使。根據證券及期貨條例，Qiming GP II, L.P.及Qiming Corporate GP II, Ltd.均被視為於Qiming Venture Partners II, L.P.持有的股份中擁有權益。此外，Qiming Corporate GP II, Ltd.亦被視為於Qiming Managing Directors Fund II, L.P.持有的股份中擁有權益。

除上文所披露者外，於2022年9月30日，除本公司董事或最高行政人員於上文「董事及最高行政人員於本公司及其任何相聯法團的股份、相關股份及債權證中的權益及淡倉」一節所載的權益外，概無人士於股份或相關股份中擁有須記錄於根據證券及期貨條例第336條存置的登記冊的任何權益或淡倉。

Corporate Governance and Other Information 企業管治及其他資料

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

Save for 2,384,500 Shares purchased by Arrail Revival Holdings Limited, a limited liability company set up by the Company as a platform holding underlying Shares for the 2022 RSU Scheme, at cash consideration of HK\$18.4 million on the Stock Exchange for 2022 RSU Scheme, neither the Company, nor any of its subsidiaries, purchased, sold or redeemed any listed securities of the Company during the Reporting Period.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Guidelines for Securities Transactions by Directors (the “**Written Guidelines**”) on no less exacting terms than the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors.

Having made specific enquiry of all Directors, all of them have confirmed that they have complied with the Model Code and the Written Guidelines during the Reporting Period. No incident of non-compliance of the Written Guidelines by the employees who are likely to be in possession of inside information of the Company was noted by the Company.

SHARE INCENTIVE SCHEME

RSU Scheme

The RSU Scheme was approved and adopted by the Board on August 3, 2021. The purpose of the RSU Scheme is to attract, retain and motivate our Directors, employees and such other participants, and to provide a means of compensating them through the grant of awards (the “**Awards**”) for their contribution to the growth and profits of the Group, and to allow such Directors, employees and other persons to participate in the growth and profitability of the Group. The terms of the RSU Scheme are not subject to the provisions of Chapter 17 of the Listing Rules.

Pursuant to the RSU Scheme, the overall limit on the number of underlying Shares to be granted under the RSU Scheme is 119,972,600 Shares, which represents approximately 20.63% of the total issued share capital of the Company as of the date of this interim report.

購買、出售或贖回本公司上市證券

除Arrail Revival Holdings Limited（一家由本公司設立的有限公司，作為持有2022年受限制股份單位計劃相關股份的平台）於聯交所就2022年受限制股份單位計劃以現金對價18.4百萬港元購買2,384,500股股份外，本公司或其任何子公司於報告期內概無購買、出售或贖回本公司任何上市證券。

證券交易的標準守則

本公司已採納不遜於上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」）的董事證券交易指引（「書面指引」）作為董事進行證券交易的行為守則。

經作出具體詢問後，全體董事確認彼等於報告期內均遵守標準守則及書面指引。本公司並無發現可能掌握本公司內幕消息的僱員存在不遵守書面指引的情況。

股份激勵計劃

受限制股份單位計劃

董事會於2021年8月3日批准及採納受限制股份單位計劃。受限制股份單位計劃旨在吸引、挽留及激勵董事、僱員及有關其他參與者，並透過授予獎勵（「獎勵」）的方式酬謝彼等為本集團發展及利潤所作出的貢獻，以及讓該等董事、僱員及其他人士分享本集團發展及盈利。受限制股份單位計劃的條款無須遵守上市規則第十七章的條文規定。

根據受限制股份單位計劃，受限制股份單位計劃項下將予授出的相關股份數目的整體限額為119,972,600股股份，其佔本公司截至本中期報告日期已發行股本總額的約20.63%。

Corporate Governance and Other Information

企業管治及其他資料

As of September 30, 2022, an aggregate of 616 grantees were granted with RSUs with a total of 91,723,525 underlying Shares under the RSU Scheme. The table below shows the details of RSUs granted to Directors that are outstanding as of September 30, 2022:

截至2022年9月30日，根據受限制股份單位計劃，合共616名承授人獲授受限制股份單位，涉及合共91,723,525股相關股份。下表列示截至2022年9月30日已授予董事但尚未行使的受限制股份單位詳情：

Name	Position	Number of Shares underlying the Outstanding RSUs	Approximate Percentage of Equity Interest in the Company underlying the Outstanding RSUs ^(Note)
			尚未行使受限制股份單位涉及的本公司股權的概約百分比(附註)
姓名	職位	尚未行使受限制股份單位涉及的股份數目	
Mr. ZOU Qifang	Executive Director, chairman of the Board, and chief executive officer	10,196,300	1.75%
鄒其芳先生	執行董事、董事會主席兼首席執行官		
Ms. Qin Jessie XIN	Executive Director and chief financial officer	1,125,000	0.19%
辛勤女士	執行董事兼首席財務官		
Mr. ZHANG Jincai	Executive Director, chief medical officer, general manager of hospitals and clinics	1,500,000	0.26%
章錦才先生	執行董事、首席醫療官、醫院及診所的總經理		
Mr. ZOU Jianlong	Executive Director and vice president	3,813,650	0.66%
鄒劍龍先生	執行董事兼副總裁		

Note: Calculated based on 581,591,950 total issued Shares of the Company as of September 30, 2022.

附註：根據截至2022年9月30日本公司已發行股份總數581,591,950股計算。

Corporate Governance and Other Information

企業管治及其他資料

2022 RSU Scheme

The 2022 RSU Scheme was approved and adopted by the Board on September 3, 2022. The purpose of the 2022 RSU Scheme is to attract, retain and motivate our Directors and employees, and to provide a means of compensating them through the Awards for their contribution to the growth and profits of the Group, and to allow such Directors and employees to participate in the growth and profitability of the Group. The terms of the 2022 RSU Scheme are not subject to the provisions of Chapter 17 of the Listing Rules.

Pursuant to the 2022 RSU Scheme, the Underlying Shares will be satisfied by the existing Shares to be acquired by the Trustee on the market based on the trading price of the market. The maximum number of the Underlying Shares which may be transferred or paid-out in settlement of all RSUs to be granted to any Selected Participants under the 2022 RSU Scheme shall not exceed 1% of the issued shares of the Company from time to time in any 12-month period.

As of the date of this interim report, no employees were approved by the Board to be the grantees pursuant to the 2022 RSU Scheme.

Kastle Limited, the trustee of the RSU Scheme and 2022 RSU Scheme, who is currently holding unvested shares with voting rights attached will abstain from voting on any resolutions at the general meeting.

Compliance with the Corporate Governance Code (the “CG Code”)

The Company strives to maintain high standards of corporate governance to safeguard the interests of the shareholders and to enhance corporate value and accountability.

The Company has adopted the code provisions of the CG Code as set out in Appendix 14 to the Listing Rules, and has complied with all applicable code provisions as set out in the CG Code during the Reporting Period, except for deviation from the code provisions C.2.1 and C.5.7 of the CG Code.

2022年受限制股份單位計劃

2022年受限制股份單位計劃於2022年9月3日獲董事會批准及採納。2022年受限制股份單位計劃旨在吸引、挽留及激勵董事及僱員，並透過授予獎勵的方式酬謝彼等為本集團發展及利潤所作出的貢獻，以及讓該等董事及僱員分享本集團發展及盈利。2022年受限制股份單位計劃的條款無須遵守上市規則第十七章的條文規定。

根據2022年受限制股份單位計劃，相關股份將以受託人於市場上按照市場交易價購買的現有股份支付。因結算根據2022年受限制股份單位計劃將授予任何獲甄選參與者的所有受限制股份單位而可能轉讓或支付的相關股份的最高數目，不得超過本公司於任何12個月期間不時已發行股份的1%。

截至本中期報告日期，根據2022年受限制股份單位計劃，概無任何僱員獲董事會批准成為承授人。

嘉士圖有限公司（為受限制股份單位計劃及2022年受限制股份單位計劃的受託人，目前持有附帶投票權的未歸屬股份）將在股東大會上就任何決議案放棄投票。

遵守企業管治守則（「企業管治守則」）

本公司致力維持高水準的企業管治以保障股東利益並提升企業價值及責任感。

本公司已採納上市規則附錄十四所載企業管治守則的守則條文，並於報告期內一直遵守企業管治守則所載的所有適用守則條文，惟偏離企業管治守則守則條文第C.2.1條及C.5.7條。

Corporate Governance and Other Information

企業管治及其他資料

Pursuant to C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. As Mr. ZOU is the founder of our Group and has been managing our Group's business and overall strategic planning since its establishment, our Directors consider that vesting the roles of chairman and chief executive officer in Mr. ZOU is beneficial to the business prospects and management of our Group by ensuring consistent leadership within our Group. Taking into account all the corporate governance measures that we have implemented since Listing, our Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable our Company to make and implement decisions promptly and effectively. Accordingly, our Company has not segregated the roles of its chairman and chief executive officer. Our Board will continue to review and consider splitting the roles of chairman of our Board and the chief executive officer of our Company at an appropriate time if necessary, taking into account the circumstances of our Group as a whole.

Pursuant to C.5.7 of the CG Code, if a substantial shareholder or a director has a conflict of interest in a matter to be considered by the board which the board has determined to be material, the matter should be dealt with by a physical board meeting rather than a written resolution. Independent non-executive directors who, and whose close associates, have no material interest in the transaction should be present at that board meeting. During the reporting period, the Board approved the connected transaction in respect of the provision of loan to Mr. Zou, the controlling shareholder of the Company, by passing a written resolution. The Board is of the view that taking into account the requirements of pandemic prevention and control and also in order to facilitate the efficiency of decision-making and implementation, it is decided to approve the transaction by way of written resolutions. Furthermore, Mr. Zou abstained from voting on the relevant Board resolutions.

INTERIM DIVIDEND

The Directors do not recommend any interim dividend for the Reporting Period.

根據企業管治守則第C.2.1條，主席與行政總裁的角色應有區分，並不應由一人同時兼任。由於鄒先生為本集團的創始人，且自本集團成立起一直管理本集團的業務及整體戰略規劃，故董事認為，將董事長及首席執行官職位授予鄒先生有利於本集團的業務前景及管理，確保本集團的一貫領導。考慮到我們自上市起已實施的所有企業管治措施，董事會認為，現時安排的權力及權限均衡將不會受損，且該結構將使本公司能夠迅速有效作出及實施決策。因此，本公司並無區分其董事長與首席執行官的角色。董事會將繼續檢討，並於考慮本集團整體情況後，在必要時適時考慮區分本公司董事長與首席執行官的角色。

根據企業管治守則第C.5.7條，若有大股東或董事在董事會將予考慮的事項中存有董事會認為重大的利益衝突，有關事項應以舉行董事會會議（而非書面決議）方式處理。在交易中本身及其緊密聯繫人均沒有重大利益的獨立非執行董事應該出席有關的董事會會議。於報告期內，董事會以通過書面決議的方式批准向本公司控股股東鄒先生提供貸款的關連交易。董事會認為，考慮到疫情防控要求及為提高決策及執行效率，其決定以書面決議方式批准該交易。此外，鄒先生已就相關董事會決議案放棄投票。

中期股息

董事不建議就報告期派發任何中期股息。

Corporate Governance and Other Information

企業管治及其他資料

AUDIT COMMITTEE AND REVIEW OF FINANCIAL STATEMENTS

The Audit Committee consists of three independent non-executive Directors, namely Mr. ZHANG Bang, Ms. LIU Xiaomei Michelle and Mr. SUN Jian. Mr. ZHANG Bang, being the chairman of the Audit Committee, is appropriately qualified as required under Rules 3.10(2) and 3.21 of the Listing Rules. The primary duties of the Audit Committee are to assist the Board by providing an independent view of the effectiveness of the financial reporting process, internal control and risk management systems of the Company and overseeing the audit process.

The Audit Committee has reviewed together with the management and external auditor of the Company the accounting principles and policies adopted by the Company and the unaudited interim results for the Reporting Period.

INDEPENDENT REVIEW OF AUDITOR

The interim financial report for the six months ended September 30, 2022 is unaudited, and has been reviewed by PricewaterhouseCoopers, in accordance with International Standard on Review Engagements 2410.

CHANGES IN DIRECTORS' INFORMATION

After making specific enquiries by the Company and confirmed by the Directors, no changes in the information of any Director during the Reporting Period that are required to be disclosed pursuant to paragraphs (a) to (e) and paragraph (g) of Rule 13.51(2) of the Listing Rules have to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

審計委員會及審閱財務報表

審計委員會由三名獨立非執行董事組成，即張磅先生、劉笑梅女士及孫健先生。張磅先生為審計委員會主席，具備上市規則第3.10(2)及3.21條規定的合適資格。審計委員會的主要職責為協助董事會，就本公司財務報告程序、內部控制及風險管理系統的有效性提供獨立意見及監督審核程序。

審計委員會與本公司管理層及外部審計師已審閱本公司所採用會計準則及政策以及報告期內的未經審計中期業績。

審計師的獨立審閱

截至2022年9月30日止六個月的中期財務報告為未經審計，並已由羅兵咸永道會計師事務所根據國際審閱工作準則第2410號進行審閱。

董事資料變更

經本公司作出具體查詢及董事作出確認後，於報告期內並無有關根據上市規則第13.51(2)條第(a)至(e)段及第(g)段須予披露任何董事之資料變動須根據上市規則第13.51B(1)條予以披露。

Corporate Governance and Other Information

企業管治及其他資料

USE OF PROCEEDS FROM GLOBAL OFFERING

The Company was listed on the Main Board of the Stock Exchange on March 22, 2022. The net proceeds received by the Company from the Global Offering amounted to HK\$589.9 million. For the Reporting Period, the Company had used the net proceeds from the Global Offering for the following purposes:

全球發售所得款項用途

本公司於2022年3月22日在聯交所主板上市。本公司自全球發售收取的淨所得款項為589.9百萬港元。報告期內，本公司已將全球發售淨所得款項用於以下用途：

	Amount of net proceeds for the relevant use	Percentage of total net proceeds	Unutilized net proceeds as of April 1, 2022 截至2022年 4月1日的未動用 淨所得款項 HK\$ million 百萬港元	Utilization during the six months ended September 30, 2022 截至2022年 9月30日止 六個月動用 HK\$ million 百萬港元	Unutilized net proceeds as of September 30, 2022 截至2022年 9月30日的未動用 淨所得款項 HK\$ million 百萬港元	Expected timeframe for unutilized net proceeds 未動用淨所得款項 預期時間表
Business expansion 業務擴張						
Increase penetration and grow footprint in existing and emerging Tier-1 cities in China and existing Tier-2 cities in China 中國現有及新興一線城市及中國現有二線城市 提高滲透率並擴大覆蓋的地域	324.4	55.0%	324.4	15.5	308.9	over the next five years 未來五年內
Expansion into new key Tier-2 cities in China 擴張至中國新的核心二線城市	118.0	20.0%	118.0	23.9	94.1	over the next five years 未來五年內
Subtotal 小計	442.4	75.0%	442.4	39.4	403.0	
Build and optimize IT infrastructure 建設及優化信息技術基礎設施	88.5	15.0%	88.5	19.3	69.2	over the next five years 未來五年內
Working capital 營運資金	59.0	10.0%	59.0	4.9	54.1	over the next five years 未來五年內
Total 總計	589.9	100.0%	589.9	63.6	526.3	

Note: The estimated schedule for utilising the remaining proceeds is based on the best estimation made by the Group of future market condition and may change with the current market condition and future development.

附註： 剩餘所得款項預期使用時間表乃根據本集團對未來市況作出的最佳估計，並可能隨著現時市況及未來發展而改變。

Report on Review of Interim Financial Information

中期財務資料的審閱報告



羅兵咸永道

To the Board of Directors of Arrail Group Limited

(incorporated in the British Virgin Islands with limited liability and continued in the Cayman Islands)

致瑞爾集團有限公司董事會

(於英屬維爾京群島註冊成立並於開曼群島存續的有限公司)

INTRODUCTION

We have reviewed the interim financial information set out on pages 53 to 108, which comprises the interim condensed consolidated balance sheet of Arrail Group Limited (the “**Company**”) and its subsidiaries (together, the “**Group**”) as at September 30, 2022 and the interim condensed consolidated income statement, the interim condensed consolidated statement of comprehensive income/(loss), the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-month period then ended, and notes, comprising significant accounting policies and other explanatory information. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 “Interim Financial Reporting”. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

序言

本所（以下簡稱「我們」）已審閱列載於第53至108頁的中期財務資料，此中期財務資料包括瑞爾集團有限公司（以下簡稱「貴公司」）及其子公司（以下統稱「貴集團」）於2022年9月30日的中期簡明合併資產負債表與截至該日止六個月期間的中期簡明合併損益表、中期簡明合併全面收益／（虧損）表、中期簡明合併權益變動表及中期簡明合併現金流量表，以及附註，包括主要會計政策及其他解釋信息。香港聯合交易所有限公司證券上市規則規定，就中期財務資料擬備的報告必須符合以上規則的有關條文以及國際會計準則第34號「中期財務報告」。貴公司董事須負責根據國際會計準則第34號「中期財務報告」擬備及列報本中期財務資料。我們的責任是根據我們的審閱對本中期財務資料作出結論，並僅按照我們協議的業務約定條款向閣下（作為整體）報告我們的結論，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

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Report on Review of Interim Financial Information

中期財務資料的審閱報告

SCOPE OF REVIEW

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

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information of the Group is not prepared, in all material respects, in accordance with International Accounting Standard 34 “Interim Financial Reporting”.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, November 29, 2022

審閱範圍

我們已根據國際審閱工作準則第2410號「由實體的獨立核數師執行中期財務資料審閱」進行審閱。審閱中期財務資料包括主要向負責財務和會計事務的人員作出查詢，及應用分析性和其他審閱程序。審閱的範圍遠較根據《國際審計準則》進行審計的範圍為小，故不能令我們可保證我們將知悉在審計中可能被發現的所有重大事項。因此，我們不會發表審計意見。

結論

按照我們的審閱，我們並無發現任何事項，令我們相信 貴集團的中期財務資料未有在各重大方面根據國際會計準則第34號「中期財務報告」擬備。

羅兵咸永道會計師事務所
執業會計師

香港，2022年11月29日

Interim Condensed Consolidated Income Statement

中期簡明合併損益表

For the six months ended September 30, 2022
截至2022年9月30日止六個月

For the six months ended
September 30,
截至9月30日止六個月

		Note	2022 (Unaudited) 2022年 (未經審計) RMB'000 人民幣千元	2021 (Audited) 2021年 (經審計) RMB'000 人民幣千元
Revenue	收入	6	771,574	841,339
Cost of sales	銷售成本	7	(604,400)	(653,882)
Gross profit	毛利		167,174	187,457
Selling and distribution expenses	銷售及經銷開支	7	(45,493)	(38,377)
Administrative expenses	行政開支	7	(181,913)	(103,018)
Research and development expenses	研發開支	7	(10,728)	(10,319)
Net (impairment loss)/reversal of impairment loss on financial assets	金融資產淨(減值虧損)/減值虧損撥回		(1,224)	4,523
Other gains – net	其他淨收益	8	453	2,810
Operating (loss)/profit	經營(虧損)/利潤		(71,731)	43,076
Finance income	財務收入	9	5,572	5,979
Finance costs	財務成本	9	(21,821)	(32,251)
Finance costs – net	淨財務成本	9	(16,249)	(26,272)
Share of net profit of associates and joint ventures accounted for using the equity method	使用權益法入賬的分佔聯營公司及合營公司淨利潤		998	829
Fair value change of convertible redeemable preferred shares	可轉換可贖回優先股的公允價值變動		–	(428,109)
Fair value change of bond	債券的公允價值變動		–	(22,650)
Fair value change of warrants	權證的公允價值變動		–	(13,686)
Fair value change of derivative liabilities	衍生負債的公允價值變動		–	(1,129)
Fair value difference between termination of the warrants and recognition of derivative liabilities	終止權證與確認衍生負債之間的公允價值差額		–	(11,136)
Loss before income tax	除所得稅前虧損		(86,982)	(459,077)
Income tax expenses	所得稅開支	10	(2,988)	(5,110)
Loss for the period	期內虧損		(89,970)	(464,187)

Interim Condensed Consolidated Income Statement

中期簡明合併損益表

For the six months ended September 30, 2022
截至2022年9月30日止六個月

		For the six months ended September 30, 截至9月30日止六個月	
		2022 (Unaudited) 2022年 (未經審計) RMB'000 人民幣千元	2021 (Audited) 2021年 (經審計) RMB'000 人民幣千元
	Note 附註		
Loss attributable to:			
Equity holders of the Company	以下各項應佔虧損： 本公司權益持有人	(88,588)	(468,429)
Non-controlling interests	非控股權益	(1,382)	4,242
		(89,970)	(464,187)
Loss per share for loss attributable to equity holders of the Company (expressed in RMB per share)	本公司權益持有人應佔虧損的 每股虧損（以每股人民幣元 列示）		
Basic and diluted loss per share (adjusted for share subdivision)	每股基本及攤薄虧損（經股份 拆細調整）	(0.15)	(5.88)

The above interim condensed consolidated income statement should be read in conjunction with the accompanying notes.

上述中期簡明合併損益表應與隨附附註一併閱讀。

Interim Condensed Consolidated Statement of Comprehensive Income/(Loss)

中期簡明合併全面收益／（虧損）表

For the six months ended September 30, 2022
截至2022年9月30日止六個月

		For the six months ended September 30, 截至9月30日止六個月	
		2022 (Unaudited) 2022年 (未經審計) RMB'000 人民幣千元	2021 (Audited) 2021年 (經審計) RMB'000 人民幣千元
Note 附註			
	Loss for the period	(89,970)	(464,187)
	Other comprehensive income		
	<i>Items that will not be reclassified to profit or loss</i>		
	Fair value change of convertible redeemable preferred shares due to own credit risk	—	(25,197)
	Fair value change of bond due to own credit risk	—	(26)
	Currency translation differences	121,038	31,989
	Other comprehensive income for the period, net of tax	121,038	6,766
	Total comprehensive income/(loss) for the period	31,068	(457,421)
	Total comprehensive income/(loss) attributable to:		
	Equity holders of the Company	32,450	(461,663)
	Non-controlling interests	(1,382)	4,242
		31,068	(457,421)

The above interim condensed consolidated statement of comprehensive income/(loss) should be read in conjunction with the accompanying notes.

上述中期簡明合併全面收益／（虧損）表應與隨附附註一併閱讀。

Interim Condensed Consolidated Balance Sheet

中期簡明合併資產負債表

As at September 30, 2022

於2022年9月30日

		Note	As at September 30, 2022 於2022年 9月30日 (Unaudited) (未經審計) RMB'000 人民幣千元	As at March 31, 2022 於2022年 3月31日 (Audited) (經審計) RMB'000 人民幣千元
ASSETS	資產			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	12	311,804	297,798
Right-of-use assets	使用權資產	12	700,054	703,466
Intangible assets	無形資產	12	60,742	24,612
Goodwill	商譽	12	176,054	98,467
Deferred tax assets	遞延稅項資產	18	59,826	56,677
Prepayments	預付款項	13	62,945	21,722
Investments accounted for using the equity method	使用權益法入賬的投資		16,980	14,155
Financial assets at fair value through profit or loss	按公允價值計入損益的金融資產	14	50,675	34,675
Other receivables	其他應收款項	15	98,951	109,476
Total non-current assets	總非流動資產		1,538,031	1,361,048
Current assets	流動資產			
Inventories	存貨		57,814	47,080
Prepayments	預付款項	13	115,071	126,704
Trade and other receivables	貿易及其他應收款項	15	200,289	96,885
Financial assets at fair value through profit or loss	按公允價值計入損益的金融資產	14	248,156	197,055
Restricted cash	受限制現金		149,218	95,290
Time deposits with original maturity over three months	原到期日超過三個月的定期存款		248,500	14,000
Cash and cash equivalents	現金及現金等價物		601,411	1,052,285
Total current assets	總流動資產		1,620,459	1,629,299
Total assets	總資產		3,158,490	2,990,347
EQUITY	權益			
Share capital	股本	16	74,769	74,769
Reserves	儲備		5,047,681	4,841,683
Accumulated losses	累計虧損		(3,440,328)	(3,351,740)
Equity attributable to equity holders of the Company	本公司權益持有人應佔權益		1,682,122	1,564,712
Non-controlling interests	非控股權益		86,275	45,785
Total equity	總權益		1,768,397	1,610,497

Interim Condensed Consolidated Balance Sheet

中期簡明合併資產負債表

As at September 30, 2022
於2022年9月30日

			As at September 30, 2022 於2022年 9月30日 (Unaudited) (未經審計) RMB'000 人民幣千元	As at March 31, 2022 於2022年 3月31日 (Audited) (經審計) RMB'000 人民幣千元
	Note 附註			
LIABILITIES		負債		
Non-current liabilities		非流動負債		
Borrowings	17	借款	33,399	–
Lease liabilities		租賃負債	612,594	611,187
Contract liabilities		合同負債	21,657	21,597
Deferred tax liabilities	18	遞延稅項負債	11,009	2,125
Other payables	19	其他應付款項	12,836	–
Total non-current liabilities		總非流動負債	691,495	634,909
Current liabilities		流動負債		
Trade and other payables	19	貿易及其他應付款項	244,493	273,105
Contract liabilities		合同負債	176,295	184,287
Current tax liabilities		即期稅項負債	14,364	8,065
Borrowings	17	借款	126,206	137,363
Lease liabilities		租賃負債	137,240	142,121
Total current liabilities		總流動負債	698,598	744,941
Total liabilities		總負債	1,390,093	1,379,850
Total equity and liabilities		總權益及負債	3,158,490	2,990,347

The above interim condensed consolidated balance sheet should be read in conjunction with the accompanying notes.

The interim condensed consolidated financial statements on pages 53 to 108 were approved and authorised for issue by the Board of Directors of the Company on November 29, 2022 and were signed on its behalf by:

上述中期簡明合併資產負債表應與隨附附註一併閱讀。

第53至108頁的中期簡明合併財務報表已於2022年11月29日經本公司董事會批准及授權刊發並由以下董事代表簽署：

Interim Condensed Consolidated Statement of Changes in Equity

中期簡明合併權益變動表

For the six months ended September 30, 2022
截至2022年9月30日止六個月

		Note 附註	Attributable to equity holders of the Company 本公司權益持有人應佔				Non- controlling interests 非控股權益 人民幣千元	Total equity 總權益 人民幣千元
			Share capital 股本 RMB'000 人民幣千元 (Note 16) (附註16)	Reserves 儲備 RMB'000 人民幣千元	Accumulated losses 累計虧損 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元		
Balance at April 1, 2022	於2022年4月1日的結餘		74,769	4,841,683	(3,351,740)	1,564,712	45,785	1,610,497
Comprehensive loss	全面虧損							
Loss for the period	期內虧損		-	-	(88,588)	(88,588)	(1,382)	(89,970)
Other comprehensive income	其他全面收益							
Currency translation differences	匯兌差額		-	121,038	-	121,038	-	121,038
Total comprehensive income/(loss) for the period	期內總全面收益/(虧損)		-	121,038	(88,588)	32,450	(1,382)	31,068
Transactions with equity holders	與權益持有人的交易							
Share-based compensation	股份酬金	20	-	100,641	-	100,641	-	100,641
Shares purchased for share award scheme	就股份獎勵計劃購買的股份		-	(15,973)	-	(15,973)	-	(15,973)
Deemed distribution to a shareholder	視為向股東分派		-	(420)	-	(420)	-	(420)
Non-controlling interests arising from business combination	業務合併產生的非控股權益	21	-	-	-	-	43,483	43,483
Non-controlling interests disposed	已出售非控股權益		-	712	-	712	(712)	-
Dividends to non-controlling shareholders	向非控股股東派息		-	-	-	-	(899)	(899)
Balance at September 30, 2022 (Unaudited)	於2022年9月30日的結餘 (未經審計)		74,769	5,047,681	(3,440,328)	1,682,122	86,275	1,768,397

Interim Condensed Consolidated Statement of Changes in Equity

中期簡明合併權益變動表

For the six months ended September 30, 2022
截至2022年9月30日止六個月

		Attributable to equity holders of the Company 本公司權益持有人應佔					
		Share capital 股本	Reserves 儲備	Accumulated losses 累計虧損	Total 總計	Non-controlling interests 非控股權益	Total deficit in equity 總權益虧絀
	Note 附註	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Balance at April 1, 2021	於2021年4月1日的結餘	9,447	239,184	(2,748,503)	(2,499,872)	43,295	(2,456,577)
Comprehensive (loss)/income	全面（虧損）／收益						
Loss for the period	期內虧損	-	-	(468,429)	(468,429)	4,242	(464,187)
Other comprehensive (loss)/income	其他全面（虧損）／收益						
Fair value change of convertible redeemable preferred shares due to own credit risk	自有信貸風險導致的可轉換可贖回優先股公允價值變動	-	(25,197)	-	(25,197)	-	(25,197)
Fair value change of bond due to own credit risk	自有信貸風險導致的債券公允價值變動	-	(26)	-	(26)	-	(26)
Currency translation differences	匯兌差額	-	31,989	-	31,989	-	31,989
Total comprehensive income/(loss) for the period	期內總全面收益／（虧損）	-	6,766	(468,429)	(461,663)	4,242	(457,421)
Transactions with equity holders	與權益持有人的交易						
Issuance of ordinary shares for restrictive share unit scheme	發行受限制股份單位計劃普通股	15,435	(15,435)	-	-	-	-
Non-controlling interests disposed	已出售非控股權益	-	-	-	-	2,800	2,800
Dividends to non-controlling shareholders	向非控股股東派息	-	-	-	-	(183)	(183)
Balance at September 30, 2021 (Audited)	於2021年9月30日的結餘 (經審計)	24,882	230,515	(3,216,932)	(2,961,535)	50,154	(2,911,381)

The above interim condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

上述中期簡明合併權益變動表應與隨附附註一併閱讀。

Interim Condensed Consolidated Statement of Cash Flows

中期簡明合併現金流量表

For the six months ended September 30, 2022
截至2022年9月30日止六個月

For the six months ended
September 30,
截至9月30日止六個月

			2022 (Unaudited) 2022年 (未經審計) RMB'000 人民幣千元	2021 (Audited) 2021年 (經審計) RMB'000 人民幣千元
	Note 附註			
Cash flows from operating activities		經營活動所得現金流量		
Cash generated from operations		經營所得現金	121,085	152,847
Income tax paid		已付所得稅	(246)	(7,619)
Net cash generated from operating activities		經營活動所得淨現金	120,839	145,228
Cash flows from investing activities		投資活動所得現金流量		
Payment for acquisition of a business, net of cash acquired	21	收購業務的付款 (扣除所得現金)	(26,018)	–
Payments for investments in associates and joint ventures		於聯營公司及合營公司的 投資付款	(300)	(900)
Payments for property, plant and equipment		物業、廠房及設備付款	(75,558)	(44,278)
Payments for financial assets at fair value through profit or loss		按公允價值計入損益的 金融資產付款	(63,772)	(40,150)
Payments for intangible assets		無形資產付款	(3,113)	(4,908)
Loan to a related party		向關聯方提供貸款	(77,658)	–
Loans to employees		向僱員提供貸款	(4,670)	–
Repayment of loans to employees		僱員償還貸款	4,180	2,406
Placement of pledged deposits		存放已質押存款	–	(31,598)
Proceeds from sale of financial assets at fair value through profit and loss		出售按公允價值計入損益的 金融資產所得款項	21,386	85,413
Proceeds from sale of property, plant and equipment		出售物業、廠房及設備 所得款項	564	1,802
Payment of time deposits with original maturity over three months		原到期日超過三個月的 定期存款付款	(234,500)	(2,000)
Interest received		已收利息	5,572	3,657
Net cash used in investing activities		投資活動所用淨現金	(453,887)	(30,556)

Interim Condensed Consolidated Statement of Cash Flows

中期簡明合併現金流量表

For the six months ended September 30, 2022
截至2022年9月30日止六個月

		For the six months ended September 30, 截至9月30日止六個月	
		2022 (Unaudited) 2022年 (未經審計) RMB'000 人民幣千元	2021 (Audited) 2021年 (經審計) RMB'000 人民幣千元
	Note 附註		
Cash flows from financing activities	融資活動所得現金流量		
Proceeds from borrowings	借款所得款項	112,110	69,134
Repayment of borrowings	償還借款	(91,868)	(87,585)
Placement of borrowing	存放借款	(42,646)	—
Payment for acquisition of additional interest in a subsidiary	收購子公司額外權益付款	(36,500)	—
Ordinary shares repurchased for the new restrictive share unit scheme	就新受限制股份單位計劃購回的普通股	(15,973)	—
Payment of listing fees	支付上市費用	(16,800)	—
Proceeds from issuance of convertible redeemable preferred shares	發行可轉換可贖回優先股所得款項	—	475,585
Principal elements of lease payments	租賃付款的本金部分	(88,328)	(86,578)
Dividends paid to non-controlling shareholders	向非控股股東支付股息	(899)	(183)
Transaction costs on issuance of Series-E convertible redeemable preferred shares	發行E輪可轉換可贖回優先股的交易成本	—	(9,170)
Interest paid	已付利息	(21,821)	(27,833)
Net cash (used in)/generated from financing activities	融資活動(所用)/所得淨現金	(202,725)	333,370
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物淨(減少)/增加	(535,773)	448,042
Cash and cash equivalents at the beginning of the period	期初的現金及現金等價物	1,052,285	676,304
Effects of exchange rate changes on cash and cash equivalents	匯率變動對現金及現金等價物的影響	84,899	(3,762)
Cash and cash equivalents at the end of the period	期末的現金及現金等價物	601,411	1,120,584

The above interim condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

上述中期簡明合併現金流量表應與隨附附註一併閱讀。

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

1 GENERAL INFORMATION AND REORGANISATION

1.1 General information

Arrail Group Limited (the “**Company**”) is registered by way of continuation as an exempted company limited by shares under the Companies Act (Cap.22, Law 3 of 1961 as consolidated and revised) of the Cayman Islands. The registered office of the Company is 4th Floor, Harbour Place, 103 South Church Street, P.O. Box 10240, Grand Cayman KY1-1002, the Cayman Islands.

The Company is an investment holding company and together with its subsidiaries (the “**Group**”), is principally engaged in the provision of dental services (including general dentistry, orthodontics and implantology) through operations of dental clinics and hospitals in the People’s Republic of China (the “**PRC**”).

The Company’s shares were listed on Main Board of The Stock Exchange of Hong Kong Limited on March 22, 2022.

This interim condensed consolidated financial information is presented in Renminbi (“**RMB**”), unless otherwise stated.

This interim condensed consolidated financial information has not been audited.

These interim condensed consolidated financial statements have been approved by the Board of Directors on November 29, 2022.

1.2 Basis of Preparation

This interim condensed consolidated financial information for the six months ended September 30, 2022 has been prepared in accordance with International Accounting Standard (“**IAS**”) 34, “Interim financial reporting”. The interim condensed consolidated financial information should be read in conjunction with the annual financial statements for the year ended March 31, 2022, which have been prepared in accordance with International Financial Reporting Standards (“**IFRSs**”).

1 一般資料及重組

1.1 一般資料

瑞爾集團有限公司(「本公司」)根據開曼群島法例第22章公司法(1961年第3號法例,經合併及修訂)以存續方式註冊為獲豁免股份有限公司。本公司的註冊辦事處為4th Floor, Harbour Place, 103 South Church Street, P.O. Box 10240, Grand Cayman KY1-1002, the Cayman Islands。

本公司是一家投資控股公司,連同其子公司(統稱「本集團」)主要於中華人民共和國(「中國」)透過經營口腔診所及醫院提供口腔醫療服務(包括普通牙科、正畸科及種植科)。

本公司的股份於2022年3月22日於香港聯合交易所有限公司主板上市。

除另有註明外,本中期簡明合併財務資料以人民幣(「人民幣」)列報。

本中期簡明合併財務資料未經審計。

該等中期簡明合併財務報表已於2022年11月29日經由董事會批准。

1.2 編製基準

截至2022年9月30日止六個月的本中期簡明合併財務資料已根據國際會計準則(「國際會計準則」)第34號「中期財務報告」編製。中期簡明合併財務資料應與根據國際財務報告準則(「國際財務報告準則」)編製截至2022年3月31日止年度的年度財務報表一併閱讀。

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual financial statements for the year ended March 31, 2022, as described in those annual financial statements, except for the adoption of new and amended standards and accounting policies for investments and other financial assets as set out below.

2.1 New and amended standards adopted by the Group

The following amended standards have been adopted by the Group for the first time for the financial period beginning on April 1, 2022.

	Effective for accounting periods beginning on or after 於以下日期或之後開始的 會計期間生效
Property, Plant and Equipment: Proceeds before intended use – Amendments to IAS 16 物業、廠房及設備：作擬定用途前的所得款項 – 國際會計準則第16號(修訂本)	January 1, 2022 2022年1月1日
Reference to the Conceptual Framework – Amendments to IFRS 3 概念框架的引用 – 國際財務報告準則第3號(修訂本)	January 1, 2022 2022年1月1日
Onerous Contracts – Cost of Fulfilling a Contract – Amendments to IAS 37 虧損性合同 – 履行合同的成本 – 國際會計準則第37號(修訂本)	January 1, 2022 2022年1月1日
Annual Improvements to IFRSs 2018 – 2020 cycle 對國際財務報告準則2018年 – 2020年週期的年度改進	January 1, 2022 2022年1月1日

The Group has applied new and amended standards effective for the current financial period. The adoption of these new and revised standards does not have any significant impact on the interim condensed consolidated financial information.

2 主要會計政策概要

除下文所載採用的新訂及經修訂準則以及投資及其他金融資產會計政策外，所採用會計政策與截至2022年3月31日止年度的年度財務報表所載有關年度財務報表所用者一致。

2.1 本集團採用的新訂及經修訂準則

以下經修訂準則已獲本集團於2022年4月1日開始的財政期間首次採用。

本集團已採用於當前財政期間生效的新訂及經修訂準則。採用該等新訂及經修訂準則不會對中期簡明合併財務資料造成任何重大影響。

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.2 New and amended standards and interpretation not yet adopted by the Group

Certain new standards and amendments have been issued but not yet effective on April 1, 2022 and not been early adopted by the Group.

2 主要會計政策概要(續)

2.2 本集團尚未採用的新訂及經修訂準則及詮釋

若干新訂準則及修訂本於2022年4月1日已頒佈但尚未生效，且本集團並未提早採用。

		Effective for annual periods beginning on or after 於以下日期或之後開 始的年度期間生效
IAS 1 (Amendments) 國際會計準則第1號(修訂本)	Classification of liabilities as current or non-current 負債分類為流動或非流動	January 1, 2024 2024年1月1日
IAS 1 and IFRS Practice Statement 2 (Amendments) 國際會計準則第1號及國際財務報告準則實踐指南 第2號(修訂本)	Disclosure of Accounting Policies 會計政策的披露	January 1, 2023 2023年1月1日
IAS 8 (Amendments) 國際會計準則第8號(修訂本)	Definition of Accounting Estimate 會計估計的定義	January 1, 2023 2023年1月1日
IAS 12 (Amendments) 國際會計準則第12號(修訂本)	Deferred tax related to assets and liabilities arising from a single transaction 與單一交易產生的資產及負債相關的遞延稅項	January 1, 2023 2023年1月1日
IFRS 17 國際財務報告準則第17號	Insurance Contracts 保險合同	January 1, 2023 2023年1月1日
IFRS 10 and IAS 28 (Amendments) 國際財務報告準則第10號及國際會計準則第28號 (修訂本)	Sale or Contribution of Assets between an Investor and its Associate and Joint Venture 投資者與其聯營公司和合營公司之間的資產出售或出資	To be determined 待確定

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.2 New and amended standards and interpretation not yet adopted by the Group (Continued)

2 主要會計政策概要(續)

2.2 本集團尚未採用的新訂及經修訂準則及詮釋(續)

		Effective for annual periods beginning on or after 於以下日期或之後開 始的年度期間生效
Hong Kong Interpretation 5 (Revised)	Hong Kong Interpretation 5 (Revised) Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	Applied when an entity applies IAS 1 (Amendments) – Classification of Liabilities as Current or Non-current
香港詮釋第5號(經修訂)	香港詮釋第5號(經修訂)財務報表的呈列 – 借款人對包含按要求償還條款的定期貸款的分類	當實體應用國際會計準則第1號(修訂本) – 負債分類為流動或非流動時應用

Except for the impact of amendments to IAS 12 Income tax as disclosed in the Group's annual financial statements for the year ended March 31, 2022, management does not anticipate any significant impact on the Group's consolidated financial position and consolidated results of operations upon adopting the above new standards and amendments. Management plans to adopt these new standards and amendments when they become mandatory.

除本集團截至2022年3月31日止年度的年度財務報表所披露國際會計準則第12號(修訂本)所得稅的影響外，管理層預期採用上述新訂準則及修訂本不會對本集團的合併財務狀況及合併經營業績造成任何重大影響。管理層計劃於該等新訂準則及修訂本強制生效時予以採用。

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.3 Investments and other financial assets

2.3.1 Classification

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

2.3.2 Measurement

Equity instruments

The Group subsequently measures all equity investments at fair value. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains – net in the consolidated income statement.

2 主要會計政策概要(續)

2.3 投資及其他金融資產

2.3.1 分類

就按公允價值計量的資產而言，收益及虧損將於損益或其他全面收益列賬。就並非持作買賣的股本工具投資而言，將取決於本集團是否於初始確認時作出不可撤回選擇，將股本投資以按公允價值計入其他全面收益計量（「按公允價值計入其他全面收益」）入賬。

2.3.2 計量

權益工具

本集團隨後按公允價值計量所有股本投資。當本集團收取付款的權利確立時，此類投資的股息繼續於損益中確認為其他收入。

按公允價值計入損益的金融資產公允價值變動於合併損益表中確認為其他淨收益。

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

3 SIGNIFICANT ACCOUNTING ESTIMATES

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

In preparing this interim condensed consolidated financial information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended March 31, 2022, except for the business combinations as disclosed below.

Business combinations

During the Reporting Period, the Group acquired the 51% interest of the business of a dental hospital and certain dental clinics in PRC at a consideration of RMB122,845,000. Details of the acquisitions are set out in Note 21. In accordance with IFRS 3, the identifiable assets acquired and liabilities and contingent liabilities assumed should be measured at fair value at the acquisition date in order to determine the difference between the cost of acquisition and the fair value of the Group's share of net assets acquired, which should then be recognised as goodwill on the consolidated balance sheet.

In the absence of an active market for the above acquisition transaction undertaken by the Group, the directors of the Company made estimates from a variety of sources, in order to determine the fair value of identifiable assets and liabilities in the above acquisition transactions. For the fair value of the intangible assets for brands and licenses, non-competitive agreements and customer relationship, the directors of the Company made their estimates according to valuation results assessed by an external valuer appointed by the Company. As the result, the Group recognised the excess of the acquisition costs over the fair value of the Group's share of net assets acquired amounted to approximately RMB77,587,000 in relation to the above acquisition transaction as goodwill for the six months ended September 30, 2022 (see Note 21 for details of this acquisition transaction).

3 重大會計估計

編製中期財務資料，需要管理層作出影響會計政策應用以及呈報資產及負債、收入及開支金額的判斷、估計及假設。實際業績可能有別於該等估計。

編製本中期簡明合併財務資料時，除下文所披露的業務合併外，管理層在應用本集團會計政策時作出的重大判斷及估計不確定性的主要來源與截至2022年3月31日止年度的合併財務報表所應用者相同。

業務合併

報告期內，本集團收購中國一家口腔醫院及若干口腔診所業務的51%權益，對價為人民幣122,845,000元。收購詳情載於附註21。根據國際財務報告準則第3號，所收購的可識別資產及所承擔的負債及或然負債應按收購日期的公允價值計量，以釐定收購成本與本集團應佔所收購淨資產的公允價值之間的差額，此差額隨後應作為商譽於合併資產負債表確認。

由於本集團所進行的上述收購交易並無活躍市場，故釐定上述收購交易中的可識別資產及負債的公允價值時，本公司董事根據多種來源作出估計。就品牌及許可證、非競爭性協議及客戶關係的無形資產公允價值而言，本公司董事根據本公司委任的外部估值師評估的估值結果作出估計。因此，截至2022年9月30日止六個月，本集團將與上述收購交易有關的收購成本超出本集團應佔所收購淨資產公允價值的約人民幣77,587,000元確認為商譽（有關該收購交易的詳情，請參閱附註21）。

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

4.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk.

The condensed consolidated interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at March 31, 2022.

There have been no material changes in the risk management policies since March 31, 2022.

4 財務風險管理及金融工具

4.1 財務風險因素

本集團的業務面臨各種財務風險：市場風險（包括外匯風險、利率風險及價格風險）、信貸風險及流動資金風險。

簡明合併中期財務資料不包括年度財務報表中要求的所有財務風險管理資料及披露資料，並應與本集團於2022年3月31日的年度財務報表一併閱讀。

自2022年3月31日以來風險管理政策並無重大變動。

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

4.2 Fair value estimation

4.2.1 Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards.

The table below analyses the Group's financial instruments carried at fair value as of each balance sheet date by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorized into three levels within a fair value hierarchy as follows:

- (a) Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- (b) Inputs other than quoted process included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2); and
- (c) Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

4 財務風險管理及金融工具 (續)

4.2 公允價值估計

4.2.1 公允價值層級

本節解釋了在釐定財務報表中按公允價值確認和計量的金融工具的公允價值時作出的判斷和估計。為了說明釐定公允價值時所用輸入數據的可靠性，本集團已將其金融工具分為會計準則規定的三個層級。

下表根據在計量公允價值的估值技術中所運用到的輸入數據的層級，分析本集團截至各資產負債表日期按公允價值列賬的金融工具。該等輸入數據按照公允價值層級歸類為如下三個層級：

- (a) 相同資產或負債在活躍市場的報價（未經調整）（第一層級）；
- (b) 除第一層級包括的報價外，資產或負債直接（即價格）或間接（即源自價格）可觀察輸入數據（第二層級）；及
- (c) 資產或負債並非依據可觀察市場數據的輸入數據（即不可觀察輸入數據）（第三層級）。

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

4.2 Fair value estimation (Continued)

4.2.1 Fair value hierarchy (Continued)

The following table presents the Group's financial assets and liabilities that are measured at fair value as at September 30, 2022:

4 財務風險管理及金融工具 (續)

4.2 公允價值估計 (續)

4.2.1 公允價值層級 (續)

下表呈列於2022年9月30日本集團按公允價值計量的金融資產及負債：

		As at September 30, 2022 (Unaudited)			
		於2022年9月30日(未經審計)			
		Level 1	Level 2	Level 3	Total
		第一層級	第二層級	第三層級	總計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Assets	資產				
Non-current	非流動				
Financial assets at fair value through profit or loss	按公允價值計入損益的金融資產				
– Unlisted debt instruments	– 非上市債務工具	–	–	34,675	34,675
– Unlisted equity instruments	– 非上市權益工具	–	–	16,000	16,000
		–	–	50,675	50,675
Current	流動				
Financial assets at fair value through profit or loss	按公允價值計入損益的金融資產				
– Wealth management products	– 理財產品	–	–	246,156	246,156
– Bank structured deposits	– 銀行結構性存款	–	–	2,000	2,000
		–	–	248,156	248,156
		–	–	298,831	298,831

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

4.2 Fair value estimation (Continued)

4.2.1 Fair value hierarchy (Continued)

The following table presents the Group's financial assets and liabilities that are measured at fair value as at March 31, 2022:

4 財務風險管理及金融工具 (續)

4.2 公允價值估計 (續)

4.2.1 公允價值層級 (續)

下表呈列於2022年3月31日本集團按公允價值計量的金融資產及負債：

		As at March 31, 2022 (Audited) 於2022年3月31日 (經審計)			
		Level 1 第一層級 RMB'000 人民幣千元	Level 2 第二層級 RMB'000 人民幣千元	Level 3 第三層級 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Assets	資產				
Non-current	非流動				
Financial assets at fair value through profit or loss	按公允價值計入損益的金融資產				
– Unlisted debt instruments	– 非上市債務工具	–	–	34,675	34,675
Current	流動				
Financial assets at fair value through profit or loss	按公允價值計入損益的金融資產				
– Wealth management products	– 理財產品	–	–	197,055	197,055
		–	–	231,730	231,730

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

4.2 Fair value estimation (Continued)

4.2.1 Fair value hierarchy (Continued)

The following table presents the changes in level 3 items of financial assets at fair value through profit or loss for the six months ended September 30, 2022 and 2021.

4 財務風險管理及金融工具 (續)

4.2 公允價值估計 (續)

4.2.1 公允價值層級 (續)

下表呈列截至2022年及2021年9月30日止六個月按公允價值計入損益的金融資產的第三層級項目變動。

		Financial assets		Financial assets	
		at fair value through profit or loss – bank structured deposits 按公允價值 計入損益的 金融資產 – 銀行結構性存款 RMB' 000 人民幣千元	at fair value through profit or loss – wealth management products 按公允價值 計入損益的 金融資產 – 理財產品 RMB' 000 人民幣千元	at fair value through profit or loss – debt instruments 按公允價值 計入損益的 金融資產 – 債務工具 RMB' 000 人民幣千元	at fair value through profit or loss – equity instruments 按公允價值 計入損益的 金融資產 – 權益工具 RMB' 000 人民幣千元
At April 1, 2022	於2022年4月1日	-	197,055	34,675	-
Additions	添置	2,000	45,772	-	16,000
Redemptions	贖回	-	(21,386)	-	-
Gains recognised in other gains – net	在其他收益中確認的淨收益	-	1,385	-	-
Currency translation differences	匯兌差額	-	23,330	-	-
At September 30, 2022 (Unaudited)	於2022年9月30日 (未經審計)	2,000	246,156	34,675	16,000
Includes unrealised gains recognised in profit or loss attributable to balances held at the end of the reporting period	包括報告期末所持結餘應佔損益中確認的未變現收益	-	131	-	-

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

4.2 Fair value estimation (Continued)

4.2.1 Fair value hierarchy (Continued)

4 財務風險管理及金融工具 (續)

4.2 公允價值估計 (續)

4.2.1 公允價值層級 (續)

		Financial assets at fair value through profit or loss – bank structured deposits 按公允價值 計入損益的 金融資產 – 銀行結構性存款 RMB'000 人民幣千元	Financial assets at fair value through profit or loss – debt instruments 按公允價值 計入損益的 金融資產 – 債務工具 RMB'000 人民幣千元
At April 1, 2021	於2021年4月1日	51,004	30,000
Additions	添置	40,150	–
Redemptions	贖回	(85,413)	–
Gains recognised in other gains – net	在其他收益中確認的淨收益	293	–
At September 30, 2021 (Audited)	於2021年9月30日 (經審計)	6,034	30,000
Includes unrealised gains recognised in profit or loss attributable to balances held at the end of the reporting period	包括報告期末所持結餘應佔損益中確認的未變現收益	34	–

4.2.2 Valuation techniques and processes

The valuation of level 3 instruments mainly includes bank structured deposits and wealth management products measured at FVPL (Note 14), unlisted debt instruments at fair value through profit or loss (Note 14) and unlisted equity instruments at fair value through profit or loss (Note 14). As these instruments are not traded in an active market, their fair values have been determined by using various applicable valuation techniques, including discounted cash flows and market approach etc.

4.2.2 估值技術及程序

第三層級工具的估值主要包括按公允價值計入損益的銀行結構性存款及理財產品(附註14)、按公允價值計入損益的非上市債務工具(附註14)及按公允價值計入損益的非上市權益工具(附註14)。由於這些工具未於活躍市場買賣，其公允價值採用多種適用的估值技術釐定，包括折現現金流量及市場法等。

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

4.2 Fair value estimation (Continued)

4.2.3 Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

4 財務風險管理及金融工具 (續)

4.2 公允價值估計 (續)

4.2.3 估值輸入數據及與公允價值的關係

下表概述有關用於第三層級公允價值計量的重大不可觀察輸入數據的定量資料。

		Fair value as at September 30, 2022 於2022年 9月30日 的公允價值 RMB'000 人民幣千元	Fair value as at March 31, 2022 於2022年 3月31日 的公允價值 RMB'000 人民幣千元	Significant Unobservable inputs 重大不可 觀察輸入數據	Range of inputs as at September 30, 2022 於2022年 9月30日 的輸入數據範圍	Range of inputs as at March 31, 2022 於2022年 3月31日 的輸入數據範圍	Relationship of significant unobservable inputs to fair value 重大不可觀察 輸入數據與公允 價值的關係
Bank structured deposits measured at FVPL	按公允價值計入損益的銀 行結構性存款	2,000	-	Expected rate of return, exchange rate 預期回報率、 匯率	2.7%	-	The higher the expected rate of return, the higher the fair value 預期回報率 越高，公允 價值越高
Wealth management products measured at FVPL	按公允價值計入損益的理 財產品	246,156	197,055	Expected rate of return 預期回報率	1%-1.5%	1.2%	The higher the expected rate of return, the higher the fair value 預期回報率 越高，公允 價值越高

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

4.2 Fair value estimation (Continued)

4.2.3 Valuation inputs and relationships to fair value (Continued)

4 財務風險管理及金融工具 (續)

4.2 公允價值估計 (續)

4.2.3 估值輸入數據及與公允價值的關係 (續)

		Fair value as at September 30, 2022 於2022年 9月30日 的公允價值 RMB'000 人民幣千元	Fair value as at March 31, 2022 於2022年 3月31日 的公允價值 RMB'000 人民幣千元	Significant Unobservable inputs 重大不可 觀察輸入數據	Range of inputs as at September 30, 2022 於2022年 9月30日 的輸入數據範圍	Range of inputs as at March 31, 2022 於2022年 3月31日 的輸入數據範圍	Relationship of significant unobservable inputs to fair value 重大不可觀察 輸入數據與公允 價值的關係
Unlisted debt instrument at FVPL	按公允價值計入損益的非 上市債務工具	34,675	34,675	Rate of volatility 波動率	52%	52%	The lower the volatility, the higher the fair value 波動率越低， 公允價值 越高
Unlisted equity instruments at FVPL	按公允價值計入損益的非 上市權益工具	16,000	—	Discount rate 折現率	19%	—	The lower the discount rate, the higher the fair value 折現率越低， 公允價值 越高

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

4.2 Fair value estimation (Continued)

4.2.3 Valuation inputs and relationships to fair value (Continued)

The Group's wealth management products measured at FVPL were investment products subscribed to Growth Vanguard Fund SPC and investment products subscribed to GF Global Capital Limited (Note 14).

From the perspective of cash management and risk control, the Group diversified its investment portfolio and mainly preferred those products with high-liquidity.

If the expected rate of return had decreased/increased by 100 basis points with all other variables held constant, the fair value of bank structured deposits measured at FVPL would have decreased/increased by approximately RMB20,000 as at September 30, 2022.

If the expected rate of return had decreased/increased by 100 basis points with all other variables held constant, the fair value of wealth management products measured at FVPL would have decreased/increased by approximately RMB490,000 as at September 30, 2022.

If the expected volatility had decreased by 5% with all other variables held constant, the fair value of unlisted debt instrument at FVPL would have increased by approximately RMB354,000 and RMB354,000 as at September 30, 2022 and March 31, 2022, respectively. If the expected volatility had increased by 5% with all other variables held constant, the fair value of unlisted debt instruments at FVPL would have decreased by approximately RMB412,000 and RMB412,000 as at September 30, 2022 and March 31, 2022, respectively.

4 財務風險管理及金融工具 (續)

4.2 公允價值估計 (續)

4.2.3 估值輸入數據及與公允價值的關係 (續)

本集團按公允價值計入損益的理財產品指向Growth Vanguard Fund SPC認購的投資產品以及向廣發全球資本有限公司認購的投資產品 (附註14)。

從現金管理和風險控制的角度看，本集團投資組合多元化，並主要優先選擇流動性高的產品。

如果預期收益率減少／增加100個基點而所有其他變量保持不變，則於2022年9月30日，按公允價值計入損益的銀行結構性存款的公允價值將減少／增加約人民幣20,000元。

如果預期收益率減少／增加100個基點而所有其他變量保持不變，則於2022年9月30日，按公允價值計入損益的理財產品的公允價值將減少／增加約人民幣490,000元。

如果預期波動率減少5%而所有其他變量保持不變，則於2022年9月30日及2022年3月31日，按公允價值計入損益的非上市債務工具的公允價值將分別增加約人民幣354,000元及人民幣354,000元。如果預期波動率增加5%而所有其他變量保持不變，則於2022年9月30日及2022年3月31日，按公允價值計入損益的非上市債務工具的公允價值將分別減少約人民幣412,000元及人民幣412,000元。

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

4.2 Fair value estimation (Continued)

4.2.3 Valuation inputs and relationships to fair value (Continued)

If the expected discount rate had decreased by 0.5% with all other variables held constant, the fair value of unlisted equity instrument at FVPL would have increased by approximately RMB400,000 and RMB0 as at September 30, 2022 and March 31, 2022, respectively. If the expected discount rate had increased by 0.5% with all other variables held constant, the fair value of unlisted debt instrument at FVPL would have decreased by approximately RMB300,000 and RMB0 as at September 30, 2022 and March 31, 2022, respectively.

5 SEGMENT INFORMATION

The Group's business activities, being mainly the provision of dental services (including general dentistry, orthodontics and implantology) through the operations of dental clinics and hospitals in the PRC, are regularly evaluated by the board of directors of the Group. Management has determined the operating segments based on the reports reviewed by the board of directors for the purpose of making decisions about resource allocation and performance assessment.

The Group's business activities were previously operated and managed as a single segment, prior to September 30, 2021. The Group has adopted the new business group structure due to a change in the internal reporting structure effective since September 30, 2021. Segments by business group comprise Arrail Dental and Rytime Dental. The comparative segment information has been reclassified to conform to the reporting format under the current internal reporting structure.

4 財務風險管理及金融工具(續)

4.2 公允價值估計(續)

4.2.3 估值輸入數據及與公允價值的關係(續)

如果預期折現率減少0.5%而所有其他變量保持不變，則於2022年9月30日及2022年3月31日，按公允價值計入損益的非上市權益工具的公允價值將分別增加約人民幣400,000元及人民幣0元。如果預期折現率增加0.5%而所有其他變量保持不變，則於2022年9月30日及2022年3月31日，按公允價值計入損益的非上市債務工具的公允價值將分別減少約人民幣300,000元及人民幣0元。

5 分部資料

本集團的業務活動主要為於中國透過經營口腔診所及醫院提供口腔醫療服務(包括普通牙科、正畸科及種植科)，由本集團的董事會定期評估。管理層已根據董事會審閱的報告就資源分配及績效評估的決策釐定經營分部。

於2021年9月30日前，本集團的業務活動一向按單一分部進行營運及管理。由於自2021年9月30日起內部申報架構發生變動，本集團已採用新業務集團架構。按業務集團劃分的分部包括瑞爾齒科及瑞泰口腔。可資比較分部資料已經重新分類以符合目前內部申報架構下的呈報格式。

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

5 SEGMENT INFORMATION (Continued)

The Management assesses the performance of the operating segments based on a measure of operating profit. The measurement basis excludes the effects of allocation of certain income, expenses, gains and losses from headquarter, (impairment losses)/reversal of impairment losses on financial assets, share of net profit of investments accounted for using the equity method, fair value changes of financial instruments, and finance income and costs. There were no separate segment assets and segment liabilities information provided to the board of directors of the Group, as they do not use this information to allocate resources to or evaluate the performance of the operating segments.

5 分部資料 (續)

管理層根據經營利潤衡量指標評估經營分部的表現。衡量基準不包括總部若干收入、開支、收益及虧損、金融資產(減值虧損)/減值虧損撥回、分佔使用權益法入賬的投資的淨利潤、金融工具的公允價值變動以及財務收入及成本的分配的影響。概無向本集團董事會單獨提供分部資產及分部負債資料，因彼等在向經營分部分配資源或評估經營分部的表現時不會使用該資料。

		For the six months ended September 30, 截至9月30日止六個月			
		2022 (Unaudited) 2022年(未經審計)		2021 (Audited) 2021年(經審計)	
		Revenue 收入 RMB'000 人民幣千元	Operating profit 經營利潤 RMB'000 人民幣千元	Revenue 收入 RMB'000 人民幣千元	Operating profit 經營利潤 RMB'000 人民幣千元
Arrail Dental	瑞爾齒科	384,982	29,637	432,188	39,077
Rytime Dental	瑞泰口腔	386,592	34,538	409,151	46,620
Total	總計	771,574	64,175	841,339	85,697
Unallocated:	未分配：				
Headquarter and corporate expenses	總部及企業開支		(134,682)		(47,144)
Net (impairment loss)/reversal of impairment loss on financial assets	金融資產淨(減值虧損)/減值虧損撥回		(1,224)		4,523
Finance income	財務收入		5,572		5,979
Finance costs	財務成本		(21,821)		(32,251)
Share of net profit of investments accounted for using the equity method	分佔使用權益法入賬的投資的淨利潤		998		829
Fair value changes of Preferred Shares	優先股的公允價值變動		-		(428,109)
Fair value change of bond	債券的公允價值變動		-		(22,650)
Fair value change of warrants	權證的公允價值變動		-		(13,686)
Fair value changes of derivative liabilities	衍生負債的公允價值變動		-		(1,129)
Fair value difference between termination of the warrants and recognition of derivative liabilities	終止權證與確認衍生負債之間的公允價值差額		-		(11,136)
Loss before income tax	除所得稅前虧損		(86,982)		(459,077)

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

5 SEGMENT INFORMATION (Continued)

The Company is domiciled in the Cayman Islands while the Group mainly operates its business in the PRC and earns substantially all of the revenues from external customers in the PRC.

As at September 30, 2022 and 2021, substantially all of the non-current assets of the Group were located in the PRC.

No revenue from the Group's sales to a single customer amounted to 10% or more of the Group's revenue for the six months ended September 30, 2022 and 2021.

Other segment information

5 分部資料 (續)

本公司於開曼群島註冊，而本集團則主要在中國經營業務，且絕大部分收入源於中國的外部客戶。

於2022年及2021年9月30日，本集團絕大部分非流動資產位於中國。

截至2022年及2021年9月30日止六個月，本集團向單一客戶的銷售收入概無佔本集團收入的10%或以上。

其他分部資料

		For the six months ended September 30, 截至9月30日止六個月			
		2022 (Unaudited) 2022年(未經審計)		2021 (Audited) 2021年(經審計)	
		Arrail Dental 瑞爾齒科 RMB'000 人民幣千元	Rytime Dental 瑞泰口腔 RMB'000 人民幣千元	Arrail Dental 瑞爾齒科 RMB'000 人民幣千元	Rytime Dental 瑞泰口腔 RMB'000 人民幣千元
Depreciation and amortisation	折舊及攤銷	68,042	64,522	60,372	57,154
Addition to property, plant and equipment	添置物業、廠房及設備	9,531	45,991	24,611	36,926
Addition to right-of use assets	添置使用權資產	44,569	39,620	73,410	41,124

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

6 REVENUE

The breakdown of revenues by service categories during the Reporting Period is as follows:

		For the six months ended September 30, 截至9月30日止六個月	
		2022 (Unaudited) 2022年 (未經審計) RMB'000 人民幣千元	2021 (Audited) 2021年 (經審計) RMB'000 人民幣千元
General Dentistry – recognised at a point in time	普通牙科 – 於某一時間點確認	409,479	448,807
Orthodontics – recognised over time	正畸科 – 於一段時間確認	181,181	199,680
Implantology – recognised over time	種植科 – 於一段時間確認	156,570	174,067
Others – recognised at a point in time	其他 – 於某一時間點確認	24,344	18,785
		771,574	841,339

The breakdown of revenues by geographic locations and by brands during the Reporting Period is as follows:

		For the six months ended September 30, 截至9月30日止六個月	
		2022 (Unaudited) 2022年 (未經審計) RMB'000 人民幣千元	2021 (Audited) 2021年 (經審計) RMB'000 人民幣千元
Northern China	中國華北	323,846	357,675
Eastern China	中國華東	158,177	203,342
Southern China	中國華南	92,788	81,782
Western China	中國西區	196,763	198,540
		771,574	841,339

6 收入

報告期內按服務類別劃分的收入明細如下：

		For the six months ended September 30, 截至9月30日止六個月	
		2022 (Unaudited) 2022年 (未經審計) RMB'000 人民幣千元	2021 (Audited) 2021年 (經審計) RMB'000 人民幣千元
General Dentistry – recognised at a point in time	普通牙科 – 於某一時間點確認	409,479	448,807
Orthodontics – recognised over time	正畸科 – 於一段時間確認	181,181	199,680
Implantology – recognised over time	種植科 – 於一段時間確認	156,570	174,067
Others – recognised at a point in time	其他 – 於某一時間點確認	24,344	18,785
		771,574	841,339

報告期內按地理位置及按品牌劃分的收入明細如下：

		For the six months ended September 30, 截至9月30日止六個月	
		2022 (Unaudited) 2022年 (未經審計) RMB'000 人民幣千元	2021 (Audited) 2021年 (經審計) RMB'000 人民幣千元
Northern China	中國華北	323,846	357,675
Eastern China	中國華東	158,177	203,342
Southern China	中國華南	92,788	81,782
Western China	中國西區	196,763	198,540
		771,574	841,339

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

6 REVENUE (Continued)

6 收入(續)

		For the six months ended September 30, 截至9月30日止六個月	
		2022 (Unaudited) 2022年 (未經審計) RMB'000 人民幣千元	2021 (Audited) 2021年 (經審計) RMB'000 人民幣千元
Arrail Dental	瑞爾齒科	384,982	432,188
Rytime Dental	瑞泰口腔	386,592	409,151
		771,574	841,339

7 EXPENSES BY NATURE

7 按性質劃分的開支

		For the six months ended September 30, 截至9月30日止六個月	
		2022 (Unaudited) 2022年 (未經審計) RMB'000 人民幣千元	2021 (Audited) 2021年 (經審計) RMB'000 人民幣千元
Employee benefits expenses	僱員福利開支	489,866	431,840
Depreciation and amortization	折舊及攤銷	132,564	117,526
Dental materials used	所用齒科材料	124,447	127,754
Advertising and marketing expenses	廣告及營銷開支	18,645	16,307
Office and property management expenses	辦公及物業管理開支	25,927	25,652
Consulting fees	諮詢費	33,425	33,958
Listing expenses	上市開支	–	17,675
Other expenses	其他開支	17,660	34,884
		842,534	805,596

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

8 OTHER GAINS – NET

8 其他淨收益

		For the six months ended September 30, 截至9月30日止六個月	
		2022 (Unaudited) 2022年 (未經審計) RMB'000 人民幣千元	2021 (Audited) 2021年 (經審計) RMB'000 人民幣千元
Net (losses)/gains on disposal of property, plant and equipment	出售物業、廠房及設備的淨(虧損)/收益	(140)	592
Net fair value gains on financial assets at fair value through profit or loss	按公允價值計入損益的金融資產的淨公允價值收益	1,385	293
Net foreign exchange losses	淨匯兌虧損	(861)	(16)
Reversal of accrual for water discharge license penalties	排水許可證罰款的應計費用撥回	–	2,000
Others	其他	69	(59)
		453	2,810

9 FINANCE COSTS – NET

9 淨財務成本

		For the six months ended September 30, 截至9月30日止六個月	
		2022 (Unaudited) 2022年 (未經審計) RMB'000 人民幣千元	2021 (Audited) 2021年 (經審計) RMB'000 人民幣千元
Finance income	財務收入		
Interest income from bank deposits	銀行存款利息收入	5,208	2,168
Interest income from loans to related parties and employees	向關聯方及僱員提供貸款的利息收入	364	3,811
		5,572	5,979
Finance costs	財務成本		
Interest expense on borrowings	借款利息開支	(2,439)	(5,613)
Interest expense on lease liabilities	租賃負債利息開支	(19,382)	(17,468)
Transaction costs on issuance of Series-E preferred shares	發行E輪優先股的交易成本	–	(9,170)
		(21,821)	(32,251)
		(16,249)	(26,272)

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

10 INCOME TAX EXPENSES

The income tax expense of the Group for the six months ended September 30, 2022 and 2021 is analysed as follows:

10 所得稅開支

截至2022年及2021年9月30日止六個月本集團的所得稅開支分析如下：

		For the six months ended September 30, 截至9月30日止六個月	
		2022 (Unaudited) 2022年 (未經審計) RMB'000 人民幣千元	2021 (Audited) 2021年 (經審計) RMB'000 人民幣千元
Current income tax	即期所得稅		
– PRC corporate income tax	– 中國企業所得稅	6,545	7,011
Deferred income tax	遞延所得稅	(3,557)	(1,901)
		2,988	5,110

(a) Cayman Islands

The Company is registered by way of continuations as an exempted company with limited liability under the Companies Act of the Cayman Islands and is not subject to tax on income or capital gains. Additionally, the Cayman Islands do not impose a withholding tax on payments of dividends to shareholders. The Cayman Islands are not party to any double tax treaties that are applicable to any payments made by or to the Company.

(a) 開曼群島

本公司根據開曼群島公司法以存續方式註冊為獲豁免有限公司，無須繳納所得稅或資本利得稅。此外，開曼群島並無就向股東派付的股息徵收預扣稅。開曼群島並非適用於本公司支付任何款項或向本公司支付任何款項的任何雙重徵稅條約的締約方。

(b) BVI

The Group's entities established under the International Business Companies Acts of BVI are exempted from BVI income tax.

(b) 英屬維爾京群島

本集團根據英屬維爾京群島國際商業公司法成立的實體獲豁免繳納英屬維爾京群島所得稅。

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

10 INCOME TAX EXPENSES (Continued)

(c) Hong Kong Income Tax

Entities incorporated in Hong Kong are subject to Hong Kong profits tax at a rate of 16.5% for taxable income earned in Hong Kong before April 1, 2018. Starting from the financial year commencing on April 1, 2018, the two-tiered profits tax regime took effect, under which the tax rate is 8.25% for assessable profits on the first HK\$2 million and 16.5% for any assessable profits in excess of HK\$2 million. The subsidiary, Arrail Institute of Advanced Dentistry (AIAD) Limited, was established in Hong Kong and this tax policy is applicable. No provision for Hong Kong profits tax was made as the Group had no estimated assessable profit that was subject to Hong Kong profits tax during the six months ended September 30, 2022 and 2021.

(d) PRC Enterprise Income Tax ("EIT")

The income tax provision of the Group in respect of its operations in PRC was subject to statutory tax rate of 25% on the assessable profits for the six months ended September 30, 2022 and 2021 based on the existing legislation, interpretation and practices in respect thereof.

For the Group's PRC subsidiaries recognised as Small and Micro Enterprise ("SME") by the relevant government authorities, they are subject to a 50%-75% deduction of the assessable profits as well as a preferential tax rate of 20% or 10%, effective until December 31, 2022. During the six months ended September 30, 2022 and 2021, the majority of the Group's PRC subsidiaries meet the criteria of SMEs.

10 所得稅開支(續)

(c) 香港利得稅

於2018年4月1日之前，在香港註冊成立的實體須就於香港獲得的應課稅收入按16.5%的稅率繳納香港利得稅。自2018年4月1日開始的財政年度起，兩級利得稅制度生效，根據該制度，首2百萬港元的應課稅利潤稅率為8.25%，超出2百萬港元部分的任何應課稅利潤稅率為16.5%。子公司瑞爾口腔醫學院有限公司於香港成立，及適用於該利得稅制度。由於截至2022年及2021年9月30日止六個月本集團未有須繳納香港利得稅的估計應課稅利潤，因此未有就香港利得稅作出撥備。

(d) 中國企業所得稅(「企業所得稅」)

根據有關的現行法例、詮釋及慣例，本集團就截至2022年及2021年9月30日止六個月的應課稅利潤按法定稅率25%計提中國業務的所得稅撥備。

就本集團被相關政府機關認定為小微企業(「小微企業」)的中國子公司而言，其於2022年12月31日之前均可享受應課稅利潤50%至75%扣減並享受20%或10%的優惠稅率。於截至2022年及2021年9月30日止六個月，本集團大部分中國子公司符合小微企業標準。

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

10 INCOME TAX EXPENSES (Continued)

(e) Withholding tax in Mainland China (“WHT”)

According to the New Corporate Income Tax Law (“**New EIT Law**”), beginning on January 1, 2008, distribution of profits earned by companies in mainland China since January 1, 2008 to foreign investors is subject to withholding tax of 5% or 10%, depending on the country of incorporation of the foreign investor, upon the distribution of profits to overseas-incorporated immediate holding companies.

11 LOSS PER SHARE

(a) Basic loss per share

Basic loss per share for the six months ended September 30, 2022 and 2021 is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the period.

The weighted average number of class 1 and class 2 ordinary shares has been retrospectively adjusted for the effect of the share subdivision completed on March 21, 2022 whereby each class 1 and class 2 ordinary shares was subdivided into 25 class 1 and class 2 shares.

10 所得稅開支(續)

(e) 中國內地預扣稅(「預扣稅」)

根據自2008年1月1日起施行的新企業所得稅法(「新企業所得稅法」)，自2008年1月1日起，中國內地的公司向於境外註冊成立的直接控股公司分派利潤時，視乎外國投資者註冊成立所在國家而定，向該等外國投資者分派的利潤須按5%或10%的稅率繳納預扣稅。

11 每股虧損

(a) 每股基本虧損

截至2022年及2021年9月30日止六個月，每股基本虧損乃按本公司權益持有人應佔虧損除以期內發行在外普通股加權平均數計算。

1類及2類普通股加權平均數已就於2022年3月21日完成的股份拆細的影響作出追溯調整，據此，每股1類及2類普通股被拆細為25股1類及2類股份。

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

11 LOSS PER SHARE (Continued)

(a) Basic loss per share (Continued)

For the purpose of calculating the weighted average number of class 1 and class 2 ordinary shares outstanding, the number of shares shown below has taken the share subdivision into account as if the share subdivision was deemed to be effective since April 1, 2021.

11 每股虧損 (續)

(a) 每股基本虧損 (續)

就計算發行在外1類及2類普通股加權平均數而言，以下列示的股份數目已計及股份拆細，猶如股份拆細被視為自2021年4月1日起生效。

		For the six months ended September 30, 截至9月30日止六個月	
		2022 (Unaudited) 2022年 (未經審計)	2021 (Audited) 2021年 (經審計)
Loss attributable to equity holders of the Company (RMB'000)	本公司權益持有人應佔虧損 (人民幣千元)	(88,588)	(468,429)
Weighted average number of class 1 ordinary shares outstanding (in thousand)	發行在外1類普通股加權平均數 (千股)	—	49,872
Weighted average number of class 2 ordinary shares outstanding (in thousand)	發行在外2類普通股加權平均數 (千股)	—	29,730
Weighted average number of ordinary shares outstanding (in thousand)	發行在外普通股加權平均數 (千股)	581,592	—
Basic loss per share, for class 1 and class 2 ordinary shares and ordinary shares (expressed in RMB per share)	1類及2類普通股以及普通股每股基本虧損 (以每股人民幣元列示)	(0.15)	(5.88)

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

11 LOSS PER SHARE (Continued)

(b) Diluted loss per share

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

For the six months ended September 30, 2022, the Company had potential ordinary shares, including RSUs. For the six months ended September 30, 2021, the Company had potential ordinary shares, including Preferred Shares, warrants and derivative liabilities. As the Group incurred losses for the six months ended September 30, 2022 and 2021, the potential ordinary shares were not included in the calculation of diluted loss per share as their inclusion would be anti-dilutive. Accordingly, the amounts of diluted loss per share for the six months ended September 30, 2022 and 2021 were the same as basic loss per share of the respective period.

11 每股虧損(續)

(b) 每股攤薄虧損

計算每股攤薄虧損時，已就假設轉換所有攤薄性潛在普通股而調整發行在外普通股加權平均數。

截至2022年9月30日止六個月，本公司擁有潛在普通股，包括受限制股份單位。截至2021年9月30日止六個月，本公司擁有潛在普通股，包括優先股、權證及衍生負債。由於本集團在截至2022年及2021年9月30日止六個月產生虧損，故計算每股攤薄虧損時未計入潛在普通股，因為其計入將導致反攤薄。因此，截至2022年及2021年9月30日止六個月的每股攤薄虧損金額與各期間的每股基本虧損金額相同。

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

12 CAPITAL EXPENDITURE

12 資本支出

		Property, plant and equipment 物業、廠房及 設備	Right-of-use assets 使用權資產	Intangible assets 無形資產	Goodwill (Note) 商譽 (附註)
Net book amount as at	於2022年4月1日的				
April 1, 2022 (audited)	賬面淨值(經審計)	297,798	703,466	24,612	98,467
Additions	添置	34,346	72,809	3,113	–
Acquisition of a subsidiary (Note 21)	收購子公司 (附註21)	21,176	11,380	37,168	77,587
Disposals	處置	(704)	–	–	–
Depreciation/amortisation charge for the period	期內折舊／攤銷支出	(40,812)	(87,601)	(4,151)	–
Net book amount as at	於2022年9月30日的				
September 30, 2022	賬面淨值(未經審計)	311,804	700,054	60,742	176,054
(unaudited)					

Note: No goodwill impairment testing was performed as of September 30, 2022, as there was no event or change in circumstances indicating that goodwill might be impaired.

附註： 由於並無事件或情況變動表明商譽可能發生減值，故截至2022年9月30日並無進行商譽減值測試。

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

13 PREPAYMENTS

13 預付款項

		At September 30, 2022 (Unaudited) 於2022年 9月30日 (未經審計) RMB'000 人民幣千元	At March 31, 2022 (Audited) 於2022年 3月31日 (經審計) RMB'000 人民幣千元
<i>Non-current</i>	<i>非流動</i>		
Prepayments for construction	工程墊款	14,442	5,251
Prepayments for equipment	設備預付款項	44,821	12,800
Incremental costs of obtaining contracts	獲得合同的增量成本	3,682	3,671
		62,945	21,722
<i>Current</i>	<i>流動</i>		
Prepayments for braces	牙套預付款項	58,326	56,624
Prepayments for inventories other than braces	存貨(牙套除外)預付款項	18,569	32,160
Incremental costs of obtaining contracts	獲得合同的增量成本	19,469	17,923
Short-term lease prepayments	短期租賃預付款項	7,416	10,341
Prepayments for services	服務預付款項	11,291	9,656
		115,071	126,704
		178,016	148,426

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

14 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

14 按公允價值計入損益的金融資產

		At September 30, 2022 (Unaudited) 於2022年 9月30日 (未經審計) RMB'000 人民幣千元	At March 31, 2022 (Audited) 於2022年 3月31日 (經審計) RMB'000 人民幣千元
<i>Non-current</i>	<i>非流動</i>		
Unlisted debt instruments (Note a)	非上市債務工具 (附註a)	34,675	34,675
Unlisted equity instruments (Note b)	非上市權益工具 (附註b)	16,000	–
		50,675	34,675
<i>Current</i>	<i>流動</i>		
Wealth management products (Note c)	理財產品 (附註c)	246,156	197,055
Bank structured deposits	銀行結構性存款	2,000	–
		248,156	197,055
		298,831	231,730

Note a: The fair values of the unlisted debt instruments are calculated using the Market Method. In this model, the fair value of the financial instruments is determined by the implied equity value derived from a timely transaction in the private company's equity. Its fair values are within level 3 of the fair value hierarchy (Note 4.2).

Note b: On June 28, 2022, the Group acquired certain ordinary shares of Shenzhen Baocheng Dental Hospital ("Shenzhen Baocheng"), representing 10% equity interest of Shenzhen Baocheng, for the consideration of RMB16 million, which was close to its fair value as at June 28, 2022 and September 30, 2022.

The fair values of the unlisted equity instruments are calculated using the Discounted Cash Flow Method. In this model, the fair value of the financial instruments is based on its expected future cash flows and then discounted the cash to the current present value according to the time value. Its fair values are within level 3 of the fair value hierarchy (Note 4.2).

附註a: 非上市債務工具的公允價值乃使用市場法計算。在此模式下，金融工具的公允價值乃按私募公司股本的即時交易產生的隱含股權價值釐定。其公允價值屬於公允價值層級中的第三層級(附註4.2)。

附註b: 於2022年6月28日，本集團以對價人民幣16百萬元收購深圳寶城口腔醫院(「深圳寶城」)若干普通股(即深圳寶城10%的股權)，該對價接近其於2022年6月28日及2022年9月30日的公允價值。

非上市權益工具的公允價值乃使用折現現金流量法計算。在此模式下，金融工具的公允價值乃以預期未來現金流量為基礎並按照時間值將現金折現至當前現值。其公允價值屬於公允價值層級中的第三層級(附註4.2)。

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

14 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

Note c: On February 10, 2022, March 14 and 15, 2022, the Company and a subsidiary of the Company entered into the subscription agreements with Growth Vanguard Fund SPC to purchase wealth management products amounted to US\$31,040,000 at fixed annualized return rate of 1.2%. The wealth management product is subject to a lock-up period of one month and can be redeemed by the Company at any time upon expiration of the lock-up period. Its fair values are within level 3 of the fair value hierarchy (Note 4.2).

On September 21 2022, the Company acquired the wealth management products from GF Global Capital Limited amounted to US\$3,000,000 (equivalent to RMB21,299,000). Its fair values are within level 3 of the fair value hierarchy (Note 4.2).

14 按公允價值計入損益的金融資產 (續)

附註c: 於2022年2月10日、2022年3月14日及15日，本公司及本公司子公司與Growth Vanguard Fund SPC訂立認購協議，以購買金額為31,040,000美元的理財產品，固定年化回報率為1.2%。該理財產品的禁售期為一個月，本公司可於禁售期屆滿後隨時贖回。其公允價值屬於公允價值層級中的第三層級（附註4.2）。

於2022年9月21日，本公司向廣發全球資本有限公司購買3,000,000美元（相等於人民幣21,299,000元）的理財產品。其公允價值屬於公允價值層級中的第三層級（附註4.2）。

15 TRADE AND OTHER RECEIVABLES

15 貿易及其他應收款項

		At September 30, 2022 (Unaudited) 於2022年 9月30日 (未經審計) RMB'000 人民幣千元	At March 31, 2022 (Audited) 於2022年 3月31日 (經審計) RMB'000 人民幣千元
<i>Non-current</i>	<i>非流動</i>		
Other receivables	其他應收款項		
Loans to employees	向僱員提供貸款	36,120	40,300
Rental deposits	租賃按金	59,746	61,970
Deposits paid for investments (Note a)	就投資所支付的按金 (附註a)	3,000	5,000
Others	其他	1,470	3,642
		100,336	110,912
Less: loss allowance	減：虧損撥備	(1,385)	(1,436)
		98,951	109,476
<i>Current</i>	<i>流動</i>		
Trade receivables	貿易應收款項	100,758	87,379
Other receivables	其他應收款項		
Loans to related parties (Note b)	向關聯方提供貸款 (附註b)	79,158	1,500
Amounts due from related parties (Note 23(c))	應收關聯方款項 (附註23(c))	1,595	1,359
Petty cash granted to employees	授予僱員的小額現金	7,278	7,728
Rental and other deposits	租賃及其他按金	1,951	1,824
Amounts due from sole proprietorship	應收個體工商戶款項	14,033	12,272
Amounts due from minority shareholders	應收少數股東款項	3,150	-
Loans to employees	向僱員提供貸款	4,670	-
Others	其他	7,793	4,604
		220,386	116,666
Less: loss allowance	減：虧損撥備	(20,097)	(19,781)
		200,289	96,885
		299,240	206,361

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

15 TRADE AND OTHER RECEIVABLES (Continued)

Note a: As at September 30, 2022, a deposit amounted to RMB3 million was paid to Shenzhen Baocheng for the purpose of subscribing additional 4.1% equity interest of Shenzhen Baocheng.

In November 2022, additional deposit amounting to RMB1.5 million was paid to Shenzhen Baocheng for the subscription of the 4.1% equity interest.

Note b: On September 28, 2022, the Company entered into a loan agreement with Beier Holdings Limited (“Beier”) and agreed to provide a loan facility to Beier in an aggregate principal amount of US\$11,000,000 (equivalent to RMB78,098,000). The loan facility was drawn down by Beier in full on September 30, 2022. The loan was unsecured, interest bearing at 4.5% per annum, and repayable in nine months from the date of utilisation.

The carrying amount of the loan was initially recognised at fair value. The fair value of the loan at initial recognition was calculated using cash flows at discount rate of 5.25% per annum, which was based on US Prime Rate and adjusted by an estimated credit spread of the borrower. The difference between the fair value and the principal amount of the loan amounting to RMB420,000 was debited to equity during the six months ended September 30, 2022.

The Group generally allows a credit period of 10 to 60 days to its customers. Ageing analysis of trade receivables based on billing date is as follows:

15 貿易及其他應收款項(續)

附註a: 於2022年9月30日，已向深圳寶城支付按金人民幣三百萬元，以認購深圳寶城的額外4.1%股權。

於2022年11月，就認購4.1%股權向深圳寶城支付額外按金人民幣1.5百萬元。

附註b: 於2022年9月28日，本公司與Beier Holdings Limited (「Beier」) 訂立貸款協議，同意向Beier提供本金總額為11,000,000美元(相等於人民幣78,098,000元)的貸款融資。於2022年9月30日，貸款融資已由Beier全額提取。貸款為無抵押、按年利率4.5%計息且須於動用日期起計九個月內償還。

貸款的賬面值初始按公允價值確認。貸款於初始確認時的公允價值使用現金流量按每年5.25%的折現率計算，該折現率是以美元最優惠利率為基礎並就借款人的估計信貸息差作出調整而得出。截至2022年9月30日止六個月貸款公允價值與本金額之間的差額人民幣420,000元自權益扣除。

本集團一般給予其客戶10至60天的信貸期。按賬單日期劃分的貿易應收款項賬齡分析如下：

		At September 30, 2022 (Unaudited) 於2022年 9月30日 (未經審計) RMB'000 人民幣千元	At March 31, 2022 (Audited) 於2022年 3月31日 (經審計) RMB'000 人民幣千元
Up to 3 months	不超過3個月	59,229	36,985
3 to 6 months	3至6個月	16,280	22,400
6 months to 1 year	6個月至1年	9,511	6,744
1 to 2 years	1至2年	5,271	7,780
Over 2 years	超過2年	10,467	13,470
		100,758	87,379

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

16 SHARE CAPITAL

Authorised:

		Number of ordinary shares 普通股數目 '000 千股	Nominal value of ordinary shares 普通股面值 USD'000 千美元
As at April 1, 2022 and September 30, 2022 (Unaudited)	於2022年4月1日及 2022年9月30日(未經審計)	1,250,000	25,000

Issued:

已發行：

		Number of ordinary shares 普通股數目 '000 千股	Nominal value of ordinary shares 普通股面值 USD'000 千美元	Equivalent nominal value of ordinary shares 普通股等額 面值 RMB'000 人民幣千元
As at April 1, 2022 and September 30, 2022 (Unaudited)	於2022年4月1日及 2022年9月30日(未經審計)	581,592	11,633	74,769

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

17 BORROWINGS

17 借款

		At September 30, 2022 (Unaudited) 於2022年 9月30日 (未經審計) RMB'000 人民幣千元	At March 31, 2022 (Audited) 於2022年 3月31日 (經審計) RMB'000 人民幣千元
Included in non-current liabilities	計入非流動負債		
Secured bank borrowing (a)	有抵押銀行借款(a)	33,399	–
		33,399	–
Included in current liabilities	計入流動負債		
Secured bank borrowings (a)	有抵押銀行借款(a)	78,851	80,100
Unsecured bank borrowings (b)	無抵押銀行借款(b)	47,355	57,263
		126,206	137,363
		159,605	137,363

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

17 BORROWINGS (Continued)

(a) Secured bank borrowings

Secured bank borrowings as at September 30, 2022 and March 31, 2022 bear annual weighted average interest rate at 4.27% and 4.47%, respectively.

The maturity of secured bank borrowings is as follows:

		At September 30, 2022 (Unaudited) 於2022年 9月30日 (未經審計) RMB'000 人民幣千元	At March 31, 2022 (Audited) 於2022年 3月31日 (經審計) RMB'000 人民幣千元
Within 1 year	1年內	78,851	80,100
Between 1 and 2 years	1至2年	3,711	–
Between 2 and 3 years	2至3年	29,688	–
		112,250	80,100

Secured bank borrowings of the Group are secured as follows:

		At September 30, 2022 (Unaudited) 於2022年 9月30日 (未經審計) RMB'000 人民幣千元	At March 31, 2022 (Audited) 於2022年 3月31日 (經審計) RMB'000 人民幣千元
Time deposits with original maturity over three months	原到期日超過三個月的定期存款	149,218	95,290

17 借款(續)

(a) 有抵押銀行借款

於2022年9月30日及2022年3月31日的有抵押銀行借款分別按4.27%及4.47%的年加權平均利率計息。

有抵押銀行借款的到期情況如下：

本集團的有抵押銀行借款抵押如下：

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

17 BORROWINGS (Continued)

(b) Unsecured bank borrowings

Unsecured bank borrowings as at September 30, 2022 and March 31, 2022 bear annual weighted average interest rate at 4.47% and 4.63%, respectively.

The maturity of unsecured bank borrowings is as follows:

		At September 30, 2022 (Unaudited) 於2022年 9月30日 (未經審計) RMB'000 人民幣千元	At March 31, 2022 (Audited) 於2022年 3月31日 (經審計) RMB'000 人民幣千元
Within 1 year	1年內	47,355	57,263

An unsecured bank borrowing amounting to RMB2,000,000 (March 31, 2022: Nil) was guaranteed by two non-controlling shareholders and the spouse of a non-controlling shareholder of Wuxi Tongshan Dental Hospital Co., Ltd ("Wuxi Tongshan").

17 借款(續)

(b) 無抵押銀行借款

於2022年9月30日以及2022年3月31日的無抵押銀行借款分別按4.47%及4.63%的年加權平均利率計息。

無抵押銀行借款的到期情況如下：

無抵押銀行借款人民幣2,000,000元(2022年3月31日：零)由無錫市通善口腔醫院有限公司(「無錫通善」)的兩名非控股股東及一名非控股股東的配偶擔保。

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

18 DEFERRED INCOME TAX

The following is an analysis of the deferred tax balances presented on the consolidated balance sheet:

		At September 30, 2022 (Unaudited) 於2022年 9月30日 (未經審計) RMB'000 人民幣千元	At March 31, 2022 (Audited) 於2022年 3月31日 (經審計) RMB'000 人民幣千元
Deferred tax assets	遞延稅項資產	59,826	56,677
Deferred tax liabilities	遞延稅項負債	(11,009)	(2,125)
		48,817	54,552

The following are the deferred tax assets and liabilities recognised by the Group and movements thereon during the six months ended September 30, 2022 and 2021.

18 遞延所得稅

以下是合併資產負債表呈列的對遞延稅款餘額的分析：

以下是本集團於截至2022年及2021年9月30日止六個月確認的遞延稅項資產及負債及其變動情況。

		Tax losses	Credit loss allowance	Fair value adjustments on assets acquired in business combinations 業務合併收購資產的公允價值調整	Total
		稅項虧損 RMB'000 人民幣千元	信貸虧損撥備 RMB'000 人民幣千元	的公允價值調整 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
At April 1, 2022	於2022年4月1日	51,353	5,324	(2,125)	54,552
Business combination (Note 21)	業務合併 (附註21)	-	-	(9,292)	(9,292)
Credited to profit or loss	計入損益	3,042	107	408	3,557
At September 30, 2022 (Unaudited)	於2022年9月30日 (未經審計)	54,395	5,431	(11,009)	48,817
At April 1, 2021	於2021年4月1日	27,192	1,438	(3,125)	25,505
Credited/(charged) to profit or loss	計入/(扣除自)損益	1,729	(323)	495	1,901
At September 30, 2021 (Audited)	於2021年9月30日 (經審計)	28,921	1,115	(2,630)	27,406

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

19 TRADE AND OTHER PAYABLES

		At September 30, 2022 (Unaudited) 於2022年 9月30日 (未經審計) RMB'000 人民幣千元	At March 31, 2022 (Audited) 於2022年 3月31日 (經審計) RMB'000 人民幣千元
Trade payables	貿易應付款項	80,039	74,211
Other payables	其他應付款項	177,290	198,894
		257,329	273,105

Ageing analysis of trade payables of the Group based on invoice date is as follows:

本集團按發票日期劃分的貿易應付款項賬齡分析如下：

		At September 30, 2022 (Unaudited) 於2022年 9月30日 (未經審計) RMB'000 人民幣千元	At March 31, 2022 (Audited) 於2022年 3月31日 (經審計) RMB'000 人民幣千元
Up to 3 months	不超過3個月	31,030	38,755
3 to 6 months	3至6個月	13,949	11,154
6 months to 1 year	6個月至1年	15,628	8,462
Over 1 year	超過1年	19,432	15,840
		80,039	74,211

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

19 TRADE AND OTHER PAYABLES (Continued)

The breakdown of other payables is as follows:

19 貿易及其他應付款項(續)

其他應付款項的明細如下：

		At September 30, 2022 (Unaudited) 於2022年 9月30日 (未經審計) RMB'000 人民幣千元	At March 31, 2022 (Audited) 於2022年 3月31日 (經審計) RMB'000 人民幣千元
Non-current	非流動		
Other payables	其他應付款項		
Consideration payable to original shareholders for acquisition of Wuxi Tongshan (Note)	收購無錫通善應付原股東對價 (附註)	12,836	–
Current	流動		
Other payables	其他應付款項		
Amounts due to minority shareholders	應付少數股東款項	7,853	7,325
Amounts due to former shareholders	應付前任股東款項	8,425	7,836
Amounts due to related parties (Note 23(c))	應付關聯方款項 (附註23(c))	7,972	7,114
Employee benefits payable	應付僱員福利	64,122	80,607
Consideration payable for acquisition of additional interest in a subsidiary	收購子公司額外權益應付對價	–	36,500
Consideration payable to original shareholders for acquisition of Wuxi Tongshan (Note)	收購無錫通善應付原股東對價 (附註)	30,801	–
Taxes payable	應付稅項	11,813	9,467
Listing fees	上市費用	7,693	24,493
Others	其他	25,775	25,552
		164,454	198,894
		177,290	198,894

Note: As of September 30, 2022, the consideration payable to original shareholders for acquisition of Wuxi Tongshan amounted to RMB43.64 million (Note 21), of which RMB30.8 million was due within 12 months after the end of the reporting period and RMB12.84 million was due after 12 months after the end of the reporting period.

附註：截至2022年9月30日，收購無錫通善應付原股東對價為人民幣43.64百萬元（附註21），其中人民幣30.8百萬元於報告期末後12個月內到期及人民幣12.84百萬元於報告期末後12個月後到期。

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

20 SHARE-BASED COMPENSATION EXPENSES – RSUs

Movements in the number of RSUs granted on October 1, 2022 under the RSU Plan adopted by the Company in August 2021 and their related weighted average fair value per restrictive share unit (“RSU”) are as follows:

For the six months ended September 30, 2022 (Unaudited) 截至2022年9月30日止六個月(未經審計)		For the six months ended September 30, 2021 (Audited) 截至2021年9月30日止六個月(經審計)	
Number of RSUs 受限制股份 單位數目	Weighted average fair value per RSU 每受限制股份單位 加權平均公允價值 (USD) (美元)	Number of RSUs 受限制股份 單位數目	Weighted average fair value per RSU 每受限制股份單位 加權平均公允價值 (USD) (美元)
Opening and closing balance 期初及期末結餘	91,723,525 14.74 (Note) (附註)	-	-

Note:

Weighted average fair value per RSU, after adjustment for Share subdivision, is USD0.59.

The share-based compensation expenses relating to the RSUs were recognised as administrative expenses during the six months ended September 30, 2022 amounting to RMB100,641,000 (for the six months ended September 30, 2021: nil).

On September 3, 2022 (“Adoption Date”), the Company has adopted the 2022 RSU Scheme (“2022 RSU Scheme”) as approved by the board of directors of the Company to further provide a means of compensating the Selected Participants through the grant of awards for their contribution to the growth and profits of the Group.

20 股份酬金開支 – 受限制股份單位

根據本公司於2021年8月採納的受限制股份單位計劃於2022年10月1日授出的受限制股份單位數目及其每受限制股份單位(「受限制股份單位」)相關的加權平均公允價值變動如下：

附註：

每受限制股份單位加權平均公允價值經股份拆細調整後為0.59美元。

截至2022年9月30日止六個月確認為行政開支的受限制股份單位有關的股份酬金開支為人民幣100,641,000元(截至2021年9月30日止六個月：零)。

於2022年9月3日(「採納日期」)，本公司已採納由本公司董事會批准的2022年受限制股份單位計劃(「2022年受限制股份單位計劃」)，進一步透過授予獎勵的方式酬謝獲甄選參與者為本集團發展及利潤所作出的貢獻。

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

20 SHARE-BASED COMPENSATION EXPENSES – RSUs (Continued)

Unless terminated earlier by the Company, the 2022 RSU Scheme is valid and effective for a term of 10 years commencing from the Adoption Date. Upon termination, (i) no further grant of RSUs may be made under the 2022 RSU Scheme; and (ii) the awards (to the extent not already settled, paid-out, lapsed or cancelled) granted prior to such termination shall continue to be valid in accordance with the 2022 RSU Scheme.

Pursuant to the 2022 RSU Scheme, the underlying shares will be satisfied by the existing ordinary shares to be acquired on the market based on the trading price of the market.

The Board shall not make any further awards which will result in the nominal value of the underlying shares under the 2022 RSU Scheme exceeding 10% of the issued shares of the Company as at the Adoption Date. The maximum number of the underlying shares which may be transferred or paid-out in settlement of all RSUs awarded to any Selected Participants under the 2022 RSU Scheme shall not exceed 1% of the issued shares of the Company from time to time in any 12-month period.

21 BUSINESS COMBINATION

On July 8, 2022, the Group entered into an investment agreement with Wuxi Tongshan Dental Hospital Co., Ltd (無錫市通善口腔醫院有限公司) (the “**Target Company**”) and its shareholders, pursuant to which the Group conditionally agreed to obtain 51% interest in the registered capital of the Target Company. The acquisition was completed on August 30, 2022. The excess of the consideration over the Group’s net fair value of assets and liabilities acquired amounting to RMB77.59 million was recorded as goodwill.

20 股份酬金開支 – 受限制股份單位 (續)

除非本公司提前終止，否則2022年受限制股份單位計劃自採納日期起計10年內有效。於終止後，(i)不再根據2022年受限制股份單位計劃授予受限制股份單位；及(ii)終止前已授予的獎勵（以尚未結算、支付、失效或註銷者為限）將根據2022年受限制股份單位計劃繼續有效。

根據2022年受限制股份單位計劃，相關股份將以於市場上按照市場交易價購買的現有普通股支付。

董事會不得進一步授出獎勵，導致2022年受限制股份單位計劃項下的相關股份面值超過本公司於採納日期已發行股份的10%。因結算根據2022年受限制股份單位計劃將授予任何獲甄選參與者的所有受限制股份單位而可能轉讓或支付的相關股份的最高數目，不得超過本公司於任何12個月期間不時已發行股份的1%。

21 業務合併

於2022年7月8日，本集團與無錫市通善口腔醫院有限公司（「目標公司」）及其股東訂立投資協議，據此，本集團有條件同意取得目標公司註冊資本的51%權益。該收購於2022年8月30日完成。對價超過本集團所收購資產和負債淨公允價值的部分為人民幣77.59百萬元，其已計入商譽。

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

21 BUSINESS COMBINATION (Continued)

The following table summarises the total purchase consideration for investment, the fair value of assets acquired, and the liabilities assumed at the acquisition date:

21 業務合併 (續)

下表概述於收購日投資的總購買對價及所收購資產以及所承擔負債的公允價值：

		August 30, 2022 (Unaudited) 2022年 8月30日 (未經審計) RMB'000 人民幣千元
Purchase consideration	購買對價	
Cash paid	已付現金	61,850
Consideration payable to the original shareholders (Note 19)	應付原股東對價 (附註19)	43,637
Consideration payable to the Target Company for capital injection	就增資應付目標公司對價	17,358
Total purchase consideration	總購買對價	122,845
Recognised amounts of identifiable assets acquired and liabilities assumed	所收購可識別資產及所承擔負債的 已確認金額	
Cash and cash equivalents	現金及現金等價物	35,832
Trade and other receivables, prepayments and other current assets	貿易及其他應收款項、預付款項及 其他流動資產	29,822
Property, plant and equipment	物業、廠房及設備	21,176
Rights-of-use assets	使用權資產	11,380
Other non-current assets	其他非流動資產	187
Intangible assets: brand and licenses	無形資產：品牌及許可證	29,368
Intangible assets: non-competitive agreements and customer relationship	無形資產：非競爭性協議及客戶關係	7,800
Trade and other payables	貿易及其他應付款項	(37,532)
Deferred tax liabilities	遞延稅項負債	(9,292)
Total identifiable net assets	可識別淨資產總值	88,741
Less: Non-controlling interests	減：非控股權益	(43,483)
Add: Goodwill	加：商譽	77,587
		122,845

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

21 BUSINESS COMBINATION (Continued)

21 業務合併 (續)

		August 30, 2022 (Unaudited) 2022年 8月30日 (未經審計) RMB'000 人民幣千元
Outflow of cash to acquire the business, net of cash acquired	收購業務的現金流出 (扣除所得現金)	
Cash consideration	現金對價	61,850
Less: Cash and cash equivalents acquired	減：所得現金及現金等價物	(35,832)
Net outflow of cash – investing activities	現金流出淨額 – 投資活動	26,018

The goodwill is attributable to Wuxi Tongshan's synergies expected to arise after the Group's acquisition of this business.

商譽歸因於本集團收購無錫通善後預期產生的該業務的協同效應。

(a) Other information

The acquisition-related costs were not significant and were charged directly to administrative expenses in the consolidated income statements for the six months ended September 30, 2022.

(a) 其他資料

收購相關的成本並不重大，已於截至2022年9月30日止六個月的合併損益表中的行政開支直接扣除。

Revenue and profit contribution

The acquired business contributed revenue of RMB7,367,000 and net loss of RMB850,000 to the Group for the period from August 30, 2022 to September 30, 2022. If the acquisition had occurred on April 1, 2022, consolidated revenue and consolidated loss for the period of the Group for the six months ended September 30, 2022 would have been RMB808,233,000 and RMB88,235,000 respectively.

收入及利潤貢獻

被收購業務於2022年8月30日至2022年9月30日期間為本集團貢獻收入人民幣7,367,000元及淨虧損人民幣850,000元。假設收購於2022年4月1日已發生，則截至2022年9月30日止六個月本集團的期內合併收入及合併虧損分別為人民幣808,233,000元及人民幣88,235,000元。

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

22 COMMITMENTS

(a) Capital commitments

Saved as disclosed elsewhere, significant capital expenditure contracted for at the end of the reporting period but not yet incurred is as follows:

		At September 30, 2022 (Unaudited) 於2022年 9月30日 (未經審計) RMB'000 人民幣千元	At March 31, 2022 (Audited) 於2022年 3月31日 (經審計) RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	5,031	16,094
Equity investment for Shenzhen Baocheng	對深圳寶城的股權投資	5,930	–

23 RELATED PARTY TRANSACTIONS

(a) Names and relationships with related parties

The following companies are significant related parties of the Group that had transactions and/or balances with the Group during the six months ended September 30, 2022 and 2021.

Name of related party 關聯方名稱	Relationship with the Group 與本集團的關係
Zou Qifang 鄒其芳	Director of the Company 本公司董事
Hangzhou Jarvis	Entity controlled by a close family member of a director 由董事的近親控制的實體
杭州佳沃思	Entity controlled by a close family member of a director 由董事的近親控制的實體
Hangzhou Shengchao Medical Technology Company Limited (“Hangzhou Shengchao”)	Associate of the Group 本集團聯營公司
杭州盛朝醫療科技有限公司 (「杭州盛朝」)	Associate of the Group 本集團聯營公司
福州美可普	Associate of the Group 本集團聯營公司
濟南濟東	Joint Venture of the Group 本集團合營公司
北京康泰	Joint Venture of the Group 本集團合營公司
Beier Holdings Limited	Entity controlled by a director 由董事控制的實體
Rise Day Holdings Limited	Entity controlled by a director 由董事控制的實體
Qiming Venture Partners II, L.P.	Shareholder of the Company 本公司股東
Qiming Venture Partners II-C, L.P.	Shareholder of the Company 本公司股東
Qiming Managing Directors Fund II, L.P.	Shareholder of the Company 本公司股東

22 承擔

(a) 資本承擔

除其他地方所披露外，於報告期末已訂約但尚未產生的重大資本開支如下：

23 關聯方交易

(a) 關聯方名稱及與關聯方的關係

以下公司為於截至2022年及2021年9月30日止六個月與本集團有交易及／或結餘的本集團重大關聯方。

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

23 RELATED PARTY TRANSACTIONS (Continued)

(b) Significant transactions with related parties

The following significant transactions were carried out between the Group and its related parties for the six months ended September 30, 2022 and 2021. In the opinion of the directors of the Company, the related party transactions were carried out in the normal course of business and at terms negotiated between the Group and the respective related parties.

23 關聯方交易 (續)

(b) 與關聯方的重大交易

於截至2022年及2021年9月30日止六個月，本集團與其關聯方進行以下重大交易。本公司董事認為，關聯方交易乃於正常業務過程中按本集團與各關聯方之間協商的條款進行。

		For the six months ended September 30, 截至9月30日止六個月	
		2022 (Unaudited) 2022年 (未經審計) RMB'000 人民幣千元	2021 (Audited) 2021年 (經審計) RMB'000 人民幣千元
<u>Sales of goods</u>	<u>銷售貨品</u>		
Hangzhou Shengchao	杭州盛朝	506	1,897
福州美可普	福州美可普	3,414	1,385
濟南濟東	濟南濟東	36	90
		3,956	3,372
<u>Purchases of goods</u>	<u>購買貨品</u>		
Hangzhou Shengchao	杭州盛朝	12,281	11,416
北京康泰	北京康泰	3,074	4,133
		15,355	15,549
<u>Receiving services</u>	<u>接受服務</u>		
Hangzhou Shengchao	杭州盛朝	439	365

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

23 RELATED PARTY TRANSACTIONS (Continued)

(c) Balances with related parties

The following balances are outstanding as at September 30, 2022 and March 31, 2022 in relation to transactions with related parties:

		At September 30, 2022 (Unaudited) 於2022年 9月30日 (未經審計) RMB'000 人民幣千元	At March 31, 2022 (Audited) 於2022年 3月31日 (經審計) RMB'000 人民幣千元
Trade related receivables	貿易相關應收款項		
Hangzhou Shengchao	杭州盛朝	6,166	5,245
福州美可普	福州美可普	4,469	3,608
北京康泰	北京康泰	4,613	4,613
		15,248	13,466
Amounts due from related parties (Note 15)	應收關聯方款項 (附註15)		
Non-trade nature	非貿易性質		
Rise Day Holdings Limited	Rise Day Holdings Limited	1,595	1,359
Trade related payables	貿易相關應付款項		
Hangzhou Shengchao	杭州盛朝	3,591	–
北京康泰	北京康泰	1,348	1,254
		4,939	1,254
Prepayments to related parties	預付關聯方款項		
Trade nature	貿易性質		
北京康泰	北京康泰	12,139	12,269
Amounts due to related parties (Note 19)	應付關聯方款項 (附註19)		
Non-trade nature	非貿易性質		
Zou Qifang	鄒其芳	507	151
Qiming Venture Partners II, L.P.	Qiming Venture Partners II, L.P.	6,773	6,317
Qiming Venture Partners II-C, L.P.	Qiming Venture Partners II-C, L.P.	593	553
Qiming Managing Directors Fund II, L.P.	Qiming Managing Directors Fund II, L.P.	99	93
		7,972	7,114
Loans to related parties (Note 15)	向關聯方提供貸款 (附註15)		
Non-trade nature	非貿易性質		
Beier Holdings Limited (Note 15(b))	Beier Holdings Limited (附註15(b))	77,658	–
濟南濟東	濟南濟東	1,500	1,500
		79,158	1,500

23 關聯方交易 (續)

(c) 與關聯方的結餘

以下與關聯方的交易有關的結餘於2022年9月30日及2022年3月31日為未結清：

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

23 RELATED PARTY TRANSACTIONS (Continued)

(d) Key management personnel compensation

		For the six months ended September 30, 截至9月30日止六個月	
		2022 (Unaudited) 2022年 (未經審計) RMB'000 人民幣千元	2021 (Audited) 2021年 (經審計) RMB'000 人民幣千元
Wages, salaries, bonuses and other allowances	工資、薪金、花紅及其他津貼	3,610	3,771
Share-based compensation expenses	股份酬金開支	38,038	—
Social security costs and contributions to housing provident fund	社會保障成本及住房公積金供款	264	254
Allowances and benefits in kind	津貼及實物福利	1,331	1,283
		43,243	5,308

24 DIVIDENDS

No dividend was declared by the Company during the six months ended September 30, 2022 and 2021.

24 股息

截至2022年及2021年9月30日止六個月，本公司並無宣派任何股息。

Notes to the Interim Condensed Consolidated Financial Information

中期簡明合併財務資料附註

25 EVENTS AFTER THE REPORTING PERIOD

In October 2022, the Company purchased wealth management products from GF Global Capital Limited amounting to US\$17,000,000 (equivalent to RMB120,875,000).

In October 2022, the Company partially redeemed the wealth management products from Growth Vanguard Fund SPC (Note 14) amounting to US\$16,610,000 (equivalent to RMB119,207,000).

On November 3, 2022, the Group entered into a cooperation agreement with Hangzhou Jarvis and Hangzhou Jinyaori Medical Technology Company Limited (“Hangzhou Jinyaori”), an entity controlled by a close family member of a director, pursuant to which the Group agreed to subscribe for 20% of the registered capital of the Hangzhou Jinyaori at the subscription amount of RMB30 million. Upon completion of the subscription, the Group will own 20% of the registered capital of Hangzhou Jinyaori, with the remaining 80% owned by Hangzhou Jarvis. On the same day, the Group entered into a licensing agreement with the Hangzhou Jinyaori, pursuant to which the Group shall license certain intellectual property rights to Hangzhou Jinyaori for a term of three years.

On November 23, 2022, the Group paid RMB10 million to Hangzhou Jinyaori for the purpose of this subscription.

Save as disclosed above and elsewhere in this interim report, there have been no other material events subsequent to the period ended September 30, 2022, which require adjustment or disclosure in accordance with IFRSs.

25 報告期後事項

於2022年10月，本公司向廣發全球資本有限公司購買17,000,000美元（相等於人民幣120,875,000元）的理財產品。

於2022年10月，本公司向Growth Vanguard Fund SPC（附註14）部分贖回16,610,000美元（相等於人民幣119,207,000元）的理財產品。

於2022年11月3日，本集團與杭州佳沃思及杭州金曜日醫療科技有限公司（「杭州金曜日」，一家由董事的近親控制的實體）訂立合作協議，據此，本集團同意認購杭州金曜日20%註冊資本，認購金額為人民幣30百萬元。於認購事項完成後，本集團將擁有杭州金曜日的20%註冊資本，剩餘80%由杭州佳沃思擁有。同日，本集團與杭州金曜日訂立許可協議，據此，本集團許可杭州金曜日使用若干知識產權，為期三年。

於2022年11月23日，本集團就是次認購向杭州金曜日支付人民幣10百萬元。

除上文及本中期報告其他部分另有披露者外，於截至2022年9月30日止期間後，並無任何其他重大事項須根據國際財務報告準則進行調整或披露。

Definitions and Glossary of Technical Terms

釋義及技術詞彙

“2022 RSU Scheme” 「2022年受限制股份單位計劃」	the 2022 restricted share unit scheme adopted by the Company in accordance with the scheme rules on September 3, 2022 指本公司於2022年9月3日根據計劃規則採納的2022年受限制股份單位計劃
“Adjusted Net Profit” 「經調整淨利潤」	adjusted net profit as loss for the six months adjusted by adding share-based compensation expenses 指經調整淨利潤為通過加上股份酬金開支進行調整的六個月內虧損
“Arrail Sunshine” 「Arrail Sunshine」	Arrail Sunshine Holdings Limited, a BVI company which holds the Shares underlying the awards under the RSU Scheme 指Arrail Sunshine Holdings Limited，一家英屬維爾京群島公司，持有受限制股份單位計劃項下相關獎勵股份
“associate(s)” 「聯繫人」	has the meaning ascribed to it under the Listing Rules 指具有上市規則賦予的涵義
“Audit Committee” 「審計委員會」	the audit committee of the Board 指董事會審計委員會
“Board” or “Board of Directors” 「董事會」	the board of Directors of our Company 指本公司董事會
“BVI” 「英屬維爾京群島」	the British Virgin Islands 指英屬維爾京群島
“CAGR” 「年均複合增長率」	compound annual growth rate 指年均複合增長率
“China” or “the PRC” 「中國」	the People’s Republic of China excluding, for the purpose of this interim report, Hong Kong, Macau Special Administrative Region and Taiwan 指中華人民共和國，就本中期報告而言，不包括香港、澳門特別行政區及台灣
“Companies Ordinance” 「公司條例」	the Companies Ordinance, Chapter 622 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time 指公司條例（香港法例第622章），經不時修訂、補充或以其他方式修改
“Company” or “our Company” 「本公司」	Arrail Group Limited (瑞爾集團有限公司), an exempted company registered by way of continuation under the laws of the Cayman Islands with limited liability on November 16, 2020, and registered as a non-Hong Kong Company under Part 16 of the Companies Ordinance on July 26, 2021 指瑞爾集團有限公司，一家於2020年11月16日根據開曼群島法例以存續方式註冊的獲豁免有限公司並於2021年7月26日根據公司條例第16部註冊為非香港公司
“Corporate Governance Code” 「企業管治守則」	the Corporate Governance Code as set out in Appendix 14 to the Listing Rules 指上市規則附錄十四所載企業管治守則

Definitions and Glossary of Technical Terms

釋義及技術詞彙

“Director(s)” or “our Director(s)” 「董事」	the director(s) of our Company 指本公司董事
“EBITDA” 「息稅折舊及攤銷前利潤」	EBITDA as loss for the six months adjusted by adding finance costs-net, income tax expenses, depreciation and amortization 指息稅折舊及攤銷前利潤為通過加上淨財務成本、所得稅開支、折舊及攤銷進行調整的六個月內虧損
“Frost & Sullivan” 「弗若斯特沙利文」	Frost & Sullivan (Beijing) Inc., Shanghai Branch Co., a global market research and consulting company, which is a third party independent to our Group 指弗若斯特沙利文（北京）諮詢有限公司上海分公司，為全球市場研究與諮詢公司及本集團獨立第三方
“Global Offering” 「全球發售」	the Hong Kong Public Offering and the International Offering 指香港公開發售及國際發售
“Group”, “our Group”, “Arrail Group”, “we”, “us”, or “our” 「本集團」、「瑞爾集團」或 「我們」	our Company and all of our subsidiaries and the VIE Entities (as defined in the Prospectus) from time to time or, where the context so requires, in respect of the period before our Company became the holding company of its present subsidiaries, the businesses operated by such subsidiaries or their predecessors (as the case may be) 指本公司、我們的全部子公司及不時的可變利益實體（定義見招股章程）或（按文義所指）就本公司成為我們現時子公司的控股公司之前期間而言，指有關子公司或其前身（視情況而定）經營的業務
“HK\$” or “Hong Kong Dollars” 「港元」	Hong Kong dollars, the lawful currency of Hong Kong 指香港法定貨幣港元
“Hong Kong” 「香港」	the Hong Kong Special Administrative Region of the PRC 指中國香港特別行政區
“Listing” or “IPO” 「上市」或「首次公開發售」	the listing of our Shares on the Main Board of the Stock Exchange 指股份在聯交所主板上市
“Listing Date” 「上市日期」	March 22, 2022, the date on which dealings in our Shares first commence on the Stock Exchange 指2022年3月22日，股份於聯交所首次開始買賣的日期
“Listing Rules” 「上市規則」	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended or supplemented from time to time 指香港聯合交易所有限公司證券上市規則，經不時修訂或補充
“Main Board” 「主板」	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operated in parallel with the Growth Enterprise Market of the Stock Exchange. For the avoidance of doubt, the Main Board excludes the Growth Enterprise Market of the Stock Exchange 指由聯交所運營的證券交易所（不包括期權市場），獨立於聯交所GEM，並與聯交所GEM並行運作。為免生疑問，主板不包括聯交所GEM

Definitions and Glossary of Technical Terms

釋義及技術詞彙

“Model Code” 「標準守則」	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 of the Listing Rules 指上市規則附錄十所載上市發行人董事進行證券交易的標準守則
“Nomination Committee” 「提名委員會」	the nomination committee of the Board 指董事會提名委員會
“Principal Share Registrar” 「證券登記總處」	Maples Fund Services (Cayman) Limited, our principal share registrar in the Cayman Islands 指Maples Fund Services (Cayman) Limited，我們於開曼群島的證券登記總處
“Prospectus” 「招股章程」	the prospectus issued by the Company dated March 9, 2022 指本公司於2022年3月9日刊發的招股章程
“Remuneration Committee” 「薪酬委員會」	the remuneration committee of the Board 指董事會薪酬委員會
“Renminbi” or “RMB” 「人民幣」	Renminbi Yuan, the lawful currency of China 指中國法定貨幣人民幣元
“Reporting Period” 「報告期」	the six months ended September 30, 2022 指截至2022年9月30日止六個月
“RSU(s)” 「受限制股份單位」	restricted share unit(s) 指受限制股份單位
“RSU Scheme” 「受限制股份單位計劃」	the restricted share units scheme adopted by our Company on August 3, 2021, details of which are set out in the Prospectus 指本公司於2021年8月3日採納的受限制股份單位計劃（詳情載於招股章程）
“SFO” 「證券及期貨條例」	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time 指香港法例第571章證券及期貨條例，經不時修訂或補充
“Share(s)” 「股份」	ordinary share(s) in the share capital of the Company, with a nominal value of US\$0.02 each 指本公司股本中每股面值0.02美元的普通股
“Shareholder(s)” 「股東」	holder(s) of our Share(s) 指股份持有人
“Stock Exchange” 「聯交所」	The Stock Exchange of Hong Kong Limited 指香港聯合交易所有限公司
“subsidiary(ies)” 「子公司」	has the meaning ascribed to it in section 15 of the Companies Ordinance 指具有公司條例第15條賦予的涵義



Definitions and Glossary of Technical Terms

釋義及技術詞彙

“Substantial Shareholder(s)” 「主要股東」	has the meaning ascribed to it under the Listing Rules 指具有上市規則賦予的涵義
“U.S. dollars” or “US\$” 「美元」	United States dollars, the lawful currency of the United States 指美國的法定貨幣美元
“%” 「%」	per cent. 指百分比

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